

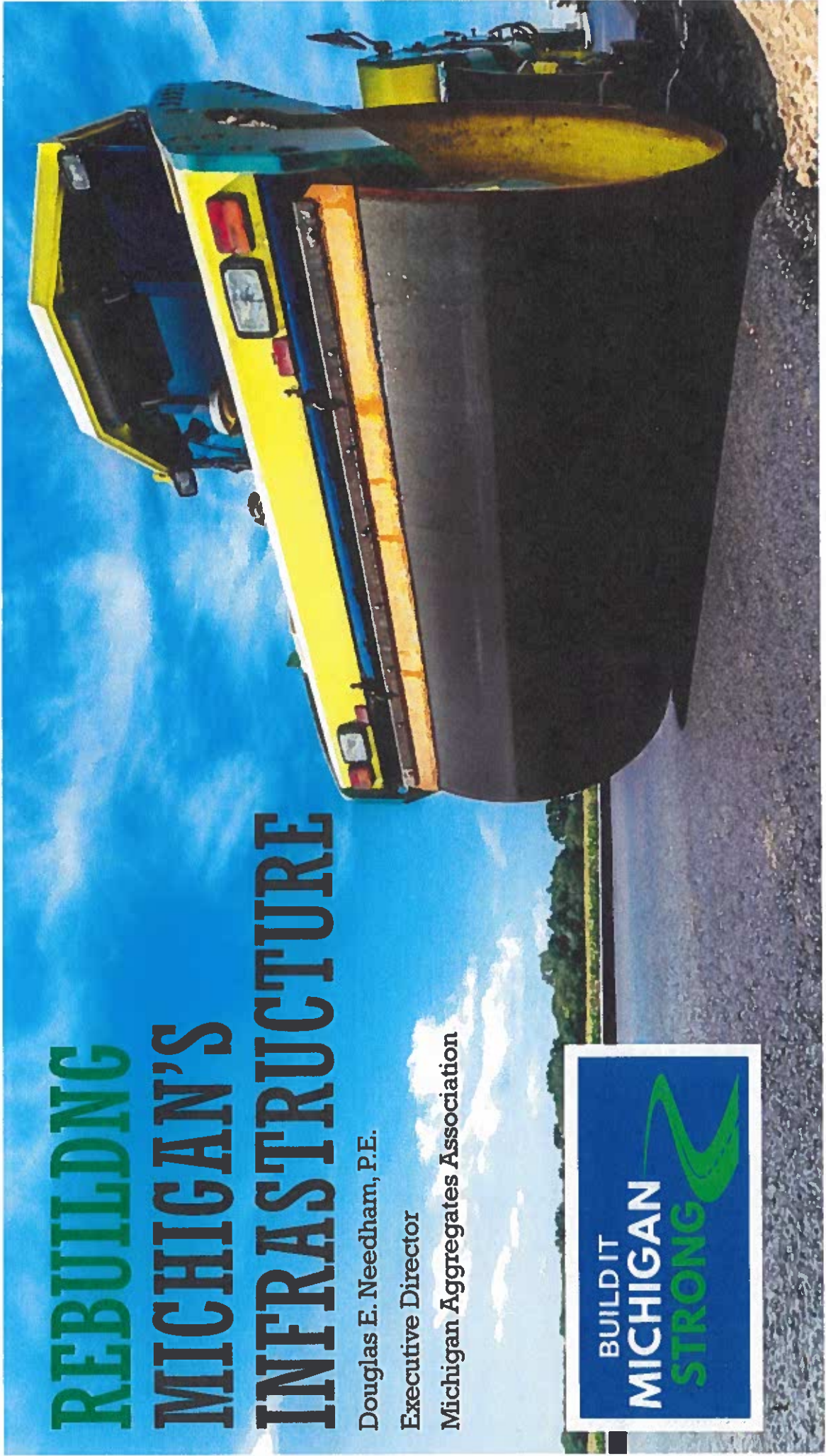
REBUILDING MICHIGAN'S INFRASTRUCTURE

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Executive Director

Michigan Aggregates Association

BUILD IT
MICHIGAN
STRONG



MICHIGAN AGGREGATES ASSOCIATION

REBUILDING MICHIGAN'S INFRASTRUCTURE



- Michigan's infrastructure rebuild begins with us.
- We employ about 8,000 highly-skilled women and men.
- We produce and deliver the essential raw materials used to build roads, bridges, public works and private construction.
- Stone, sand, gravel, slag, recycled materials.
- Equipment manufacturers and service providers.



