



# Annual Report of the Kansas Ready Mixed Concrete Association - 2012

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## President's Report - Justin Crain

Welcome to our 46<sup>th</sup> Annual Convention. I am sure many of you often wonder why we are even here. For my part, I think it is because by attending and interacting with your colleagues one can gain a greater understanding of our environment, our limitations and our opportunities. Thus using the time as suggested in this year's theme to become "Partners in Progress."

Last year's biggest challenge of course was working with the Kansas Department of Transportation (KDOT) on the continued acceptance of Kansas rock on KDOT projects. As many of you know this was a difficult and arduous task filled with many pitfalls and laden with many traps. While this is still a work in progress I think we have achieved a reasonable compromise with KDOT, which will allow for the use of Kansas rock though not at the levels all would like. I particularly wish to extend my admiration and appreciation to Rusty Owings and Matt Eichman of Technical and Quality Control committee for their diligence and hard work in steadfast pursuit of this issue. They were instrumental in blunting an effort to require ready mix plants to furnish hard rock only

Our efforts to assure Federal highway funding continued in May when the KAPA-KRMCA team composed of David Guillaume, Beau Boulden, Kip Spray, Steve Sloan, Vern Hopkins, Woody Moses, and Wendy Harms traveled to Washington to meet with the Kansas Congressional Delegation. The group, along with over 300 producers from across the nation put the arm on Congress to act on transportation. I am happy to report Congress acted shortly after our visit passing a two year program that will go a long way to assure



*Bob,  
It was great  
having you  
and your  
group in our  
Milton's  
Capitol!!  
All the Best,  
Kip*

REP. KEVIN VOIGER

that the Kansas T-WORKS program will be fully implemented. These results were further demonstrated this Fall when KDOT announced over \$1 billion in projects to be let over the next 2 years.

Over the last couple of years the word “sustainability” has crept into our lexicon and for the most part, we have come to understand and have grown comfortable with the concept. Now another term “social license” is coming to the forefront. It is used to convey the general responsibility to society in conducting business. In the future the long-term viability of any industry will be dependent on obtaining and maintaining a social license to operate in order to provide the important construction materials that our society needs. So, the social license will have to be a two way street. The need for organized effort, such as provided by our association, will never be greater. In responding to this trend KRMCA has become a leading partner in the Concrete Cares program. Concrete Cares is a concept developed by our member Mike Murray, Decorative Concrete that seeks to heighten cancer awareness and recovery. Its goal is to have concrete projects in all fifty states in support of cancer research or recovery. Our first project was completed in September at the Hope Lodge in Kansas City and was featured in local media. I sincerely appreciate the efforts of our Associate Director Wendy Harms in getting this effort off the ground.



In 2013, we will continue our efforts to improve industry sustainability where ever we can. KRMCA has been an effective voice for our industry for over 50 years and will continue to be as we meet these challenges.

It has been rewarding, educational and enjoyable to serve as your President this past year. As you can see, we have had an active year. We continue to improve programs which have been in place for several years and implement new ones. I wish to thank you for the opportunity to serve during the last year and look forward to the next. In closing, I once again thank all of those that have helped, especially Woody Moses and Wendy Harms for their efforts on behalf of the association.

### **Managing Director’s Report – Woody Moses**

The globe has turned many times since I first became your Managing Director over 25 years ago and during this time we have all seen a lot change. Now, as opposed to then, it seems as though constant change is the only constant we can count on. However, despite this environment, I am pleased to report your association has responded well with our main focus being to assist our members, our industry in dealing with change. 2012 was a challenging year in dealing with the changes KDOT has brought about in their acquisition policies, yet it has been rewarding in working on a new Federal Transportation program and seeing the results in more project announcements in Kansas.

In 2013 we will be dealing with even more change both literally and figuratively with a 40% turnover in in the Senate and 44% in the House. As this will be a distinctly more conservative crowd there will be a lot of new ideas being floated around some good, some bad; with all having one common component change. Some of the changes we expect to deal with are lien laws, explosive laws, tax laws and a host of other issues.

Lien laws, and the lien priorities established by them, have been one of the most important risk management tools we have. Without them it would be impossible to supply projects as there would be no assurance of getting paid. During the last several years a bill which would eliminate these priorities has been sponsored by the AGC of Kansas. With the recent change in the Legislature we expect to be dealing with this again. Another proposed change will be a new effort by the Kansas Fire Marshall’s office to add new requirements to our blasting laws. Additionally, we will probably be dealing with sales tax exemptions as they apply to our industry. A segment of our program will be held on this issue later on today.

One of the biggest challenges in pursuing an effective Legislative program is a need to keep both Legislators and members in touch and in tune with each other. In pursuit of this goal, last March we hosted our 16<sup>th</sup> Annual Legislative reception with over 50 members in attendance. As designed, this function has proven to be a very effective means of communicating and providing understanding about how our industry functions. At the same time, it provides our members with a little bit more understanding of what happens behind the scenes and the limitations Legislators must deal with. The reception is also timely as being held in late February when legislative functions are wrapping up. As a result, we are able to focus on the specific issues affecting our industry and communicate our industry's position in a very critical point in time. Each and every one of you is encouraged to attend.



