

UPDATE



ILLINOIS ASSOCIATION OF AGGREGATE PRODUCERS

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State Capitol Report

On January 18, 2006, Governor Blagojevich delivered his State of the State Address to a joint session of the Illinois General Assembly. Although he touched on a number of important issues, the key thrust of his presentation focused on a proposed new Capital Construction Program designed to build or rebuild streets and highways, improve mass transit and build schools. According to the summary of this speech posted on the State of Illinois website, the Governor's capital plan will provide matching State funds for SAFETEA-LU earmarks and includes:

- Expanding Route 51 in Decatur
- Widening I-55 from Weber Road to Illinois 126 in Joliet
- Widening Illinois Route 13 from Marion to Carterville
- Building Technology Boulevard in Peoria
- Improving Route 2 in Rockford
- Improving Route 5 in Moline
- Starting work on the Mississippi River Bridge
- Making Route 336 a gateway from Chicago all the way to Kansas City

The Governor's speech focused on the jobs created by this program; he didn't outline how these projects would be funded. That information was supplied during a briefing for road construction, transit and school construction interest groups conducted by **Rep. Jay Hoffman (D-112, Collinsville)** and **IDOT Secretary Tim Martin**. Aggregate industry interests were represented by **IAAP Executive Director John Henriksen** who attended this meeting with other business and labor representatives from the **Transportation for Illinois Coalition (TFIC)**.

Rep. Hoffman and Secretary Martin distributed a Capital Construction Program document that identifies, by IDOT District, the road projects included in the Governor's plan. They both stressed that the Governor's program contains all new projects – projects that are all “add-ons” to the upcoming IDOT Multi-Year Program (which may be downloaded from the IDOT website by February 17, 2006).

The key issue relating to the road construction portion of the Governor's proposal concerns the method of funding and can be summarized as follows: **this program utilizes Road Fund money to pay the debt service on a series of bonds used to fund these new State roads as well as generate the State “match” for \$1.5 billion in SAFETEA-LU earmarks.** The Capital Construction Program document then sets out IDOT analyses in support of the Administration's core belief – **the Road Fund has a sufficient “cash balance” to fund a new road construction bonding program without the need for a new revenue stream to service the bond debt.**

Secretary Martin then appeared before the TFIC State House Committee in a further effort to “sell” the Governor’s program. (Martin is seeking TFIC support for this initiative given that any new State bonding program requires a 60% majority vote in both the Illinois House and Senate before such proposal can become law, a requirement that makes bi-partisan support key to the success of the Governor’s Capital Construction Program).

Martin again stressed that these projects are “add-ons” to IDOT’s Multi-Year Program and that money generated by this bonding program would only go to pay for road construction. He then went on to explain that if the Illinois General Assembly does not pass this bonding program, IDOT will only focus on road and bridge **maintenance** (with the exception of a few high ticket items such as the I-55 widening project). Absent the proposed bonding program moving forward quickly, Martin stated that there will be “... **less than subtle shifts in the Multi-Year Program**”. More significantly, the \$1.5 Billion of federal earmarks Illinois received under SAFETEA-LU would be pulled into these “not so subtle shifts”. In essence, earmarks not important to IDOT’s overall road construction plan would be dropped. **An interesting meeting, to say the least.**

A copy of the Governor’s Capital Construction Program has been sent to each member of the IAAP Board of Directors for review, along with some background information on this proposal. The Governor’s proposed Capital Construction Program will be discussed at length during the upcoming TFIC Steering Committee meeting in Springfield.

Update on HB 4206 -- NPDES Fee Reduction Bill

As outlined in last month’s *Update*, **House Deputy Majority Leader Gary Hannig (D-98, Litchfield)** filed legislation to reduce the annual NPDES fees paid by our members. **HB 4206** amends Section 12.5 of the Act in order to reduce the annual NPDES permit fees paid by aggregate mines, coal mines and publicly owned treatment works. (For aggregate mines, HB 4206 reduces these NPDES fee payments from \$5,000 to \$1,000 annually). Our legislation reduces these fees to reasonable levels yet ensures that the State continues to receive the annual revenues necessary to implement the IEPA’s clean water regulatory program for aggregate mines, coal mines and publicly owned water treatment works. **(The Illinois Coal Association and Illinois Municipal League are partnering with the IAAP to move this legislation).**

Since filing HB 4206, a number of our friends in the General Assembly have jumped on as co-sponsors: [Robert F. Flider](#) - [John E. Bradley](#) - [Daniel V. Beiser](#) - [Lisa M. Dugan](#), [Jack D. Franks](#), [Patrick J Verschoore](#), [David E. Miller](#), [Thomas Holbrook](#) and [William B. Black](#). All of these folks have stone quarries and/or gravel pits in their districts. To get a look at these folks, just click on their names to open up a link to the Illinois General Assembly website. (As an aside, note that Bill Black is the only Republican in this list, a deficiency we plan to remedy soon).