THE BUILD IT MICHIGAN STRONG COALITION

LABOR AND BUSINESS AGREE

MICHIGAN CHAMBER OF COMMERCE

OPERATING ENGINEERS 324

MICHIGAN TEAMSTERS

MICHIGAN MANUFACTURERS ASSOCIATION

HOME BUILDERS ASSOCIATION OF MI

MICHIGAN LABORERS

GRAND RAPIDS CHAMBER

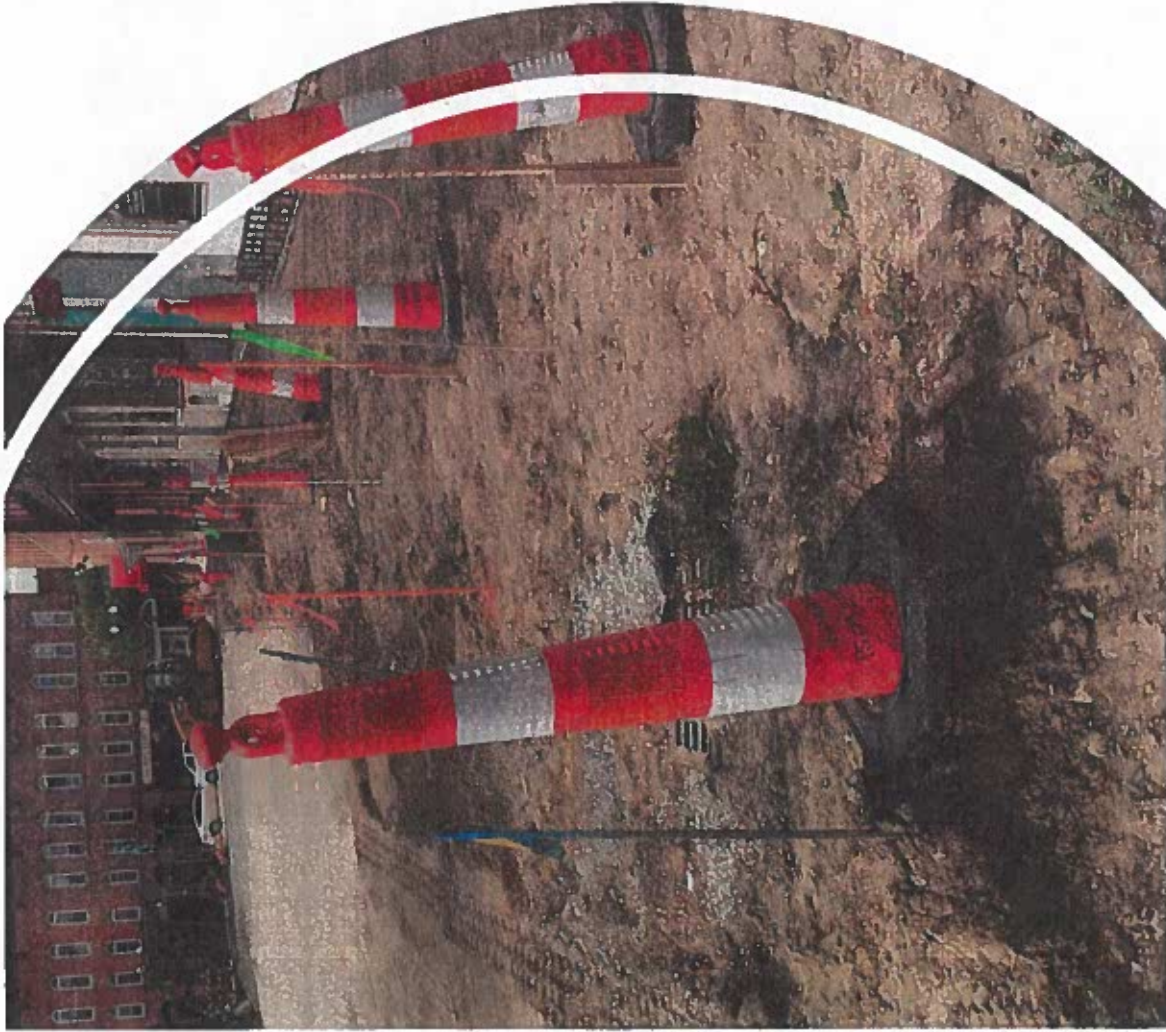
ASPHALT PAVEMENT ASSOCIATION

MICHIGAN AGGREGATES ASSOCIATION

MICHIGAN CONCRETE ASSOCIATION

MITA





WHY MICHIGAN NEEDS REFORM NOW

- Crumbling roads are driving strong demand for limited, permitted aggregate supplies.
- Aggregates are difficult to access because local governments and activists are effectively blocking new mining permits close to the busiest areas.
- “Very Serious Consequences” under the Michigan Zoning Enabling Act is abused to stop mining.
- Result: Building demand and limited new sources drive up prices and trucking costs due to longer hauls
- Result: Taxpayers and private sector pay more per mile.



