

By Chairman Eric Loken, Arizona Materials

Take just a minute to reflect on all the uses of construction aggregates, cement and asphalt in your daily life. Some uses that might come to mind include the foundation of your home, the roads, schools and commercial buildings you visit. Local sources of good-quality construction aggregates provide the resources to build our communities including the infrastructure needed to get from place to place. Unfortunately, aggregate sources are limited, face serious regulatory challenges, land use conflicts and are not renewable. ARPA will continue to be at the table to help regulators and local planners to better understand the industry's needs.

Our industry's goal has always been to provide the products and materials needed for the development of our communities, provide great jobs and facilitate economic growth without compromising our values of being excellent stewards of the land and environment while maintaining our social license to operate in the communities that we serve. Based on the Association's 2018 strategic plan, we are committed to continuing our work on regulatory reform, land planning, and community relations issues.

First and foremost, the biggest challenge facing our industry, is workforce development. ARPA will be engaged in working with career guidance counselors, JTED's, community colleges and the Arizona Construction Career Days event to promote or create direct opportunities in the rock products industry. ARPA's focus has and will continue to be the next generation of leaders in the industry. The Future Leaders program will help educate our folks internally to prepare them to advocate for our collective industry.

Another frequently discussed issue facing our member companies is funding for our state's key commerce corridors along with a need by counties, cities & towns for a sustainable revenue model for infrastructure investment to support robust economic growth. That said, there are significant issues facing both Federal and state funding for transportation and infrastructure. The lack of a properly indexed gas tax leaves Arizona 10 cents below the national average. Applying the Consumer Price Index (CPI) there would have to be an increase of 12 cents a gallon just to purchase what it did in 1991 which was the last time we saw an increase in the gas tax. Couple that with declining fuel receipts that have seen a 43% decrease since 1991 and alternative fuel vehicles not paying for their fair share for the use of our roads, our roadway system is in serious trouble.

Add to this issue the Highway User Revenue Fund (HURF) transfers by the State legislature over the last ten years total approximately 1.4 billion dollars which is needed to maintain the investments previously made. It is vitally important to educate the public and policy makers regarding the importance of infrastructure investment, explore ways to protect the HURF, ensure all users are paying their fair share and define a means to increase revenue for building and maintaining our vital infrastructure system. Arizona's economic future depends on it. We will likely see an attempt to resolve this matter in the 2019 legislative session.

The Arizona Rock Products Association will continue to work with legislators, elected officials at the local level and business leaders this coming legislative session to strongly consider the importance of economic development and infrastructure needed for a vibrant society and remember that aggregates build our future and add to the quality of our lives.