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K-K MOBBS CONSTRUCTION

Brothers build from the ground up to become one of the premier excavation companies in East Texas

See article inside . . .



A MESSAGE FROM

THE VICE PRESIDENT



G. Michael Green

Consider new machines that get more done more efficiently.



Dear Valued Customer:

Recently, we've seen encouraging signs in the construction industry, including the homebuilding and infrastructure segments. We hope that momentum continues.

This time of the year is always a good time to assess your fleet. Whether that means updating your fleet through outright purchase or trade-in, or doing needed maintenance on your equipment, we're here to help.

If you're looking for equipment, we believe we carry the top brands in the marketplace. Included in our extensive lineup are new Tier 4 Interim machines, such as Komatsu's redesigned D61-23 dozers that feature slant-nose hoods similar to the popular D51 models. Komatsu also introduced a new WA470-7 wheel loader that, like other new machines, gets more done more efficiently. You can read about both in this issue of your WPI *Update* magazine.

Most new Komatsu machines allow operators to choose working modes. I believe you'll find the article on Power mode versus Economy mode a good guide on which to use in your applications. This issue also presents informative articles on Komatsu's technology team members and how they are working to find ways to make your business more efficient.

Maintaining your equipment is critical. We stand behind Komatsu Tier 4 Interim machines with Komatsu CARE, offering complimentary scheduled maintenance and diesel particulate filters. Our service departments also provide cost-effective solutions to maintaining your older equipment, whether it's a brand we carry or a competitive one.

As always, if there's anything we can do for you, please call or stop by one of our branch locations.

Sincerely,

WAUKESHA-PEARCE INDUSTRIES, INC.

G. Michael Green

Vice President of CMD Operations

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A PEARCE INDUSTRIES, INC. COMPANY



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Here's a recap of the most recent MinExpo quadrennial event held in Las Vegas.

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K-K MOBBS CONSTRUCTION

Brothers build from the ground up to become one of the premier excavation companies in East Texas

K-K Mobbs Construction marks its 30th anniversary in business in 2013. Changes to the company through the years have been significant for brothers Kenny and Keith Mobbs, who founded K-K Mobbs as a small dirt contractor.

"When I got out of college, I went to work for another company doing construction, and when Keith graduated, he came to work there too," recalled Kenny, who's President of K-K Mobbs. "Our experience included everything from excavation to fabricating metal buildings to concrete work. In 1983, we decided to go out on our own, so our dad cosigned a note for us and we bought a backhoe."

"We both learned to weld at our previous jobs, so we bought some axles and metal and built our own trailer in order to haul the backhoe," added Keith, Vice President. "We also purchased a cheap, one-ton truck and put a bed on it. In the beginning, our work consisted of small projects, such as private lake construction, subgrade for concrete contractors, building boat houses, retaining walls and anything else we could do to supplement the dirt work."

Based in Longview, K-K Mobbs Construction continues to offer all those types of work and much more. Its services include clearing,

Related companies include Mobbs Builders and Mobbs Real Estate Group.

Brothers Keith (left) and

Kenny Mobbs founded

are based in Longview.

in 1983. The general excavation contractors

K-K Mobbs Construction

site balancing, rough and fine grading and utility installation for commercial, industrial, governmental and residential customers. It also does a limited amount of work in the East-Texas oil fields. The company does much of its work as a general contractor, with K-K Mobbs performing nearly 100 percent of the work, subbing out some aspects, such as large paves.

"We've always liked to set the pace, to be the leader on a project," explained Kenny. "Our customers appreciate that they have one company responsible for the site-work schedule. They also like that we're hands-on owners and they can contact us anytime, knowing we'll respond. Providing quality customer service is one of our calling cards, and that's paid off for us. We do a large amount of repeat work and have gained many new customers through word-of-mouth advertising."

Diversifying services

Through the years, the Mobbs family has expanded its resume with the addition of Mobbs Builders and Mobbs Real Estate Group. Kenny's sons, Nate Mobbs and Jason Gunn, handle the day-to-day operations of Mobbs Builders, with both commercial and residential projects currently underway. Kenny's wife, Charlotte, is the broker/owner of Mobbs Real Estate Group, with an office in Kilgore. Currently, the three companies are working together on a 50-home development in Kilgore, just a few miles down the road from the K-K Mobbs and Mobbs Builders office location on

"That project is typical of our development work," said Nate. "We started doing residential subdivisions in the early 1990s. We buy the land; K-K Mobbs provides site work, including infrastructure, such as utility installations and roads; Mobbs Builders builds the houses and Mobbs Real Estate Group sells the lots and houses. It's truly a

"We have some standard designs for the houses, but often we sell the lot and work with the owner to custom build," Nate added. "While housing is a major part of Mobbs Builders' work load, our capabilities go well beyond that. We offer engineering-related services and work closely with commercial and industrial clients to design and build offices and other types of structures. Of course, K-K Mobbs Construction does the site work."

Such was the case for WPI's new Buffalo branch. Working with WPI personnel, Mobbs Builders provided the design for the new location. Nate started by driving around the future development site with a utility machine outfitted with a GPS unit to record the existing topography. From that, he built a 3-D model for the site construction, then set about putting together plans for the building.

His site-work plans included moving nearly 25,000 yards of dirt on site to level it and keep water from running off. K-K Mobbs also installed approximately 200 feet of water, sanitary and storm utilities, including a recirculation system to capture and reuse onsite water. It hauled in rock for the machine inventory lot and building-pad base, and took care of concrete for the floor, front parking lot and wash rack.

Mobbs Builders constructed the 9,200-square-foot steel building, which includes offices, a display area, parts counter, two drive-through service bays with five- and 10-ton overhead cranes and parts inventory areas. In total, the project required about a year to complete.

The WPI Buffalo branch took K-K Mobbs Construction a little beyond its usual working radius of about 50 miles. The company typically has several projects going on at any one time, and between it and Mobbs Builders, the Mobbs family employs about 15 people. Key staff members include Project Manager Larry Kincaid and Office Manager Valerie Gorman.

