National Initiatives

WCPA 2020 Annual Concrete Pavement Conference
Madison Wisconsin  |  February 13th 2020

Leif G. Wathne, P.E.
American Concrete Pavement Association
THANK YOU!

2019

Contractor Member Record
Reached all-time high in ACPA’s 56-year history – 214 Contractors!

Promotion Plan Up & Running
Advanced Phase 1 implementation and planned for more efforts

Healthy Finances & Membership
Balanced revenue streams and harmony in our membership

Integrated New Staff
We added some new people, skills and talent to our team
Current ACPA National Memberships

Membership Numbers

- Contractor, 214
- Consultant, 56
- Material, 37
- Cement, 18
- Equip., 26
- Other, 41

Highlights

- ACPA is Contractor-Led/Industry Based
- New 2019 memberships:
  - **22 New Contractors**
  - 5 New Consultants
  - 2 New Equipment Manufacturers
  - 2 New Allied Associations
  - 2 New Material Manufacturer
  - 3 New Individual Affiliates

As of: December 5, 2019
Solid Contractor and Cement Support...

Member Contractor Type

- Only Use Ready Mix 58%
- Operate Own Plant 37%
- Repair Only...

Cement Producer Support

- Percent of US Clinker Production Capacity by Non-Members 15%
- Percent of US Clinker Production Capacity by Members 85%
Highways
Airports
Streets/Roads
Comm./Ind.

**STRATEGIC PLAN**

**FEDERAL ADVOCACY**
Voice industry positions and represent the industry on key legislative issues that affect highways and airports.

**FAIR COMPETITION**
Work directly with federal/state agencies and others to promote healthy concrete/asphalt competition and objective pavement selection policies.

**NETWORKING VALUE**
Conduct energetic, contractor-focused networking events and recognition programs that build industry prestige.

**CUSTOMER TRAINING**
Deliver high-quality, strategically-focused education and training programs on timely concrete and cement-based paving topics.

**STRATEGIC PROMOTION**
Influence norms, specifications and projects at the state and local level, impacting business opportunities and market value for all members downstream.

**TECHNICAL SUPPORT**
Deliver timely support and information to chapters and members, leveraging staff expertise and relationships to influence project outcomes.
Recent Achievements in Federal Lobbying

Our research provision – it’s in the FAA Bill! (Now working with FAA to get $3M/year coop thru CP Tech Center)

FMCSA Driver’s Hours of Service Exemption for Concrete Paving... Approved 2/5/19!

CP Tech Center New $9M FHWA cooperative agreement – result from our AID-PT Fast-Act provision!
Airport Advocacy Successes...

New FAA Standard Spec for Construction of Airports released with adoption of 80% of ACPA’s red-line comments

Full-depth reclamation (FDR)* included in FAA’s Standard Specification

Central plant manager training successful pilot at Tinker Air Force Base, OK
What about federal highway investment?
House democratic leadership released **framework** to invest $760 billion in infrastructure over **5 years**

- $319 billion for Highways (lacking detail)
- Major Projects and Bridge focus
- Resilient infrastructure with “emphasis on life-cycle and long-term asset performance”
- Expands Research and Technology Deployment…
- Funding source…?
State of the Union last week

“I ask you to pass Senator John Barrasso’s highway bill to invest in new roads, bridges, and tunnels all across our land”

- ATIA - $287B over 5 years, 90% formula $$
  - Increases Federal Aid by average 15%...
  - FHWA R&D bump – AID-PT included
  - No funding mechanism (different committee…)
- Under CBO baseline… HTF would need $102B in additional revenues to get through 2025…

[Source: ENO 2020]
Trump’s Infrastructure Plan
(part of budget released on Monday)

- $810 billion over 10 years, plus $190 billion in FY2021 spending.. (total $1 trillion)
  - $602 billion for Highways… ~12.9% increase
  - $190 billion breakdown…
    - $60 billion for grants to mega-projects
    - $50 billion for freight program
    - $35 billion for bridge program
    - $25 billion for rural (broadband, water, trans. Etc.)
    - $20 billion for transit
- Leaves a ~$263 billion revenue hole
Prospects for Highway/Infrastructure Investment?

