

# WAITING TIME POLICY & PROCEDURE

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# PURPOSE

The purpose of this policy is to:

- Minimize driver waiting time at customer locations; and
- Recover waiting time costs from customers when incurred.

## SCOPE

This policy applies to all truck drivers (company drivers and Owner/Operators) as well as staff that has a role in and can influence the minimization and recovery of waiting time.

# BACKGROUND

Sitting at a customer site waiting to be loaded or unloaded impacts the KBD operation in the following way:

- **Customer Satisfaction**: A delayed driver can result in the next customer's pickup or delivery being late. Time spent waiting consumes a driver's on-duty hours which lessens his/her available hours to drive;
- **Driver Retention**: Having a driver sit and wait is an inefficient use of resources. Waiting reduces a driver's allowable driving time, which negatively impacts driver earnings and increases their level of frustration, both of which negatively impact driver retention by reducing job satisfaction and morale; and
- **Operational Efficiency**: Waiting time can be very costly if not recovered. Waiting time delays a load delivery, which reduces Dispatch's ability to re-book drivers, potentially reducing miles and earnings for drivers, profitability for KBD, and overall volume for customers.

## PROCEDURE

During the two-hour contractual window permitted for the loading or unloading of a trailer at a customer site, there will be no additional charges to the freight invoice. If two hours of waiting time is exceeded, an accessorial charge will be applied to the customer:

• DRIVER WAITING 90 MINUTES:

- Driver will notify Dispatch (in writing via e-mail if possible, verbally by phone if not) when 90 MINUTES of waiting time is incurred at a customer site;
- Dispatch will advise the customer / load broker that driver has been waiting 90 MINUTES and suggest using their influence to speed up the loading / unloading process so as not to incur waiting time charges.

#### DRIVER WAITING TWO HOURS:

- Driver will notify Dispatch (in writing via e-mail if possible, verbally by phone if not) when two hours of waiting time has been reached at a customer site;
- Dispatcher will:
  - Advise customer / load broker that :
    - Two-hour mark has been reached;
    - From this point forward, time spent loading / unloading at the customer site will be charged and included on the KBD Freight Invoice.
    - <u>Note:</u> TARPING AND STRAPPING IS NOT INCLUDED IN WAITING TIME CHARGED TO CUSTOMER.

#### • WAITING TIME ENDS:

- Driver will notify Dispatch (in writing via email if possible, verbally by phone if not) once the loading / unloading of the trailer has been completed (prior to tarping and strapping; waiting time ends when cargo is fully loaded onto the trailer) and they are in possession of all required customer paperwork (Bills, Customs Invoice, Scale tickets, etc.);
- Dispatch will issue a P.O. Number to the driver;
- Driver will record the P.O. number on the customer Bills of Lading along with a clock entry indicating waiting time IN and waiting time OUT;
  - Recording in a 24-hour clock mode;
  - Using the local time, and;
  - Indicating time zone (ie., IN 12:30 CST OUT 15:30 CST).
- Dispatcher will:
  - Advise the customer / load broker of the waiting time incurred and request a *revised* Load Confirmation which includes the waiting time accessorial charges;
  - Staple the revised Load Confirmation to the front of the existing Load Confirmation; and
  - Update the rate in the Dispatch database;
  - Remind driver to record this P.O. Number on the customer Bills of Lading along with a clock entry regarding waiting time IN and time OUT;
  - Remind driver to record his waiting time and P.O. Number on his Trip Envelope to ensure payment of waiting time.
- BILLING:
  - Billing Department will use the *revised* Load Confirmation and marked IN and OUT time on bills as documentation and proof of a waiting time accessorial charge to be included and itemized on the Customer Freight Invoice.

## RESPONSIBILITIES

- **KBD COMPANY DRIVERS and OWNER/OPERATORS** will follow the outlined procedure above. Drivers who follow this procedure will be reimbursed for waiting time above two hours. Drivers who don't follow this procedure will not be paid;
- **KBD DISPATCHERS** will follow the outlined procedure above and will also be pro-active in their communication with drivers, following up with drivers not yet confirmed empty and suspected to be waiting, initiating the procedure above in order to increase opportunities to minimize and/or recover waiting time;
- KBD MANAGEMENT will:
  - Provide the structure to support and encourage the practice of waiting time recovery and minimization; and
  - Take and support actions that are in the company's best interest when waiting time is about-to-be or has-already-been incurred.