"Our entire staff contributes greatly to our success, and we can't say enough good things about them," said Keith. "Some people have been with the company 25 years or more, and their expertise plays a vital role in our ability to complete projects on time and on budget."



Keith Mobbs grades a parking lot subgrade using a Komatsu D51PX-22 dozer and a Topcon 3D-MC 2 GPS system. "We've increased both productivity and efficiency by adding the Topcon system to the D51," said Mobbs. "We can dial-in a plan and go to work with limited or no staking or surveying."



A K-K Mobbs Construction operator uses a Komatsu PC160LC-8 excavator to move dirt on a parking-lot project.



Brothers Jason Gunn (left) and Nate Mobbs work for K-K Mobbs and Mobbs Builders, sharing in the estimating and design work for Mobbs Builders. Overseeing each project from beginning to end, they offer custom building in both commercial and residential areas.

Komatsu equipment improves productivity

Also playing a vital role is productive and reliable equipment, including a Komatsu 28,000-pound-plus D51PX-22 dozer equipped with a Topcon 3D-MC² GPS system, which K-K Mobbs Construction acquired from WPI. K-K Mobbs used it during site preparation for WPI's Buffalo branch.

"The D51 has several great attributes that I believe make it the best dozer in its size class,"

Continued . . .



Scan this QR code using an app on your smart phone to watch video of K-K Mobbs equipment at work.

Customer service is key to growth

... continued

said Nate. "One is visibility. With the slant-nose design, the operator can better see the blade and the material, which improves accuracy. Komatsu also moved the cab forward, which moves the operator closer to the blade for better visibility, and the six-way blade allows better angles for greater efficiency. Operators also have a quiet, comfortable cab with the D51, and that makes a difference in how productive they are."

"On top of that, we've increased both productivity and efficiency by adding the Topcon system to the D51," added Keith. "We can dial-in a plan and go to work with limited or no staking or surveying. For instance, on the WPI site, once I had the topography and the model done on computer, we plugged it into the Topcon system and went right to work. It makes us more accurate, saves time and material, and that adds up to less wear and tear on the machine and lower owning and operating costs."

In addition to the D51, K-K Mobbs also uses a Komatsu PC160LC-8 excavator for mass excavation,

Mobbs Builders, an affiliate of K-K Mobbs Construction, built the structure for the WPI Buffalo branch. K-K Mobbs performed the site work and Mobbs Builders constructed the 9,200-square-foot steel building.



(L-R) WPI Sales Representative Mark Bewley meets with K-K Mobbs Construction President Kenny Mobbs and his son, Nate. "We believe in building lasting relationships with our customers, and Mark and WPI are the same way," said Kenny. "They're excellent to work with, and we know when we call them for something, they'll take care of us promptly."



trench digging, clearing and other applications. Nate uses KOMTRAX to track the machines.

"KOMTRAX is a great tool," he stated. "Like the Komatsu equipment and GPS, it's directly helped us reduce costs. For example, KOMTRAX showed that 90 to 95 percent of the time we were pushing light loads with the D51 but we were using Power mode, which wasn't necessary. We switched to Economy mode, and that's decreased our fuel consumption and wear and tear on the machine."

WPI Sales Representative Mark Bewley worked with K-K Mobbs to acquire its Komatsu equipment and set up and begin using KOMTRAX. "We believe in building lasting relationships with our customers, and Mark and WPI are the same way," said Kenny. "They're excellent to work with on sales, parts and service, and we know when we call them for something, they'll take care of us promptly."

Controlled growth for sustained success

The Mobbs family wants to continue to offer the same high level of service to their customers. They say that will be the case as long they approach the future the way they have during the past three decades.

"We've been very conservative and haven't grown just for growth's sake, or bought something without being able to pay for it right then," stated Keith. "Our growth has been controlled and steady, and that's allowed us to be successful by offering quality service and on-time projects to our customers. We've worked to instill that philosophy in Nate, Jason and rest of the staff, and they're doing a great job."

"We're very proud of what we've accomplished from where we started," added Kenny. "At some point down the road, Keith and I will be out of the business, and we believe we've built it the right way so it will carry on."

The Mobbs companies are very active in supporting the community. From building little league soccer fields and refurbishing the Kilgore High School and Kilgore College softball fields for no charge to using the company's custom-built cook trailer to cook and raise funds for various organizations, they appreciate the opportunities to help others. Several family members serve on numerous boards and committees within the community.











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SERVING YOU BETTER

BUFFALO BRANCH

WPI christens new location with open house attended by more than 150

WPI celebrated the opening of its new Buffalo branch with an open house attended by more than 150 guests and staff members. Opened in fall 2012, the new location serves mining and construction customers throughout about a 75-mile radius of Buffalo that includes 10 counties.

"This is a great location as it's centrally located from our Houston, Tomball, Kilgore and Austin stores, and allows us to better serve the customers in this area who had previously been served from those stores, mainly Kilgore," said Branch Manager Jack Smelley Jr., who also holds the same position at WPI's Kilgore branch. "We've built a tremendous staff who may be new to WPI, but not new to the equipment industry and customer service. They bring a wealth of valuable

Hasley Construction Owner Hugh Hasley (right) talks with WPI Vice President of Operations Mike Green during the open house.

WPI's new Buffalo branch is located on the west frontage road along Interstate 45 just north of the city. It serves customers within about a 75-mile radius, including 10 counties.





experience that ensures we continue to provide excellent capabilities through sales, rentals, parts and service."

Smelley heads the staff at the Buffalo Branch, including Service Administrative Assistant B.J. Deal, Unit Sales Representative Gregg Cairns, Service Technicians Nick Hall, Kevin Hacker and Josh Farris, Parts Sales Randy Johnson and Chris Wimberly, who handles general duties.

