

CALIFORNIA ASPHALT INSIDER

The latest news and views from the California Asphalt Pavement Association

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www.calapa.net

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CALENDAR

(Always on-line [HERE](#))

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'Asphalt Pavement 101' training class
Tuesday, Jan. 9, 8 a.m. to noon
Graniterock Company, 350 Technology Drive, Watsonville
Contact: Ritha Nhorn (916) 791-5044
Register [HERE](#).

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'Asphalt Pavement 101' training class
Wednesday, Jan. 10, 8 a.m.

Greetings!

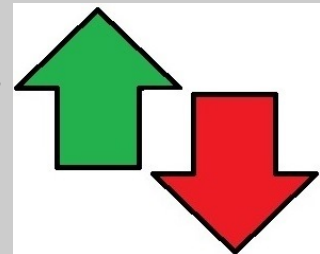
This weekly bulletin contains the latest news and information of interest to the asphalt pavement industry in California. Please feel free to distribute this newsletter to others who may be interested in asphalt pavements.

→ EXCLUSIVE: Optimism soars in our 8th annual 'better-worse' survey; SB1 road funding, workforce among the top concerns

The results are in. The eighth annual CalAPA "Better or Worse" survey shows respondents are vastly more optimistic than ever, although concerns about workforce recruitment, retention and training are a concern for industry and agency alike.

The brief, non-scientific poll of more than 2,600 "Asphalt Insider" newsletter subscribers, conducted over the past month, indicated the optimism soared to its highest level in the eight years the survey has been conducted, reversing a slide that began following the previous optimism peak in 2014. The number of respondents who said next year would be better than 2017 stood at 62 percent, compared to 43 percent last year. The previous record high was 51 percent in 2014.

"Business is booming!" one industry respondent wrote, and another added: "This was a very good year. It will be tough to have a 'better' year based on experience." An agency respondent wrote, "More resources, finally." Another agency representative said: "Because SB1 money from the new gas tax will start flowing in, we will be able to afford to take better care of our roads. This is a welcome development!"



Indeed, the passage in the state Legislature earlier this year of SB1, the Road Repair and Accountability Act of 2017, clearly buoyed the optimism of the survey respondents. The bill, which raised the state's fuel taxes for the first time since 1994, will generate more than \$5 billion per year for transportation, with most of the money devoted to roads. Surveys show California has some of the roughest roads in the nation, largely due to lack of money for maintenance and repair. SB1 will split money between state and local governments, and has spurred agencies to start ramping up road improvement work in anticipation of the new investments. Many counties also have taken matters into their own hands, with voters in 22 of California's 58 counties approving sales-tax hikes devoted to transportation by greater than a two-thirds majority required by the California Constitution.

On the negative side, only 5 percent of respondents said next year would be worse than 2017, compared to 21 percent who felt that way in the 2017 survey. The highest "worse" percentage in the history of the survey was 25 percent recorded in 2010, with the state mired in a deep recession and road-repair budgets plummeting.

to noon
Quality Suites, 1631 Monterey
St., Los Padres Meeting Room
(3rd Floor), San Luis Obispo
Contact: Ritha Nhorn (916)
791-5044
Register [HERE](#).

*

'Asphalt Pavement 101'
training class
Thursday, Jan. 11, 10 a.m.
to 2:30 p.m. (includes
lunch)

University of Phoenix, 45 E.
River Park Place West, Suite
201 (Second Floor Room 204),
Fresno.

Contact: Ritha Nhorn (916)
791-5044
Register [HERE](#).

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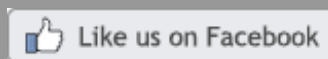
SIGN UP NOW!
CalAPA Annual Dinner
Thursday, Jan. 18, 2018
Jonathan Club
545 S. Figueroa St., Los
Angeles.

For sponsorship information,
contact Sophie You at (916)
791-5044
Details [HERE](#).

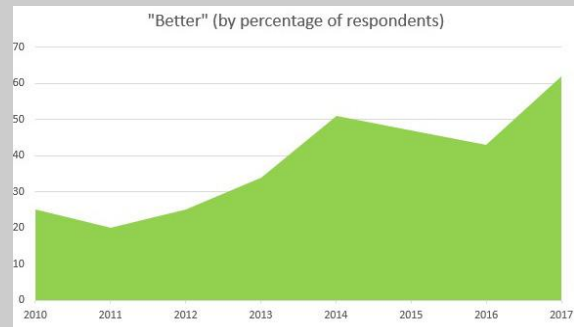
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SAVE THE DATES!
Spring Asphalt Pavement
Conference & Equipment
Expo
April 25 & 26, 2018
Doubletree Hotel, 222 N.
Vineyard Ave., Ontario.
For sponsorship and exhibitor
information, contact Sophie
You at (916) 791-5044
Details soon!

