

ARIZONA ROCK PRODUCTS ASSOCIATION

2018 Strategic Planning Report



Session facilitation provided by:
The Honorable Greg Patterson

ARIZONA ROCK PRODUCTS ASSOCIATION

Members and leaders of Arizona Rock Products Association (ARPA the Association) convened on Wednesday, October 3, 2018 at the ASU SkySong facility for the purpose of updating the strategic plan/direction for the Association. The goal of the session was to identify issues the industry may face in the future and to make recommendations to the leadership of ARPA to ensure the Association continues to serve its members and the industry in the most effective manner. Following is a list of those attending/participating in this planning session:

Company	Name
Arizona Materials	Eric Loken
CalPortland	Tim Coughlin & Tom Lowry
CEMEX	Greg Davis, Dave Shultz & Shawna Haranczak
FNF Construction	Martin Ramirez
Granite Construction	Bill Mackey
Haley & Aldrich	Eric Mears
Hanson	Ryan Jacoby
McCraren Compliance	Sarah McCraren
Reuter Equipment Co.	Carol Fellars
Rock Solid	Toby Ballentine & Tom Villa
Ryley Carlock & Applewhite	Bert Acken
Southwest Asphalt	Richard Kissling
SRMG	James Carusone, Ruben Guerrero, Michael Sheedy & Rob Prouty
Vulcan Materials	Mark Reardon
Wood	Robert Kostelny
ARPA Staff Members	Tammy Franco, Nicole Massarand, Bri Kadlec & Steve Trussell

Review of Programs, Projects and Survey Results

ARPA Executive Director Steve Trussell provided an update on ARPA programs, activities and successes over the last year. The group agreed that the organization continues to make tremendous progress and remains in a strong position as an industry leader/voice in the state, an association that other state associations strive to model, and provides high value to its members. One example of this is the fact that the Association was recognized by the Arizona Capital Times as Policy Leaders of the Year.

Next the group reviewed the ARPA Mission Statement.

“ARPA promotes and preserves the sustainability of the rock products industry through active involvement in the community, regulatory, and political processes.”

There was a solicitation for proposed changes, but none were suggested. Later, Bill Mackey suggested adding a safety statement identifying it as a core value.

The primary focus of the last two years; since the last strategy session in 2015 the primary focus for the last three years has been on **regulatory issues, project funding, community/public relations, technical specifications, and work force development.**

The Director shared the results of the most recent membership survey. This survey identified three additional issues that have arisen since the last planning session in 2015. Those items included: **workforce development** which has risen in prominence, a **marketing strategy**, and effective **association communications.**

The group then discussed the following list as potential strategic priorities for the Association over the next two years based on the “Top Industry Issues” question from the member poll. These items included the following:

1. Workforce Development
2. Regulatory
3. Political
4. Technical
5. Community Relations & Industry Image
6. Project Funding & Business Development
7. Other items from the poll included:
 - Meeting Material Demand
 - Limited Raw Materials
 - Rising Wages
 - Availability
 - Equipment Availability
 - Transportation – Supply and Aging Fleets
 - Driver Shortage
 - Small Business Resources – Insurance & Legal Support

- Aggregate Reserves
- Growth Management
- Lien Law Reform
- Water
- Employee Benefits
- Tariffs

It was determined that a number of these issues were interrelated and could be condensed under single headings. Further discussion determined that the list of strategic priorities for the Association for 2018-21 would be:

Industry Sustainability through engagement in...

- ✓ Workforce Development
- ✓ Proper Connection between Regulatory and Political
- ✓ Land – ASLD and Federal
- ✓ Promotion and Marketing to Improve the Industry’s Image
- ✓ Momentum of and Communications from the Association

Workforce Development

The group discussed recruitment and retention, but recognized retention was the responsibility of each individual company. That said, training offerings regarding how to retain employees was appropriate. It was also suggested that aside from the efforts of ARPA Community Relations and Human Resources Committees, ARPA should establish a Workforce Development Committee tasked with recruitment of potential employees through working with schools, guidance counselors, Career Technical Education (CTE), Joint Technical Education Districts (JTED) which includes EVIT and WESTMEC program development for Commercial Drivers Licensing and Material Lab Technician Certification, community college, university, career fairs, and other non-traditional avenues for recruiting qualified employees. Scholarships, internships and continued participation in opportunities such as the Arizona Construction Career Days was also noted. Key goals include:

1. Creating stronger messaging/communication with CTE programs, JTEDs, trade schools, community colleges, workforce development agencies, and the Department of Labor to strengthen future workforce for the industry
2. Developing stronger outreach to high schools, counselors (i.e. counselor luncheons), etc., to showcase the industry for future employment/career opportunities

Regulatory and Political

The group advocated for increased alignment of our regulatory and political messaging to be consistent with the priorities of the Association, membership and money spent by ARPA related to political campaigns should be strategic to ensure everything we do is meaningful and comports with our concerted efforts. It is important to effectively engage membership to identify and

increase ARPA's reach within the legislative and regulatory agencies. It was established that the Board desires continued development of relationships with key elected officials and regulatory leadership. ARPA should not lose focus on materials testing and specification challenges. Finally, we should be thinking about what happens when the current political climate shifts. Additional matters that should be addressed in-order-to effectively connect the regulatory and political aspects of what ARPA does are:

1. Proactively impacting policy before it becomes an issue
2. Setting beneficial policy in law so it is not lost under another administration
3. Continuing to effectively impact elections through candidate campaigns and ballot initiatives by setting an annual monetary goal for the ARPA Political Action Committee and by fully funding the ARPA Independent Expenditure Committee or "ROCKPAC" to support our strategic planning efforts
4. Continue to engage legislation or litigation related to construction defects and third-party lawsuits against industry caused by trial attorneys from California

Land

Access to land and aggregate resources has become increasingly challenging at the local, state and Federal level. The following issues were discussed:

1. Address zoning challenges through education of planners and economic development officials in local government
2. Educate any local planner, state and Federal employee on the need to consider "strategic aggregates"
3. Arizona State Land – Working with the ASLD on policy and reform matters, creating a Commissioner's roundtable, get acquainted with new staff over the Minerals Section, address licensing time frames and address other matters pertaining to the aggregate mining industry, not the least of which is the struggle with real estate and development
4. Federal Land – Engage in opportunities to comment on Federal land reform issues with the Bureau of Land Management and Forest Service through the Department of Interior or Congressional initiatives such as the Western Caucus or Arizona Delegation
5. Continuing to follow and be engaged with the Rio Salado Reimagined project along the Salt and Gila Rivers and get a member on the private sector planning board

Promotion and Marketing

The planning group felt creating a positive image of the rock products industry is a high priority. As such, the following suggestions were offered:

1. Support a marketing campaign for the industry that creates an increased understanding of the importance of the industry
2. Meet with a marketing firm and account for this in the 2019 budget accordingly
3. Get the message out and develop advocates by hosting or developing more community outreach, visits with neighbors, mine tours, social media audiences and other means of spreading the mining message

4. Provide training for risk communications, best management practices and effective community relations and messaging
5. Share messaging to show social benefits of mining or create a sampling of projects our members are or have been engaged in to show the benefit of our influence in the local community
6. Commitment to product neutral promotion such as Build with Strength with the NRMCA and their regional advocates
7. Capitalize on existing programs such as “I Am A Miner”
8. Overall, telling our story – before someone else does

Momentum and Communications

There was a suggestion to develop a communication processes that would encourage and allow for easy sharing of ARPA information throughout a company with the ultimate goal of increasing participation of multiple staff/members from the same company. ARPA needs to get the word out about what the Association is up to so members outside the Phoenix metro area know what the Association does. This can be accomplished by:

1. Improving the ARPA contact database for better coverage and efficiency
2. Establishing a newsletter or some other form of communication
3. Conducting company visits to present ARPA 101 for all interested members
4. Continuing to capitalize on the ARPA Young Leaders program as a pipeline for “next generation” association leaders
5. Finding new ways to plug members in
6. Succession planning for the Executive Director

Next Steps

Due to time constraints the group was not able to plan strategies for the goals developed. It was suggested that these now be sent to the appropriate committees and the ARPA Board of Directors to ensure the strategies align with the broader vision and mission of the organization. They can then be prioritized to allow staff to create indicators for implementation, resource allocation and execution.

Budgeting and Staffing

Once clear priorities are set for each of the strategic objectives, budgets, staffing and committees will then be aligned to support each priority. If the Association is funding and staffing programs outside of the strategic plan, then the Board can determine why those outside strategies and projects should be pursued. Additionally, there should be a succession plan for staff leadership developed to ensure the great work and momentum that the Association has accomplished is sustained into the future.