“No one ever went broke under-estimating the ability of Congress to do its job”

Tanya Snyder, Politico
What is the problem?
What is the problem?
CBO Projected 2019 Deficit...?

$960 billion

Public Debt...?

$16.7 trillion

[Source CBO 2019]
What do we know?

• We’re talking...
  • **BIG** numbers  
  • No easy answers  
  • Solutions **will** be painful  
  • Investment **is** part of the solution  
  • Must pull together  
    – not apart!
What Can You Do?

• Get engaged!
  • Petition your government
  • Get to know your Senators and Representative
  • Then – when you need to engage on an issue, you already have a relationship
  • Know the talking points!

www.northamericanconcretealliance.org/
STRATEGIC PLAN

FEDERAL ADVOCACY
Voice industry positions and represent the industry on key legislative issues that affect highways and airports.

NETWORKING VALUE
Conduct energetic, contractor-focused networking events and recognition programs that build industry prestige.

FAIR COMPETITION
Work directly with federal/state agencies and others to promote healthy concrete/asphalt competition and objective pavement selection policies.

CUSTOMER TRAINING
Deliver high-quality, strategically-focused education and training programs on timely concrete and cement-based paving topics.

STRATEGIC PROMOTION
Influence norms, specifications and projects at the state and local level, impacting business opportunities and market value for all members downstream.

TECHNICAL SUPPORT
Deliver timely support and information to chapters and members, leveraging staff expertise and relationships to influence project outcomes.

Highways
Airports
Streets/Roads
Comm./Ind.
Fair competition…. obvious, right?

• Competition is often not recognized or considered appropriately by decision makers today
• Many agencies are NOT adequately capitalizing on the benefits of competition between paving industries
Benefits of Healthy Competition

Competition is probably the single-most overlooked aspect of getting the most from your pavement investments:

● Including asphalt and concrete lowers bid prices, spurs innovation, and improves quality.

● This provides VALUE to you (the agency/owner)

● There is proof that agencies benefit from presence of both pavement types

● It is about extending the purchasing power of our highway dollar
Competitive Paving Programs?

Share of pavement spending on asphalt for DOT projects in each state (5-year average).
* AK, HI, & NJ do not input pay item details.

Source: MIT
MIT - Study on Impacts of Competition

- MIT performed a comprehensive multivariate analysis from:
  - 10 years of DOT bid-pricing data
  - 47 state DOTs
  - 164,000 projects
  - 298,000 pay items (concrete and asphalt paving)
CONCLUSION:
“...increasing competition between paving material industries lower paving costs for both asphalt and concrete jobs. This is likely to result in significant savings for DOT’s and taxpayers.”
Challenge to Agencies…

- Use knowledge that competitive two-pavement systems lower prices, spur innovation, improve quality, and enhance network performance.
- Build more pavements for same budget, and manage assets more cost efficiently.

Our job: Share the example you have set!
Your job: Protect what you have!
STRATEGIC PLAN

FEDERAL ADVOCACY
Voice industry positions and represent the industry on key legislative issues that affect highways and airports

NETWORKING VALUE
Conduct energetic, contractor-focused networking events and recognition programs that build industry prestige

FAIR COMPETITION
Work directly with federal/state agencies and others to promote healthy concrete/asphalt competition and objective pavement selection policies

CUSTOMER TRAINING
Deliver high-quality, strategically-focused education and training programs on timely concrete and cement-based paving topics

STRATEGIC PROMOTION
Influence norms, specifications and projects at the state and local level, impacting business opportunities and market value for all members downstream

TECHNICAL SUPPORT
Deliver timely support and information to chapters and members, leveraging staff expertise and relationships to influence project outcomes
Telling Our Story in New Ways to More People

- New plan, additional investment!
- New SM Service for chapters
- Changing how we position and message concrete paving
- **Technically sound messaging!**
- Realigning ACPA committees to fully support initiative
A New Committee Structure

• Approved in December
• Broadens input opportunities
• Focuses our efforts through *market* lenses
National Promotion Strategies – Supporting Wisconsin Programming

Enhanced Programs in Development

• New content and delivery mechanisms being built
• Ramping up “Count on Concrete”
• New Social-Media tools to increase awareness of benefits of concrete
• Develop/share more pavement successes and case studies
• Additional tools (web, video, collateral)
On-Going Initiatives