SOCIALIZE



representatives, with
the rest comprising
asphalt producers,
refiners, paving
contractors and other
companies that are
part of the industry,
plus a smattering of
others.



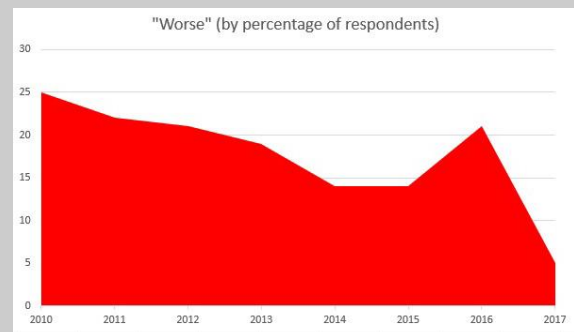
For the second year in
a row, the survey added a question, "What is the No. 1 challenge where
you work?" That question elicited 147 written responses, with lack of being
able to attract and retain qualified workers the top issue among industry
and agency respondents, followed by regulatory challenges.

"Qualified staff. Always is, always will be," wrote one state agency
respondent. A local agency representative added, "There has been a
complete turnover in our office the last couple of years. Lack of
institutional memory is an issue." Industry respondents repeated the same
concern over and over, worded in several different ways, such as "skilled
labor," "finding qualified and competent labor" and "having enough
qualified people to build projects."

Bureaucratic and regulatory hurdles also were prominent in the survey
results. Wrote one local agency respondent of their biggest challenge:
"Building road improvements with our limited budget while complying
with all of the bureaucratic and regulatory requirements, and meeting
schedules," the person wrote. "We have layers and layers of state and
federal requirements that all take time and money to comply with."
Another agency representative added, "streamlining the process ...
ability to make decisions in the best interest of the taxpayer without
bureaucratic or industry interference."

The main survey question is purposefully vague: "For your company or
organization, how do
you think 2018 will
compare to 2017?"

However, most of the
voluntary comments
offered up by survey
respondents to justify
their opinion centered
around how much
work is expected in the
coming year. The



answer varied slightly by company, agency and region, reflecting the
size and diversity of California's massive economy and the economic
micro-climates that are spread across the state that, if it were a
separate country, would be the sixth largest economy in the world.

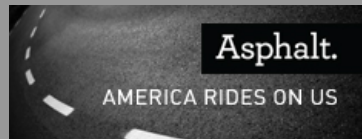
As in previous surveys, the weather largely depends upon where you are
standing. Some respondents commented that work was booming, while a
few were disappointed. "Funding is slow getting to road-builders," one
supplier said. Economists similarly note that California's economic
recovery has been uneven around the state, although overall it does
appear to be picking up steam and is outpacing the nation. "Economy
seems to be picking up ... on the private side," one asphalt producer
wrote. A supplier added, "People have more faith in the economy."

Industry respondents were slightly more optimistic than agency personnel,
and the highest percentage of those predicting 2018 would be about the
same as 2017 came from local agency personnel. A few worried about



CHOOSE ASPHALT

Asphalt is used on about 93 percent of paved roads in California and across the U.S. Why? Because it's smooth, quiet, safe, durable and 100 percent recyclable. Visit the [Asphalt Pavement Alliance](#) website learn more about why asphalt is the right choice now more than ever.



GET TECHNICAL

Are you an engineer, designer or technical professional who makes decisions on pavement type selection? The DriveAsphalt website has technical reports and other resources may be just what you're looking for. Click [HERE](#) for more information.



CalAPA

California Asphalt Pavement Association (CalAPA)

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P.O. Box 981300
West Sacramento, CA 95798

Main office:
1550 Harbor Blvd., Suite 211
West Sacramento, CA 95691

(916) 791-5044 (phone)

the potential repeal of SB1, which they feared could create havoc with road budgets.

"A lot depends on whether SB1 is successfully repealed," one agency respondent wrote. "If the repeal is not successful, I would expect things to be a whole lot better."

A total of 205 people took part in the voluntary on-line survey, which was conducted from Nov. 10 to Dec. 15. To read the story about last year's survey results, click [HERE](#). More detailed economic forecast information will be featured in the 2018 Forecast Issue of CalAPA's official magazine, *California Asphalt*, which will hit mailboxes in January. An archive of past issues of the magazine, which includes last year's forecast issue, is [HERE](#).