PROBLEM: NIMBY OPPOSITION WASTES ROAD FUNDING

"A Retired State Geologist On Helping Communities Review, Deny Aggregate Mines"

Communities Review - and

- "traveled across Michigan to help municipalities review - and deny - applications for sand & gravel mines."
- "...this is much more fun than crossword puzzles & daytime TV."
- "So far, he's helped block seven mine permits."



Benzie residents stonewall proposed gravel pit



One Scary Piece of Legislation!
Just when you thought it was safe to
an amendment to 2006 PA 110, know

Parma Could Soon Experience an Unprecedented Gravel Mine

Why it Matters. What We Can Do.

Denial of Gravel Pits in Michigan

"Very Serious Consequences"

A practical guide for citizens who oppose gravel/sand pit applications

PROBLEM: DELAYS & DENIALS DISRUPT THE INFRASTRUCTURE SUPPLY CHAIN

JUST A FEW TOWNSHIPS CONTRIBUTING TO THE DISRUPTION OF OUR INFRASTRUCTURE SUPPLY CHAIN

ALAMO	EXETER	GULL LAKE	KALAMAZOO	NORWOOD	PARMA	SHARON
CAMBRIDGE	FREEDOM	HAYES	KASSON	ORANGE	PORTAGE	STURGIS
CHELSEA	GLADWIN	HOLLY	LYNDON	ORONOKO	PRESQUE ISLE	TUSCOLA
CONCORD	GRASS LAKE	HOPE	METAMORA	OSTEMO	RAPID RIVER	UNION
DeWITT	GROVELAND	INLAND	NORVELL	OTSEGO	RICHLAND	VASSAR
			WATERLOO			

PROBLEM: DELAYS & DENIALS DISRUPT THE INFRASTRUCTURE SUPPLY CHAIN

NEED DETERMINATION: local governments dictating the free market

NEW ORDINANCES: new obstacles placed before small businesses

VERY SERIOUS CONSEQUENCES: everything becomes a V.S.Q.

BUSINESS PAYS FOR OPPOSITION LAWYERS:

aggregates firms foot the bill for well-known municipal attorneys

"Fisher was retained by Chelsea to help in its battle against a proposed sand and gravel mine in neighboring Lyndon Township."

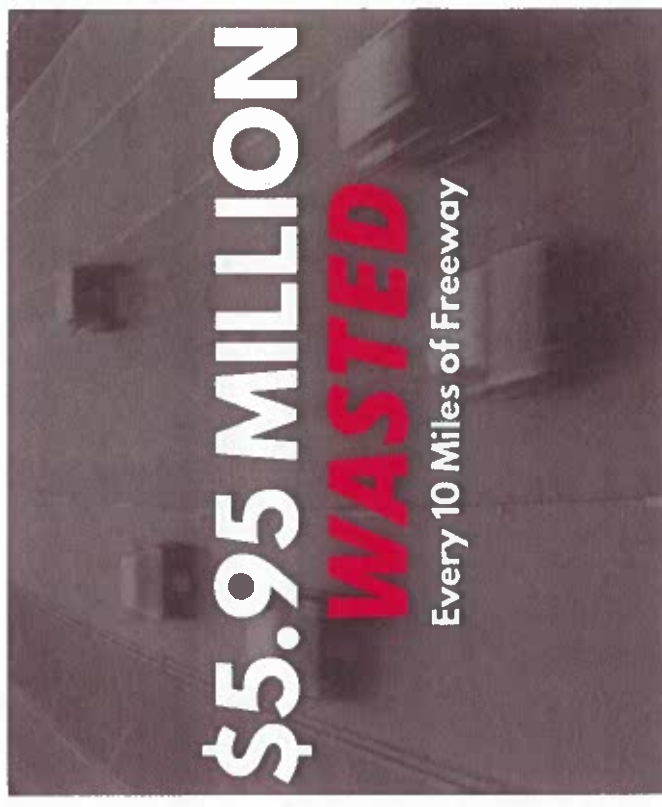
LEGALNEWS.COM, 1/2/15

RESULT: GOV. WHITMER'S \$3.5 BILLION WASTED ON TRANSPORT COSTS

- Higher demand and limited supplies creates longer hauls
- Construction of one mile of four-lane interstate highway requires 85,000 tons of aggregate
- Longer distances means higher costs:
 - 30 miles: $\$7.00/\text{ton} \times 85,000 \text{ tons} = \$595,000$
 - 60 miles: $\$14.00/\text{ton} \times 85,000 \text{ tons} = \$1,190,000$

\$595,000 WASTED EVERY MILE

\$5.95 MILLION WASTED EVERY 10 MILES



RESULT: GOV. WHITMER'S \$3.5 BILLION WASTED ON TRANSPORT COSTS



Average aggregate haul distances have expanded from around 30 miles to 60 miles or more, today.



MDOT investing \$3.5 billion, rebuilding 1,370 miles of major Michigan roadways.