All were on hand, along with WPI Vice President of Operations Mike Green, to welcome guests. Among the guests were Kenny and Nate Mobbs of K-K Mobbs Construction and Mobbs Builders, which performed site work and constructed the building. WPI handed out gifts and door prizes, and attendees had a chance to check out the branch's machine inventory. Komatsu, SENNEBOGEN, Doppstadt, Rotobec, Hensley, Allied and Bomag helped sponsor the open house.

"We have just about anything that a construction or mining company would need, including excavators, dozers, loaders, compactors and more," said Cairns. "Our product offerings include all types of machinery for sale or rent, such as Komatsu construction and mining products, scrap, demolition and other types of equipment."

Committed to customer service

At more than 9,000 square feet, the Buffalo branch sits on about 10 acres, with additional acreage available for future expansion. Located along the frontage road on the west side of Interstate 45 just north of Buffalo, the branch offers easy access for moving machinery in and out. The facility has two drive-through shop bays with large overhead cranes. It also has a wash rack.



WPI displayed a variety of equipment at the Buffalo branch open house.



Randy Johnson, Parts Sales, pulls a part from inventory at the Buffalo branch.

"The shop allows us to get some of the biggest machinery we carry inside to work on, but many of our customers want service at their locations," said Smelley. "In fact, that's where we conduct most of our service work. We provide on-site service with trucks designed to allow our technicians to perform nearly any service in the field that can be done in the shop. That can be a good time- and cost-saving alternative for customers."

Like other WPI branches, Buffalo carries a large available parts inventory and has a hose machine. Customers can walk into the store to pick up parts or have them delivered. "If for some reason we don't have a part in stock, we can check with our other branches to see if it's in stock somewhere else," said Johnson. "With our parts truck, which runs between branches, customers who order parts by 3 p.m. will have them by the next morning, or we can usually get it by the next day if we need to order from the manufacturer."

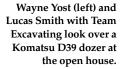
Mike Green said opening the new branch shows WPI's dedication to better customer service. "WPI is committed to being the top equipment distributor in northeast, central



The Buffalo staff includes (front row, L-R) Chris Wimberly, who handles general work, Parts Sales Randy Johnson, Unit Sales Representative Gregg Cairns, Branch Manager Jack Smelley Jr., Technician Nick Hall, (on machine, L-R) Technician Josh Farris, Service Administrative Assistant B.J. Deal and Technician Kevin Hacker.



(L-R) Hank Snider, David Williams, Joey Rodell and Kay Rodell of R Construction toured the new facility.





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New Buffalo branch provides convenient service

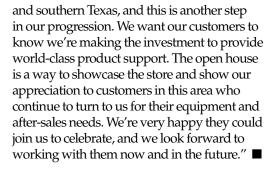
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Troy Smart, Owner of Smart Enterprises and his wife, Grettel, stopped by to see the new branch.



Martin Vazquez (left) and Kenneth Oliver with the City of Buffalo attended the open house.





Walnut Creek Mining's Rich Bomgardner (left) and Gilbert Speelman viewed the shop area.



Circle J Ranch Owners Karen and Mack Jackson picked up a door prize.



Algia Craig (left) and Berry Pelton of R Construction get ready for lunch.



Glen Chick (left) and Ken Craig of Farm and Ranch Construction took in the open house.



WPI's Gregg Cairns (left) talks with Cold Creek Construction Owner Judd Henderson.



(L-R) Curtis Garner of Fairfield Tractor looked at equipment on display with WPI's Randy Johnson and Jerry Johnson.

Leon County's Ray Gaskin (left) and Terry Johnson (right), along with Ray's wife, Blanche, viewed some of the equipment WPI had on display.





(L-R) Jeff Gonzalez, Martha Wilkins and David Winn of Texas Westmoreland Coal Company stopped by the open house.

GUEST OPINION

MORE FUNDING NEEDED

Highway bill does not end battle for sustained highway investments

In July, President Obama signed a new surface transportation law, Moving Ahead for Progress in the 21st Century (MAP-21). Though the fight for a new highway bill is now past, the battle continues for a long-term, robust, sustainable revenue stream for transportation infrastructure.

The new 27-month reauthorization will provide \$39 billion and \$40 billion for transportation investments in fiscal year (FY) 2013 and 2014 respectively. This continues current operating authority with a 1.4-percent annual adjustment for inflation. Of this amount, more than \$37 billion annually is designated for core federal-aid highway programs, available to states through distribution under the federal funding formula. Additionally, MAP-21 extends the Highway Trust Fund and user collections through FY 2016 (two years past the bill's expiration), providing greater certainty.

Beyond the direct federal spending, other provisions of the new law are designed to increase investment. MAP-21 allows for expanded tolling and dramatically expands the Transportation Infrastructure Finance & Innovation Act (TIFIA), a program that provides credit assistance to help attract nonfederal and private investment in large-scale projects. The final measure also includes provisions to consolidate transportation programs, reducing the number of federal transportation programs from 90 to 30. It speeds up the environmental and regulatory reviews of projects, providing automatic approvals for rebuilding after an emergency and setting a federal threshold under which reviews will not be necessary.

Though MAP-21 contains provisions that will benefit construction, as well as the broader national economy, the law fell short in several important respects. Most notably, lawmakers

failed to address the serious threat to the nation's long-term economic health by refusing to consider a means to revise funding mechanisms for transportation infrastructure investments. While the law continues to collect fuel taxes to prop up the Highway Trust Fund through the end of FY 2016, it ignores the basic fact that such taxes are woefully inadequate and cannot meet current obligations, let alone any program expansion.

MAP-21 is a significant victory, but it does not offer the kind of robust long-term investments our national transportation networks desperately need. The extension of current funding is great, but without finding a way to pay for our surface transportation infrastructure, lawmakers merely kicked the can down the road, leaving the issue for a future Congress to resolve.

In the months ahead, AED will be urging congress to tackle the revenue issue as part of the broader tax and budget reform debate. We hope distributors everywhere will join in that effort and help get the Highway Trust Fund back on solid footing. ■



Christian Klein, Association of Equipment Distributors VP of Government Affairs

MAP-21 provides more than \$100 billion for roads and other infrastructure projects for a period of 27 months, through fiscal year 2014. Industry groups such as AED say additional long-term funding is a necessity.