Rep. Hannig has expressed some concern that our bill, in its current form, may be held up in the House Rules Committee. Speaker Madigan evidently wants to limit the General Assembly’s consideration of any legislation that may impact State revenues. In short, if aggregate producers get a break on fees, no matter how well deserved, a host of other interest groups will want relief, thereby complicating the Speaker’s ultimate goal – approve a State budget and adjourn the General Assembly in order to campaign. **We will keep you all updated on the status of HB 4206.**

AGCI/IAAP Legislative Reception

On February 28, 2006, the IAAP and the Associated General Contractors of Illinois (AGCI) will hold their third joint Legislative Breakfast. This event will again be held at the Sangamo Club, in Springfield, Illinois, from 7:00 a.m. to 9:00 a.m. (The Sangamo Club is located only a few blocks from the State Capitol and is an excellent site for holding legislative meetings).

The Plan: The AGCI and the IAAP are sending out legislative breakfast invitations to every Illinois State Representative and Senator. In addition, both associations will send out invitations to all of their members. Finally, each association will ask key members to personally deliver invitations to legislators at their district offices. This intensive effort will help us achieve two important goals.

- We want every State legislator with an IAAP or AGCI member in his/her district to attend our breakfast.
- We want every State legislator who attends our event to be greeted by an aggregate producer, road builder or associate member who votes in his or her district.

The 2004 AGCI/IAAP Legislative Breakfast was a very successful joint initiative -- an event that further cemented the close working relationship both associations have forged over the years. This event gives our members to lobby their legislators in a relaxed setting and then visit with other members of the Illinois General Assembly at the nearby Capitol Complex.

More details will follow as this important event takes shape. For now, be sure to mark February 28th on your calendar – plan to attend the 2006 AGCI/IAAP Legislative Breakfast.

IAAP Political Action Committee (PAC)

The IAAP PAC was formed in 1997 to provide financial support for our allies in the Illinois General Assembly. The IAAP PAC sends contributions to Democratic and Republican state legislators from Downstate, the Collar Counties and Chicago. These legislators have one thing in common – **they support bills that help the Illinois aggregates industry and fight against bills that hurt our interests.**

A solicitation on behalf of the IAAP PAC was included with the 2006 Producer Membership billing. Although the PAC solicitation was directed at our producer members, IAAP Associate members are also encouraged to contribute to the IAAP PAC.

Given the recent changes in our State's political landscape, supporting the IAAP PAC is critically important to the future of our industry and your company. Whether you are a producer member or an associate member, please send in a contribution payable to the IAAP PAC in support of your Association's political activities.

Shawn McKinney Joins the IAAP

With each new year comes a tradition practiced by many, the New Year's resolution. But, unlike your resolution to lose a few more pounds, the IAAP has resolved to add a few more instead. January marked the start date for our new Outreach Manager, increasing our office personnel to three in order to offer enhanced services and support to our producer and associate members. **Shawn McKinney** will be bringing his past experience and training to this new position focusing primarily on membership services and new member recruitment. This IAAP resolution will follow thru on our commitment to make this association even more valuable to our members and the industry it represents.

Shawn comes to us as a recent graduate from the University of Illinois at Springfield where he majored in political studies and interest group politics. In addition to his theoretical training, he has several years of practical experience under his belt working for various associations designing member outreach programs and other goods and services intended to enhance member participation. Shawn has some new ideas and will offer a fresh perspective on current IAAP programs.

If you are involved with the Safety or Public Information and Education committees, you will begin working with Shawn very soon. Otherwise, expect to begin hearing from him later this spring as he reaches out to schedule personal visits. Meeting your needs and concerns will be his job—so let him know what is on your mind. You may contact Shawn by telephone at (217) 241-1639 or by e-mail at shawn@hansoninfosys.com.