Many, many of you have assisted in making 2012 a great year. I to join Justin in expressing my appreciation to both Rusty Owings and Matt Eichman for their efforts in representing the industry with respect to KDOT; as well as Tim Lohse for his fine efforts as the chair of the Joint Safety & Environment Committee. I also express my deep appreciation to Justin Crain, who has served as a great sounding board on every issue. Deep appreciation also goes to Wendy Harms, our Associate Director; who despite all the changes has worked diligently to make sure the office and its services do not miss a beat. My thanks to all of you for your support, and with your encouragement I look forward to dealing with many more changes in 2013.

#### **Treasurer's Report – Jim Coffin**

Despite the mediocre times we find ourselves in, I am pleased to report the Associations financial picture has improved considerably over the past few years. Our reserves now stand at over \$200,000. This is a direct result of Woody's tight management of our operations under very trying circumstances. However, while the balance sheet looks good, it has come at the cost of losing 1/3 of our staff and the associated services. Both Wendy and Woody are to be congratulated for their fine performance during what must have been a very difficult year for them. The Budget and Audit Committee met in December to review our transactions for the past year and develop a proposed budget for 2013. I am happy to report all transactions were found to be in order and review of our accounting controls satisfactory.

Thank you for the confidence and support given to me as your Secretary-Treasurer. Please advise if you have any questions or suggestions on how we can make our association better or improve operations

#### **Technical and Quality Control Committee Report - Rusty Owings**

2012 was a very busy year for the Technical and Quality Control Committee. Our relationship with the Kansas Department of Transportation continues to be one of our main focuses. This was particularly true in 2012 due to KDOT's decision to make the D-Cracking study final in May. Most vexing was a proposed recommendation, contained within the report proposing the elimination of limestone as a source of aggregate for ready mixed concrete operations. Since that time we had several meeting with KDOT to seek a reasonable compromise. While several different ideas have been exchanged we are still working on a final protocol.

Among our many other activities were:

- Addressing issues such as the Boil Test, mix design, specification and acquisition of concrete with KDOT and others.
- Worked hard to create more consistency on concrete acceptance by KDOT.
- Continued to monitor the implementation of the P2P specification.

Over the years, we have maintained a close relationship with the Kansas Chapter-ACI through the joint certification committee and in other areas. ACI testing was a success with over 100 certification tests administered.

As we move forward in 2013, we will continue to work on primary issues, which is our relationship with KDOT.

### **Promotion and Marketing Committee – Peter Browning**

With so many things going on in the world, it is easy to get sidetracked from the basic building blocks that we use every day. Concrete is one of the basic things that seems to get lost. That is why the promotion and marketing committee must continue to help you do the very basic chore of promoting and gaining acceptance of our product, especially in today's economy.

In 2012 the committee engaged in several program in support of our basic mission, among them were:

- Hosted our 9<sup>th</sup> Eat Concrete Day. The event allows us to feature the versatility of concrete through the provision of Sheridan's "Concrete" to legislators and staff. This provides a catchy way of getting attention to over two hundred decision makers in our state and putting in a good word for the durability and sustainability of concrete.
- Produced and hosted two CPR seminars in Dodge City and Pittsburg.
- Continued to develop and distribute our Durability, School and Driveway brochures.
- Tomorrow we will be presenting the 2012 Municipal Concrete Awards to 9 different Municipalities in recognition of their innovative use of concrete. This ongoing program is designed to once again illustrate and honor the innovative use of concrete among municipalities. This works similar to the ACI Concrete awards program, so get out and make a nomination. Award winners are recognized through statewide press releases featuring concrete.
- Hosted two Concrete Pavement Design seminars in Wichita and Kansas City.
- In conjunction with the University of Kansas, hosted Concrete Maintenance and Repair seminars in Manhattan and Merriam.
- Altogether our committee, through our professional staff, produced, hosted and sponsored over 21 events in 2012.



In November we were pleased to learn that South Central Cement Promotion Association (SCCPA) will once again be a promotion partner in 2013. Unfortunately, due to membership changes has reduced their funding level. Despite this reduction the committee will be working hard to produce a program at or near the same level. Also, on our promotion team is Monarch Cement Co. continuing their funding at the same level for 2013. We will use this money to produce the best possible program in 2013. Our sincere thanks are extended to Monarch Cement as well as Michael Young and the members of the South Central Cement Promotion Association for their steadfast support as our promotion partners.

## Safety & Environment Committee Report – Tim Lohse

The Safety & Environment Committee had a very active year with our various programs that came in to place as well as the general maintenance of its current obligation to promoting a safe working environment to both employees and the public.

Here are some highlights from this last year:

- Continued sponsorship of the KAPA & KRMCA Morgison Safety Program. The Morgison Safety program has been active for more than 9 years and continues to grow each year. We appreciate the time and effort that companies take to submit their reports, and our judges who take time to judge the final results. Winners will be announced and honored at our Awards Program tomorrow.
- Continued our sponsorship of the KAPA & KRMCA Driver of the Year Program.
- Worked to provide producers with a better understanding of EPA storm water requirements.
- Reviewed and updated our KAPA and KRMCA Regulatory Guides.
- Sponsored and participated in the J.H. Holmes Sunflower Safety Chapter. The group hosted several meetings in 2012.



Sunflower Safety Council Meeting –  
Nov. 2012

I think you will agree we have had an active year. We continue to improve programs which have been in place for several years and implement new ones. I want to thank you for the opportunity to serve as committee chair for the past year.