SUSTAINABLE SOLUTIONS

Green movement goes beyond buildings as it gains prominence in roadway construction

Throughout the past decade, the idea of "green" construction has continued to gain prominence, mostly in buildings. Those projects include site-work plans, which consider stormwater runoff, the building materials used in erecting the structure and indoor factors, such as low-energy lighting.

By most accounts, the concept of green building is paying off. More recently, that same focus has been put on the road- and bridge-building industry as a way to make more sustainable highways, streets and trails. In the last few years, several institutions and governmental agencies have conducted research in an effort to spotlight best practices and long-term solutions to making the nation's roadway infrastructure last longer with less environmental impact.

Onsite crushing and recycling of old concrete roadways are becoming standard practices around the country. The materials are often used as subbase under new highways and streets.



The U.S. Department of Transportation's Federal Highway Administration (FHWA) defines sustainability as "the capacity to endure." It says a sustainable highway should satisfy our developing society's functional needs and its economic growth, while striving to enhance the natural environment and reduce consumption of natural resources.

Sustainable transportation may be defined in many ways, according to the FHWA, which describes environmental, social and economic impacts as the three pillars of the "triple bottom line." Transportation agencies address sustainability through a wide range of initiatives, such as livability, smart growth, recycling, planning and environmental linkages.

To assess a project's sustainability, FHWA created a self-evaluation tool known as INVEST (Infrastructure Voluntary Evaluation Sustainability Tool), a Web-based collection of best practices that allows states to integrate sustainability into their projects.

FHWA conducted a pilot test of the assessment tool last year and collected feedback, which prompted improvements before the release of Version 1.0 of INVEST this year. Those improvements included the ability to evaluate specific projects through project development criteria; simplified criteria and scoring; and a basic scorecard appropriate for preservation, restoration and small construction projects.

Working together

In addition to measuring roadway construction sustainability, FHWA provided initial funding for the Recycled Materials Resource Center when it was founded five years



There's a push to use less virgin material and more recycled material in new-road construction. The Greenroads Foundation developed a rating system for Greenroads certification, much like LEED certification for buildings.

ago. The Center's mission is to "... develop and distribute technology needed to use recycled materials in the transportation infrastructure in a cost-effective and environmentally sound manner." The Center has conducted more than 60 research projects, with a major focus on reducing the more than 4.5 billion tons of waste generated annually in the United States.

At the time of the Center's founding at the University of New Hampshire, Associate Professor of Civil Engineering and Co-Director of the Center Dr. Kevin H. Gardner said in a Science Daily article, "We have a real opportunity to rebuild the infrastructure the right way with sustainable materials and socially sensitive designs that protect air, water, land and human resources."

According to the Center, wastes presently being reused or under consideration for reuse in the U.S. include reclaimed asphalt pavement (RAP), Portland cement concrete, recycled concrete pavement (RCP), coal fly ash (CFA), waste tire products, blast-furnace slags, steel slags, coal bottom ash, construction debris, foundry sands and mining wastes.

Certain materials, such as RAP, RCP and CFA, are widely used in highway construction,

the Center notes. Many other waste materials have been used in limited regional or state applications, driven mostly by local pressures to avoid waste disposal. Federal and state interests and initiatives need to come together to address this situation.

Recycled toilets lead to first certification

About the same time as the Center's founding, another group at the University of Washington began developing a sustainability rating for bridge and road building. That led to the founding in 2010 of the nonprofit, third-party Greenroads Foundation, which established the Greenroads Rating System.

Greenroads is much like the more well-known LEED (Leadership in Energy and Environmental Design) certification, which applies to building construction. Greenroads rates projects as Certified, Silver, Gold and Evergreen, with the latter being the highest level.

Ratings are based on several factors, including 11 requirements that must be met for a roadway project to be considered a Greenroad and 37 voluntary "credits." Points

Continued . . .

Sustainable roadways make big difference

.. continued

for voluntary credits add to a final score that determines a project's rating. The Greenroads Foundation has conducted more than 100 case studies with more than 20,000 hours of research.

Earlier this year, the Foundation gave its first-ever certification for the Meador/Kansas/Ellis Trail Project in Bellingham, Wash. The \$850,000 project involved new, low-energy, LED street lighting, stormwater management and improved walkways in a six-block span of downtown Bellingham. The project included porous pavement that naturally treats runoff and provides effective stormwater management, along with asphalt with a recycled content of 30 percent and recycled concrete aggregate.

Materials such as these have become somewhat commonplace through the years. So what made this project stand out? The use of more than 400 porcelain toilets, which were crushed and used in the concrete mix.

The innovative idea earned the project Silver Certification.

"Sustainable roadways are not just a dream," said Jeralee Anderson, Executive Director Greenroads Foundation. "This certification represents a culmination of a five-year process to research, develop and implement a sustainability rating system for the roadway industry."

Founder and Greenroads Foundation Board Member Steve Muench said the Greenroads Rating System can be used outside the U.S. Globally, 12 projects are currently pursuing Greenroads certification, ranging from new construction and reconstruction to overlay and bridge projects, according to the Foundation.

"The Greenroads Rating System can be used to help manage, improve and communicate sustainability," said Muench. "It represents an independent verification of sustainable features that truly matter and make a difference."

Governmental agencies and outside organizations encourage the use of recycled materials in new roadway construction. Materials include reclaimed asphalt, recycled concrete, waste tires and coal fly ash, among others.





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78" Intelligent Compaction Roller



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BC462EB

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BW284AD

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NEW PRODUCTS

NEW, MORE PRODUCTIVE DOZERS

Komatsu D61-23 dozers have next-generation hydrostatic transmissions that increase productivity, efficiency

When you have a machine that's already proven reliable, improving on its productive features bears a challenge. To do that, Komatsu went directly to users to gather information it used to design and build its new D61-23 model dozers.