Zero Illinois Mine Fatalities in 2005

The recent underground coal mine deaths in West Virginia have generated a lot of interest in the national and state news media. These fatalities will be carefully analyzed by the mining industry and by regulatory agencies in a collaborative effort to improve mine safety. However, these tragic fatalities must not obscure a critical statistic that should be a source of pride for all miners: **zero Illinois aggregate and coal mine fatalities -- for the second year in a row.**

The IAAP Safety Committee held a Hard Hat Sticker Contest to create a sticker to celebrate a fatality free 2001. The winning entry for that year was submitted by **Dan Larson, Elmer Larson, LLC.**



The Safety Committee held another contest to celebrate a fatality free 2004, with the winning entry submitted by **Pete Stamatopoulos, Elmhurst-Chicago Stone Company.**



The IAAP Safety Committee printed 10,000 hard hat stickers using Dan's and Pete's design for distribution to all employees at IAAP mines, with the finished stickers distributed at the IAAP Annual Conventions. **It is now time for another IAAP Hard Hat Sticker Contest.**

If you are interested in competing for this award, please send in your artwork to: **IAAP, 1115 South Second Street, Springfield, IL 62704, on or before February 21, 2006.** Your entry should specify the color(s) you want used in your design as well as clearly state the safety slogan or other lettering you would like to see on the IAAP sticker. You may also submit your artwork by email to: iaap@hansoninfosys.com.

The IAAP Safety Committee will select the winning entry during its February 22, 2006 meeting in Springfield, with the finished hardhat stickers ready in time for the May 18, 2006 Annual Convention. **The IAAP will award a \$250 cash prize to this year's contest winner so send in your artwork today!**

Starved Rock Safety Conference – Mark Your Calendar!

On March 7-8, 2006, the Mine Safety and Health Administration and the Illinois Department of Natural Resources, Office of Mines and Minerals, will be hosting the 15th Annual State Grants Conference at Starved Rock Lodge, Utica, Illinois. MSHA is merging its annual Spring Thaw Conference with this annual event in order to improve the efficiency and quality of both training efforts.

Registration begins at 12 noon on March 7th, with the opening at 1:00 p.m. The \$30 conference fee includes all training, breaks, continental breakfast and lunch on Wednesday. **Please note: a complimentary evening reception sponsored by the IAAP will follow the March 7th program.** For more information, please contact Mary Jane Summers in IDNR's Benton office: 618-439-9111, ext. 228.

Support the IAAP Science Teachers Workshop

On July 17-19, 2006, the IAAP will hold its tenth annual Workshop for Science Teachers (K-12) at Pere Marquette Lodge and Conference Center in Grafton, Illinois. A workshop brochure has been mailed out to every IAAP member along with teacher and sponsor registration forms. In addition, both registration forms can be downloaded from the IAAP's website: www.iaap-aggregates.org.

The goal of the IAAP's workshop is to inform Illinois teachers about the importance of rocks, minerals, and mining in everyday life. This goal is accomplished by allowing participating teachers to tour active mining operations and by providing information, tools, and activities they can take back to their classrooms. They also take back a new appreciation of how important aggregate producers are to this State's economy.

You can help support this important IAAP program in two ways.

First, companies or organizations may sponsor teachers to attend our workshop at a cost of \$350.00 per teacher. Complete the Sponsorship/Donation form enclosed with our workshop brochure (or downloaded from our website) and mail this form, along with the appropriate sponsorship fee, to the IAAP. In addition, please have your teacher(s) complete the Registration Form and mail this form, along with the registration fee, to the IAAP. This form should include the CEU fee if your teacher is interested in receiving graduate credit for attending the workshop.

Note: if you want to sponsor a teacher but don't have anyone specific in mind, that's OK. We always need financial support for teachers who want to attend yet don't have sponsors.