- Share insights on sustainability and resilience to policy-makers
- Position concrete overlays to FHWA for “Every Day Counts” program
- Support and share ongoing research/technology deployment – CP Tech Center (e.g. PEM, smoothness, LCCA, RCA, SCM)
- Emerging Leaders/Workforce Development
Combined Goal Nationally (Phase 1)

- Annual SY Increase: 6 Million
- Annual Cement Tonnage Increase: 500 Thousand Metric Tons
STRATEGIC PLAN

FEDERAL ADVOCACY
Voice industry positions and represent the industry on key legislative issues that affect highways and airports

FAIR COMPETITION
Work directly with federal/state agencies and others to promote healthy concrete/asphalt competition and objective pavement selection policies

NETWORKING VALUE
Conduct energetic, contractor-focused networking events and recognition programs that build industry prestige

CUSTOMER TRAINING
Deliver high-quality, strategically-focused education and training programs on timely concrete and cement-based paving topics

STRATEGIC PROMOTION
Influence norms, specifications and projects at the state and local level, impacting business opportunities and market value for all members downstream

TECHNICAL SUPPORT
Deliver timely support and information to chapters and members, leveraging staff expertise and relationships to influence project outcomes

Highways
Airports
Streets/Roads
Comm./Ind.
Federal/National Agency Responsibility

- First-name relationships at all major transportation-related agencies
- Look for best opportunities to improve:
  - Specifications/Policy/Guidance (LCCA, DR)
  - Technology implementation (Overlays...)
  - Programs/projects (PEM, Training, EDC)
- Committed to finding effective ways to further implement CP Tech Center and MIT work.
2019 Technical Services...

Saved members & agencies **$10+ Million** in lawsuits, lost business & unwarranted removals

Responded to 100’s of technical inquiries

Maintain credibility with specifiers
Developed jointly with NRMCA, PCA, RCC Council

- Streets (JP, CRC, RCC, overlays, FDR), Parking, Industrial
  (StreetPave/PCA Pave, BCOA –ME, AASTO93, Layered Elastic)

- **FREE**, web-based application
Pavement Designer...

1,750+ trained to date in 2018 & 2019

Over 25 presentations, workshops, webinars, etc

5,000 Users and 11,000 completed design runs since launch!
New Training Courses – Preservation of PCCP

- FHWA sponsored work with CPTech Center/IGGA
- 5 course series, 13.5 hours
- FREE to participants
- Practitioner focused
- Interactive content
- Spanish translations

Available through NHI online learning management system
In Closing… Much to be Optimistic About!

- Contractor membership – at all-time high, with overall membership growing
- Refocused on positioning and messaging concrete pavement for growth
- Adding engineers/promoters
- Continuing technical support and training
- Solid 2020 expected – then growth!
  - Market share growing ~18%
  - Concrete Overlays ~12%
Success Only through Strong Partnerships

- Issue/Technical leadership
- Federal legislation/policy
- Define industry standards

- Surface smoothness
- Tire/Road Noise
- Pavement Preservation

- State support/policies
- Contractor lead

- Research and Implementation
- DOT support
- National Resource
Encourage you to attend the 12th International Conference on Concrete Pavements!

- August 30-September 3, 2020
- At The Depot Renaissance Hotel, Minneapolis Minnesota
- 400 attendees expected
- Over 90 peer reviewed papers
- Ten technical 4-hour workshops
- Opportunities to EXHIBIT and SPONSOR
- Site visits to local projects and MnROAD
- Social/Spouse program

www.12thiccp.concretepavements.org
Thank you for your continued support of the national promotion of concrete pavements and the new programs we are pursuing!
How much is $1 trillion…?

• Start with a $100 bill – largest US denomination in general circulation!
How much is $1 trillion...?

• A packet of one hundred $100 bills less than ½ inch thick amounts to $10,000.
How much is $1 trillion...?

- What about $1 million? Fits neatly in a grocery bag!
How much is $1 trillion...?

- $100 million? Fits neatly on a pallet.
How much is $1 trillion...?

- One billion dollars! (these are all $100 bills)
How much is $1 trillion...?

• This is what one trillion dollars looks like! (notice the pallets are double-stacked)