The two new models are the standard EX model with new, longer tracks and the low-ground-pressure PX. While the net 168 horsepower of the new Dash-23 models remains the same as its predecessors, Komatsu increased the operating weight.

"We didn't want to just meet the Tier 4 Interim standards to lower emissions, we wanted to reduce customers' owning and operating costs," noted Bruce Boebel, Komatsu Product Manager, Dozers. "Using the valuable input we gathered from our customers, Komatsu designed the new D61s with features we believe make them the most efficient and productive dozers in their size class."

Among the new features are a next-generation hydrostatic transmission (HST) and engine-control technology that improve fuel economy in both Economy and Power working modes. E mode is intended for general dozing and leveling, while P mode offers maximum engine power for slot and uphill dozing and ripping. Komatsu's exclusive HST control system reduces fuel consumption by up to 10 percent in P mode and up to 20 percent in E mode.

A newly designed power-angle-tilt (PAT) blade provides improved curvature to roll material more efficiently. With the new, standard, adjustable blade pitch, operators can set the aggressiveness of the cutting edge to match the application. A new hydraulic blade-angle toggle switch makes blade operation easier.

Blade visibility improved with a sloped engine-hood design, similar to the popular and

award-winning Komatsu D51. A new roomier, integrated ROPS cab sits forward to put the operator closer to the blade and has large glass windows to enhance visibility.

"Several other improvements include being plug-and-play ready for Topcon GPS technology. The user simply has to bolt on a completing kit and it's ready to use," said Boebel. "That further increases efficiency and reduces wasted movement and materials in grading applications. The D61s also work well for land clearing and forestry, so they're versatile machines that fit well into nearly any fleet." ■



Bruce Boebel, Komatsu Product Manager, Dozers

Brief Specs on the Komatsu D61-23 Dozer				
Model	Operating Weight	Net Horsepower	Blade Capacity	
D61EX-23	39,099 lbs.	168 hp	4.5 cu. yds.	
D61PX-23	41,138 lbs.	168 hp	5.1 cu. yds.	

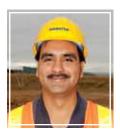
Komatsu's new D61-23 dozers have several new productive and efficient features, including a next-generation hydrostatic transmission that provides up to 20-percent fuel savings, depending on working mode and application.



MORE NEW PRODUCTS

NEW WHEEL LOADER

Large-capacity torque converter improves productivity, reduces fuel consumption in WA470-7



Armando Najera, Product Manager

Wheel loader users want a machine that not only provides maximum fuel savings, but does so with the power and productivity needed for a variety of applications. Komatsu's new WA470-7 has those attributes in a redesigned model that meets the Tier 4 Interim regulations.

"The new WA470-7 is great for a wide variety of work, including quarry and construction applications," said Product Manager Armando Najera. "Its predecessor, the WA470-6, was a proven performer, and the Dash-7 maintains its production with up to 8-percent better fuel efficiency and operator productivity features."

The WA470-7 features a newly designed powertrain that has a large-capacity torque

Brief Specs on the Komatsu WA470-7				
Model	Net Horsepower	Operating Weight	Bucket Capacity	
WA470-7	272 hp	52,007 lbs.	5.0-6.8 cu. yds.	

The new WA470-7 maintains horsepower but lowers fuel consumption, compared to the previous model. Additionally, a large-capacity torque converter provides greater tractive effort for increased productivity in V-cycle applications.



converter with lock-up. This provides improved acceleration for faster hill-climb ability and higher ground speeds (up to 23.8 miles per hour) in load-and-carry applications. The torque converter increases tractive effort for greater productivity in V-cycle applications.

Komatsu Smart Loader Logic, which functions automatically, provides optimal engine torque in all applications. It decreases engine torque when the loader isn't working hard, providing increased fuel savings.

Better visibility

Komatsu created a quieter, more comfortable cab with better visibility by lowering the front glass and redesigning the dashboard. The seat-mounted right-hand console now has electronic pilot control levers and a forward-neutral-reverse switch.

Operators can modify settings to their individual needs, check operational records and find tips to reduce fuel consumption with Eco Guidance on the new high-resolution monitor. For added safety, a backup camera is standard, providing a view behind the loader.

Komatsu backs the WA470-7 with its exclusive Komatsu CARE program, which helps lower owning and operating costs. Komastu CARE includes complimentary scheduled maintenance for three years or 2,000 hours and two Komatsu diesel particulate filter exchanges at 4,500 and 9,000 hours within the first five years.

"Factory-certified technicians do the work, using genuine Komatsu parts and fluids, including the two filter exchanges," explained Najera. "It's another Komatsu commitment to lowering owning and operating costs."

WA500-7

From Komatsu - The Loader Experts



Diesel Particulate Filter exchange. Contact your Komatsu distributor for details.

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DOLLARS & SENSE

MAXIMIZING FUEL ECONOMY

Under most conditions, using E mode is your best option

When digging and dozing in hard materials, you need all the power your machinery can give you. If you're not in those heavy ground conditions and continue to use full power, it's likely you're wasting fuel and putting undue wear and tear on your equipment.

"We've tracked hundreds of thousands of machines since KOMTRAX was introduced, and our data show that in most instances, full power is unnecessary," said Rizwan Mirza, Manager, KOMTRAX. "Fortunately, KOMTRAX indicates whether it's necessary or not, right on a monitor in the cab."

Nearly all Komatsu equipment comes with several mode-setting options, including Power, or P mode, and Economy or E mode, which are the two most commonly used. P mode provides maximum power output, while E mode is for applications in general working conditions and provides maximum fuel efficiency.

When conditions require full power for an extended period of time, the P mode is most appropriate. For excavators, dozers and wheel loaders, that may be working in hard materials or climbing uphill. For excavators, it may also mean deep digging applications.