Cut hauling distances from 60 to 30 miles by allowing mining closer to jobs and save up to \$815 million.

HOW TO SAVE ON GOV'S BOND

- ✓ One mile of four lane reconstruction requires about 85,000 tons of aggregates.
- ✓ Transport 1 ton of aggregate 30 miles = ±\$7/ton
- ✓ Transport 1 ton of aggregate 60 miles = ±\$14/ton
- ✓ save \$7/ton on 1,370 miles @ 85,000 tons/mile

SAVE \$815,150,000



SOLUTION: ONE STATEWIDE PERMITTING STANDARD

One statewide standard
with EGLE
permitting process

Same permitting process
as other extractive
industries

Local input
with required
public hearings

Environmental oversight
protected

Reclamation requirements
more valuable
than before

Private property rights
protected

Avoid Litigation
that is stopping
progress

Reduce waste
on longer hauls

FIX MORE ROADS & INFRASTRUCTURE



SOLUTION: ALIGNS AGGREGATES WITH OTHER MINERAL MINING

- Ends the local permitting stalemate by placing permitting into the same EGLE process as similar mineral mining industries:

- Sand dunes
- Oil & gas
- Iron ore
- Nickel
- Coal



SOLUTION: ENSURES LOCAL INPUT

- Empowers EGLE to hold public permitting hearings
- Requires EGLE to directly notify local government officials when aggregate permit applications are submitted
- Requires EGLE to make public notice of permit applications
- Encourages citizens and local governments to submit written comments and participate in public hearings



SOLUTION: PROTECTS LOCAL QUALITY OF LIFE



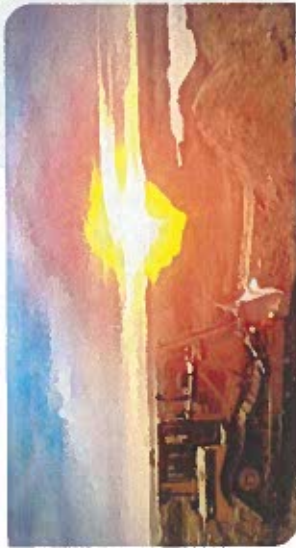
- Sound and vibration limitations
- Dust controls
- Truck loading hours of operation
- Minimum setback requirements
- Berming and screening to protect community aesthetics
- Stockpile height controls
- Haul routes
- Post-mining reclamation requirements



MINING FOR THE FUTURE

MICHIGAN'S aggregate industry is Mining for the Future! We source sand, gravel and limestone to fix our roads and build our schools, churches, hospitals, offices, and more. We are also sparking the redevelopment of mining sites into environmentally friendly uses, including lakes, farm land, solar farms, golf courses, wildlife preserves, and housing.

Our focus on future development means the land used for mining today will be reclaimed tomorrow, creating more uses and higher taxable value than it had originally. Check out some of the great redevelopment projects already taking place across our state!



find out more
Use this QR code to use MAA's
online resources.

SOLUTION: PROTECTS LOCAL QUALITY OF LIFE

Michigan's aggregates industry is leading the way in reclaiming mining sites!

- More housing development opportunities
- Creating desirable waterfront property
- Increasing local tax base
- New public recreational facilities
- Reclaimed and improved natural settings

SEE RECLAMATION EXAMPLES HERE!

CLICK ON THE QR CODE UNDER EACH PROJECT TO SEE THEM!



SOLUTION: MAINTAINS ENVIRONMENTAL PROTECTIONS

- Protects current standards that require producers to obtain permits from EGLE and EPA:
 - Air permits
 - Ground water withdrawal permits
 - Ground water discharge permits
 - NPDES
 - Inland lakes & streams permits
 - Wetlands
 - Soil erosion & sedimentation control
 - Local health departments for water withdrawal



SOLUTION: CUTS CARBON EMISSIONS



- Longer hauls burn more fuel & create more CO₂
- If haul distances are cut by 50% on Gov. Whitmer's \$3.5 billion plan (from 60 miles down to 30):
 - Michigan gravel trains average 2.5 miles/gallon
 - 85,000 aggregate tons per mile of road = 1,700 loads
 - 1,700 loads x 30 mile savings / 2.5 mpg = 20,400 gallons of diesel
 - 20,400 g x 22.4 lbs of CO₂/g = 456,960 lbs/CO₂
 - 456,960 lbs/CO₂ x 1,370 miles of road construction =

313,000 TONS OF CO₂ SAVINGS

EQUIVALENT TO TAKING 68,000 CARS OFF THE ROAD YEARLY

SOLUTION: BIPARTISAN SUPPORT

GOV. GRETCHEN WHITMER

BIPARTISAN SPONSORS

LABOR & BUSINESS:

OPERATING ENGINEERS 324

MICHIGAN TEAMSTERS

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