Second, you can support our workshop by donating corporate promotional items, in quantities of 35. You may also make a cash donation to help defray workshop expenses, including the costs associated with our informal reception for the teachers. **Again, please send all donations directly to the IAAP along with a completed Sponsorship/Donation form.**

Sponsoring a teacher to attend our workshop is an excellent way for your company to enhance its community relations. The IAAP's 2006 Workshop for Science Teachers is limited to the first 32 teachers registered. **Therefore, please send in your registration form(s) promptly.**

Industry News

Bowser-Morner is pleased to announce that **Tim Augustine** has been promoted to Manager of Subsurface Exploration Services for the company. Mr. Augustine has spent most of his 30-year career in various phases of the subsurface exploration business, including owning his own drilling company for several years. Since 1995, Mr. Augustine has worked in Sales and Business Development for Bowser-Morner. As Manager of Subsurface Exploration Services, Mr. Augustine will oversee all subsurface exploration work including cost estimates, schedules, and other aspects of the projects.



A leader since 1911 in engineering and testing services, Bowser-Morner's headquarters are in Dayton, Ohio; the company has regional offices in Toledo, Ohio; Lexington, Kentucky; and Springfield, Illinois. Call Randy Dew at (937) 236-8805, Ext. 289, for additional details, or visit their website at www.bowser-morner.com.

Industry News

Delta Companies, the parent of **Southern Illinois Stone Company** in Buncombe, Illinois, announces that **James H. Gregory** has joined them as **General Manager – Aggregates**.

NSSGA has announced the newly elected and re-elected members of the NSSGA Board of Directors. These individuals were unanimously elected by the NSSGA membership and will serve a three-year term beginning with the annual convention in March and ending at the 2009 convention. Those elected to a three-year term includes **Michael Stanczak, Material Service Corporation**, Chicago, Illinois.

Illinois Department of Natural Resources, Office of Mines & Minerals, has closed the Ottawa office. The State's current plan is to re-open at another location in the future. Meanwhile, your State reclamation inspectors may be reached at these numbers:

- Rob Farabaugh 815/488/5408
- Linda Hiltabrand 815/481-2201
- Myron McCaskey 815/488-5410
- Barry McCauley 815/488-5409

If there is an emergency or you cannot reach your inspector, please call the Springfield office at 217-782-9976.

New IAAP Associate Members

ILLINOIS ELECTRIC WORKS

2161 Adams Street
Granite City, Illinois 62040
(618) 451-6900
FAX: (618) 451-6940
Email: Ron@illinoiselectric.com
Website: www.illinoiselectric.com
Dale Hamil, President
Ernie Hodge, Vice President
Ronald Keppel, Sales Manager

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New IAAP Associate Members

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Springfield, Illinois 62711
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FAX: (217) 787-9495
Email: arathsack@andrews-eng.com
Website: www.andrews-eng.com
Andrew Rathsack, President
Robert Russell, Vice President
Kenneth Liss, Springfield Office Director

Other Locations:

Naperville, Illinois
(630) 544-3332, FAX: (630) 544-3398
Pontiac, Illinois
(815) 842-2042, FAX: (815) 842-2159
Indianapolis, Indiana
(317) 595-6492, FAX: (317) 598-9929
St. Louis, Missouri
(636) 456-6387, FAX: (636) 456-6389

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IAAP Calendar

January 25, 2006: TFIC Steering Committee Meeting; Illinois Municipal League, Springfield, Illinois.

January 27, 2006: IMI Executive Board Meeting; IAAP Office, Springfield, Illinois.

February 9, 2006: Illinois Metro Recycling Group Meeting; IDOT District One, Schaumburg, Illinois.

February 21, 2006: IAAP Safety Awards Sub-Committee Meeting; IAAP Office, Springfield, Illinois.

February 22, 2006: IAAP Safety Committee Meeting; IAAP Office, Springfield, Illinois.

February 22, 2006: TFIC Steering Committee Meeting; Illinois Municipal League, Springfield, Illinois.

February 27, 2006: IAAP Board of Director's Meeting; Sangamo Club, Springfield, Illinois.

February 28, 2006: AGCI/IAAP Legislative Breakfast; Sangamo Club, Springfield, Illinois.

February 28, 2006: IAAP Environmental Committee Meeting; IAAP Office, Springfield, Illinois.

March 7-8, 2006, 15th Annual MSHA Spring Thaw/State Grants Conference; Starved Rock Lodge, Utica, Illinois.

March 10, 2006: Illinois Metro Recycling Group Meeting; IDOT District One, Schaumburg, Illinois.

March 10, 2006: IDOT Bid Letting; Hanley Building, Springfield, Illinois.

March 15, 2006: IAAP Public Information and Education Committee Meeting; IAAP Office, Springfield, Illinois.