"The default monitor screen shows operators the work load so they can easily see if they are maximizing efficiency," said Goran Zeravica, Manager, Distributor Operations. "If the Eco gauge is in the green range, then the E mode is appropriate. If the gauge moves into the upper, orange section, it's time to switch to Power mode. Switching is as simple as pushing the button labeled P/E."

"No matter which mode operators select, there may be times a short boost in power is necessary for a particularly difficult area," Mirza added. "Depending on the machine, an operator can

simply press and hold a button on the joystick control to get an instant, 10-percent power increase."

Zeravica spends a great deal of time talking one-on-one with equipment owners and operators throughout North America. He educates them on ways to save fuel.

"One fleet manager told me that he changed all his machines to default to E mode," Zeravica recalled. "That made sure they were in the most efficient setting to start the day, no matter what mode was set the last time the machine was in operation. Soon, the operators were checking to make sure E mode was set before they left for the day. The result was less unnecessary time in Power mode and significant fuel savings."



Rizwan Mirza, Manager, KOMTRAX, ICT Business Division



Goran Zeravica, Manager, Distributor Operations, ICT Business Division



An Eco gauge displayed on the machine monitor shows whether operating in Power or Economy mode is most fuel-efficient.



MINEXPO RECAP

Komatsu features machinery and support capabilities at quadrennial mining showcase



Bob Post, Komatsu Director of Marketing Communications

One would expect a leading manufacturer in mining machines to have one of the largest displays at MINExpo, introducing cutting-edge equipment and support capabilities that increase production. Komatsu did just that at the most recent quadrennial event in Las Vegas, showcasing six machines, Modular Mining, KOMTRAX Plus[®] and KOMVISION[™].

Products on display included the new 200-ton-class 730E (AC) haul truck that's now AC-driven, as well as a PC4000 with advanced, four-circuit, Hydropilot hydraulics that deliver precision control and extended reliability, which lower overall per-ton costs. Rounding out the products were a 960E-2K electric truck, an HD785-7 haul truck, a WA900-3 wheel loader and a D375A-6 dozer.

"MINExpo is a good opportunity for anyone in the mining industry to see first-hand the latest in mining products and make comparisons," said Bob Post, Komatsu Director of Marketing Communications. "But mining is about more than massive pieces of equipment. It's about

Komatsu displayed several machines at MINExpo, including its new AC-drive 730E (AC) electric truck and PC4000 excavator. It also highlighted support capabilities and innovations such as KOMVISIONTM.



Go online or scan this QR code using an app on your smart phone to watch video of Komatsu at MINExpo.

productivity and moving materials safely and efficiently. That's why in addition to products, we offered informative workshops on topics such as estimating production, as well as highlighted ways we can help mines lower owning and operating costs through state-of-the art technology like KOMTRAX Plus."

KOMTRAX Plus is Komatsu's remote, machine-monitoring system for mining-size products that provides valuable information to help operations track critical data. "It's a tool that can aid in lowering operation costs," said Post. "By tracking data with KOMTRAX Plus, mines can take a proactive approach to maintenance and other operational costs. It allows them to track production, idle time, pressures, temperatures and trends. If they see something go out of normal tolerance areas, they can address it before it becomes a major breakdown."

Introducing KOMVISION

Post noted that Komatsu's exclusive innovations, such as KOMTRAX Plus and KOMVISION have been driven in part by customer input. "KOMVISION is a whole new layer of awareness for haul-truck operators. It uses a combination of radar and cameras to give the operator a virtual 360-degree view all around the machine," he explained. "It provides a more comprehensive perspective than mirrors alone and signals an alert if an object is in the detection area.

"Komatsu is committed to providing solutions to help mines achieve production goals at lower costs," Post continued. "We wanted MINExpo visitors to come away with the knowledge that Komatsu takes a comprehensive approach to improving their mining operations through products and technology designed to increase efficiency, productivity and profitability."

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ARTICULATED TRUCKS

From Komatsu – The Truck Experts



The redesigned Tier 4 Interim Articulated Trucks will boost your productivity and lower your costs. From increased payload to improved traction control, the truck experts at Komatsu once again deliver on your need for a lower cost per ton moved.

- Komatsu Traction Control System (K-TCS) automatically increases performance in soft ground conditions.
- New operator's cab provides better visibility and ergonomics.
- Efficient Tier 4 Interim engine provides up to an 8% reduction in fuel consumption.
- Komatsu CARE provides complimentary Tier 4 maintenance, including KDPF exchange filters. Contact your Komatsu distributor for details.





Customer Care

From Komatsu - The Product Support Experts



You need your machines running to keep your business running. And you need complete confidence in your expert service team to keep them running at maximum productivity.

Komatsu certified, factory-trained technicians have the knowledge and determination to make repairs right the first time. Our parts inventory and distribution systems allow us to get most replacement parts to you in 24 hours or less.

At Komatsu, customer satisfaction is our number-one priority.

KOMATSU®



TECHNOLOGY AT WORK

MORE COST-EFFECTIVE GRADING

Komatsu's IMC team highlights benefits of machine, Topcon GPS combinations

Today's construction marketplace is increasingly competitive, often with more contractors bidding on a project than ever before. Finding a way to make businesses more competitive is essential, and Komatsu continues doing that with initiatives such as its new Intelligent Machine Control (IMC) team.

Komatsu's commitment to IMC represents a major investment of resources. The team provides Komatsu distributors and their customers with support for machine technology, such as Topcon GPS grading systems, which have proven to get to grade faster and at a lower cost. Topcon GPS systems interface directly with the machine's hydraulics, providing precise metering of oil flow to the hydraulics for more exact blade positioning during cut-and-fill and fine-grading operations.

"Customers told us they wanted equipment that's 'plug-and-play' ready to accept a Topcon system," said Komatsu Product Marketing Manager Ron Schwieters. "They understand the added value a GPS system brings in terms of more efficient and accurate grading. Our new Tier 4 Interim D65-17 and D61-23 dozer models are equipped so the user can hook up a Topcon GPS system and be running within hours. Older machines can also be retrofitted for Topcon systems."

Mike Salyers, another Komatsu Product Marketing Manager, said there are several ways Topcon GPS systems provide cost savings. "Grade staking is virtually eliminated because the systems can determine where the machine is in relation to final elevation. That means there's no need for a laborer to constantly check grade. If it's a cut operation, fewer passes to grade saves fuel and reduces wear on the machine. On the flip side, the chance for overfilling is reduced, so there's less waste."

IMC team members say a Komatsu machine with a Topcon GPS system benefits businesses of all sizes. "Users of these systems tell us they see a return on investment very quickly, usually within the first year, and sometimes on the first job where they use it."

"Every company bidding on a project starts from the same point in terms of materials to be moved," added Salyers. "Being competitive involves several factors, including getting to final grade faster. We've found that can often be achieved using Komatsu equipment with a Topcon grading system."

For more information, contact Mike (msalyers@komatsuna.com) or Ron (rschwieters@komatsuna.com) at the IMC team at Komatsu America. ■



Mike Salyers, Product Marketing Manager, IMC



Ron Schwieters, Product Marketing Manager, IMC

Dozer models, including the Tier 4 Interim D65-17, come "plug-and-play" ready for Topcon GPS systems that help operators get to grade faster than a manual dozer.



MAXIMIZING UPTIME

Vice President, Service, says Komatsu is committed to providing unrivaled, quality service



This is one of a series of articles based on interviews with key people at Komatsu discussing the company's commitment to its customers in the construction and mining industries — and their visions for the future.

Hiro Higashiyanagi, Vice President, Service

In April of this year, Hiro Higashiyanagi became Vice President, Service, responsible for overall service activity throughout North America and for mining trucks globally. Higashiyanagi, who brought with him more than three decades of experience with Komatsu, believes service is just one aspect of Komatsu's overall commitment to customer satisfaction.

"Service is not a stand-alone entity," emphasized Higashiyanagi. "We work closely with manufacturing, sales, parts, training and other areas. Each of us is integral to the total picture. For example, service has to stay up-to-date on the latest product developments and any new parts that may be involved so we can support those machines. Technician training is a commitment we make to meet those needs. The ultimate goal of this integration is to make customers more efficient, productive and profitable."

Higashiyanagi has been working to achieve that since he started with Komatsu 36 years ago. He's always been involved in service, traveling around the globe in various positions. He's worked in Russia, Australia and South Africa, among other locations.

"When customers' equipment is down for any reason, it costs them time and money," he said. "That's true everywhere. I enjoy working with customers to understand their businesses and learn how Komatsu can better meet their needs from a service standpoint to help maximize their uptime."

Higashiyanagi is an avid golfer. He and his wife, Akiko, have been married for 29 years and have two children.

QUESTION: What are Komatsu's strengths when it comes to service?

ANSWER: One is providing outstanding and unrivaled, quality service to each and every customer, whether that customer owns a single machine or a fleet of large mining equipment. Our goal is to provide all our customers with the value they expect from their Komatsu equipment. That means remaining productive and efficient throughout the machines' lifetime. We're making that happen with programs such as Komatsu CARE, which provides complimentary scheduled maintenance on Tier 4 Interim machines, including Komatsu Diesel Particulate Filter changes.

Another is our strong and long-term relationship with our distributors. Programs such as Komatsu CARE wouldn't be possible without the skilled technicians at our distributor locations. Komatsu provides factory-certified training that keeps our technicians up to date with the latest technology. This helps our distributors maintain quick, responsive service that keeps our customer's machines up and running. This is our commitment to our customers.

Finally, we believe Komatsu has a technological edge. With our KOMTRAX system, Komatsu and its distributors can monitor machines 24 hours a day, seven days a week and know when to schedule maintenance and ensure it's done on time. We take a very proactive approach.

QUESTION: How is the Komatsu CARE program working?

ANSWER: At nearly 100 percent, our success rate in servicing machines eligible under the Komatsu CARE program is extraordinary. Our customers are delighted because they know the

services are done correctly and completed at the right time. It keeps their machines running at maximum productivity and maximizes availability, which results in greater customer profitability. A proven track record of scheduled maintenance through Komatsu CARE is another benefit; as it increases the residual value of the machine by providing the new owner with all the service records for the life of the machine.

QUESTION: Besides Komatsu CARE, how else does Komatsu distinguish itself when it comes to service?

ANSWER: Komatsu believes in building solid relationships with our customers, and we like to meet with them face-to-face every chance we get. We want to be there for customers from the time they purchase a machine to when they sell or trade it, and we want to help them meet their objectives. Our customers provide us with valuable feedback that allows us to build better equipment and continue to improve parts and service capabilities.

QUESTION: How do you measure success from a service standpoint?

ANSWER: Customer retention. Service is responsible for customer satisfaction after the sale. We're dedicated to maintaining our customers' machinery so it continues to provide them availability, productivity and efficiency. Doing so involves working with customers to understand their specific operations and the challenges they face. Komatsu and our distributors want to partner with them to jointly develop solutions to manage and minimize those challenges. Having parts readily available if they do their own maintenance and providing service through a maintenance agreement are just two examples. We follow up extensively and conduct satisfaction surveys to help us see our strengths and identify areas of improvement.

QUESTION: Are you working on anything new?

ANSWER: Similar to our product lines, we're always striving to improve service. Expanding the Komatsu CARE program is one area on which we're working. Giving customers a menu of options to choose from when it comes to maintenance is also something we're pursuing.



Komatsu technicians are skilled in working on all types of machinery, from tight-tail-swing excavators to the largest mining equipment.



Innovations such as KOMTRAX allow Komatsu and its distributors to track machines and schedule on-site service at a time and location convenient to the customer.



Extensive training helps Komatsu distributor technicians quickly diagnose and fix issues, as well as provide scheduled maintenance, such as fluid and filter changes.



GREATER PARTS EFFICIENCY

Training from Komatsu helps parts personnel respond more quickly to customer inquiries



Glenn Schindelar, Senior Marketing Manager

When customers call for parts, they want answers as to availability and delivery time. Komatsu provides many hours of training so distributors' parts personnel can answer those questions quickly and accurately. When you need parts, whether for a scheduled service or a machine that's down, two important factors are on your mind: are they available, and how fast can I get them? You want the person you are dealing with to give you both answers quickly.

"Our goal at Komatsu is to take care of the customer as efficiently as possible," said Glenn Schindelar, Senior Marketing Manager. "Our distributors' parts and product support personnel have a good base of experience. We build on that by providing educational opportunities to help them better understand our products and procedures, which allow them to quickly and accurately identify parts and their supply status."

Komatsu offers intensive training courses at its Cartersville, Ga., Training and Demonstration Center. Through regularly scheduled, week-long sessions, the company holds as many as 58

classes. Topics include Komatsu Parts Systems, KOMTRAX, Undercarriage Maintenance Management and more. Komatsu offers basic and advanced courses for some subjects, with ample hands-on training.

"We believe it's not enough to just sit in a classroom," Schindelar noted, adding that many distributors choose to send product support reps and service technicians. "We provide real-world opportunities to touch and operate machines and understand how systems work and wear. Komatsu personnel lead both classroom and hands-on training, utilizing experts in the field rather than using outside training resources. That's important, because if participants have a question or issues later on, they can contact their Komatsu trainer for support."

Schindelar added that the training sessions provide another good resource for distributor personnel. "During the time there, they can network with the staff and their counterparts from other distributors. It allows them to exchange ideas and personal contact information. We believe that's a great benefit that's paid dividends through the years."

Komatsu began offering the training in 2004, and since then, more than 2,000 people have attended the sessions. Those who accumulate 100 hours or more are certified Product Support Professionals. "It takes dedication to learning to achieve this certification. An individual must attend at least three, week-long sessions to achieve the 100 hours," Schindelar explained. "This is an exclusive and highly regarded designation. It shows a commitment by the person attending as well as by the distributor that makes the financial investment to send personnel."



INDUSTRY NEWS

ADDITIONAL MONEY SOURCES

Infrastructure programs provide funding within and beyond the new highway bill

Passage of the highway bill, Moving Ahead for Progress in the 21st Century (MAP-21), brought more than \$100 billion in funding for roads, bridges and other infrastructure through the end of fiscal year 2014. But that's not the only source that may be available to those looking for ways to fund construction projects.

MAP-21 provides significant funding for the Transportation Infrastructure Financing and Innovation Act, or TIFIA. The program provides credit assistance to states and localities wanting to pursue transportation projects of regional and national significance. It seeks to leverage federal funds to attract private and other nonfederal dollars, according to Christian Klein, President of the Associated Equipment Distributors.

Financing assistance through TIFIA — which is available for up to 33 percent of an eligible project's costs — comes with three options: through secured loans that offer flexible repayment terms and allow for financing of both construction and capital costs, allowing borrowers to take up to 35 years to repay the loan; loans whereby the federal government guarantees a borrower's repayments to a nonfederal lender; and standby lines of credit to supplement project revenues for up to 10 years after completion.

According to the Federal Highway Administration, each dollar of federal money can provide up to \$10 in TIFIA credit assistance and leverage \$30 in transportation infrastructure investment.

"That means the \$1.75 billion authorized for TIFIA in MAP-21 (\$750 million in 2013 and \$1 billion in 2014) could generate as much as

\$52.5 billion worth of construction activity," according to Klein.

Unappropriated earmarks available

In addition, Transportation Secretary Ray LaHood announced a program to allow states to tap into \$473.4 million in highway funds earmarked for projects under past appropriations measures but never spent. States had until Oct. 1 of this year to identify projects to designate their share of the funds to, and obligate those funds by Dec. 31.

"These idle earmarks have sat on the shelf as our infrastructure continued to age and our construction workers stood on the sidelines," said LaHood. "These funds need to be put to use now so we can get people back to work."

States may be able to leverage additional funds for transportation projects by using TIFIA financing. They can also tap into unobligated funds that were previously available under past appropriations measures but never spent.



SIDE TRACKS

On the light side







Brain Teasers

Unscramble the letters to reveal some common construction-related words. Answers can be found in the online edition of the magazine at www.WPIUpdate.com

- 1. T P E H D ____ P ____
- 2. S E T A H U X __ _ <u>A</u> __ _
- 3. LVEAV _____<u>E</u>
- 4. WILRAFO __ _ _ <u>L</u> _ _

Did you know...

- Abraham Lincoln, who invented a hydraulic device for lifting ships over shoals, was the only U.S. president ever granted a patent.
- Antarctica is the only continent without reptiles or snakes.
- Baskin Robbins once made ketchup ice cream. This was the only vegetable flavored ice cream produced.
- The only active diamond mine in the United States is in Arkansas.
- Hawaii has the only royal palace in the United States - Iolani.
- Bats are the only mammal that can fly.
- Maine is the only state in the United States whose name is just one syllable.
- The only river that flows both north and south of the equator is the Congo. It crosses the equator twice.
- The number 4 is the only number in the English language that has the same number of letters in its name as its meaning.

MORE INDUSTRY NEWS

Congressional Budget Office report looks at infrastructure bank potential

A study from the Congressional Budget Office highlights the potential advantages and disadvantages of a federal infrastructure bank, which Congress has proposed several times. The bank "would select new, locally proposed construction projects for funding on the basis of a number of criteria, including their costs and benefits, and would provide financing for the project through loans and loan guarantees," according to the CBO.

It further stated that to repay the loans, projects financed through the infrastructure bank would have to include tolls, taxes or other dedicated revenue streams. An advantage of the bank is that it could encourage sponsors of the projects to charge users for the benefits they receive, said the CBO. A disadvantage is that it would not differ substantially from the loans and loan guarantees already offered by the Department of Transportation through its TIFIA program. The full report can be found on the CBO's Web site at www.cbo.gov. ■