→ CalAPA 'Asphalt Pavement 101' classes to be held Jan. 9 in Watsonville, Jan. 10 in San Luis Obispo & Jan. 11 in Fresno

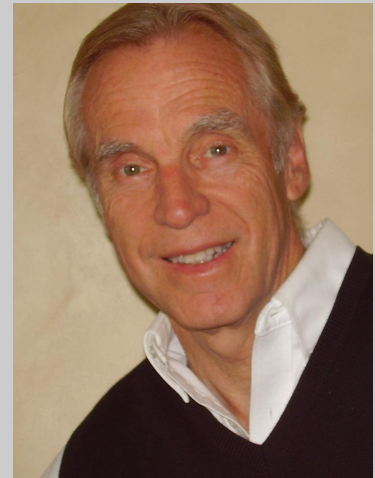
CalAPA's highly-rated "Asphalt Pavement 101" class will be held at several locations in January: Jan. 9 in Watsonville, Jan. 10 in San Luis Obispo and Jan. 11 in Fresno.

The "Asphalt Pavement 101" class is a good overview of everything asphalt, touching on how asphalt pavements are designed, constructed and maintained. It is taught by Roger Smith, a former senior materials engineer with Caltrans and the Asphalt Institute, as well as a former executive director of CalAPA.

Although the class is just a half-day it is packed with loads of useful information for contractor and agency paving crews, quality control specialists, lab personnel and others who interact with asphalt pavements.

The class will cover pavement structure and terminologies, asphalt binders, aggregates, asphalt mixes, plant operations and mix delivery, paving and rolling, acceptance specifications and testing.

Because so much is changing in the world of asphalt pavements, the class is constantly updated and is an excellent refresher course for those who are experienced in the industry as well as providing a good overview for those new or just returning to asphalt pavements. The class has been updated to add a summary of "Superpave"-inspired elements recently added to Caltrans asphalt specifications.



Roger Smith

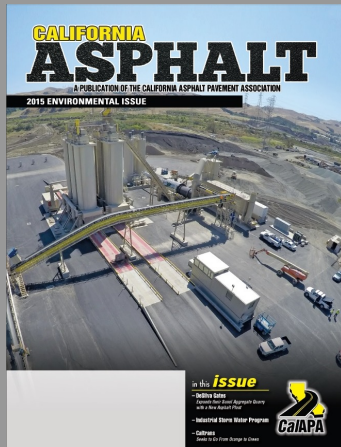
For details and to sign up for the Jan. 9 class in Watsonville, click [HERE](#). The Jan. 10 San Luis Obispo class registration page is [HERE](#). The Jan. 11 Fresno class registration page is [HERE](#).

"Asphalt Pavement 101" is a recommended prerequisite for other CalAPA technical classes, such as "Caltrans Section 39 Specifications," "Essentials of Pavement Smoothness," "Understanding the Job Mix Formula" and "Quality HMA Paving."

BACK ISSUES

Did you miss an issue of the *California Asphalt Insider*? No problem! Past editions of the newsletter are available at the CalAPA newsletter [archive page](#).

MAGAZINE



CalAPA produces a highly regarded magazine, *California Asphalt*, and an annual membership directory. To view current and past issues of the magazine, click [HERE](#).

For advertising sales information, click [HERE](#) or call Kerry Hoover with Construction Marketing Services at (909) 772-3121.

STAY INFORMED



Click [HERE](#) to receive *California Asphalt Insider* each week via e-mail FREE! Or visit our website at: www.calapa.net

WATCH

All class attendees will receive a handy reference booklet that includes copies of the slide presentation, key acronyms, a glossary of technical terminology and other essential information for future reference. Attendees will also receive a handsome certificate of completion documenting that they have completed four (4) Professional Development Hours (PDH) of technical instruction.

CalAPA can also bring training classes to your company or agency, which can greatly reduce travel time and expense. Click [HERE](#) to learn more.



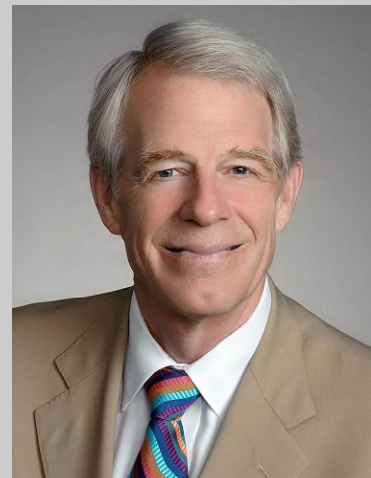
Roger Smith, standing at left, conducts one of his popular "Asphalt Pavement 101" classes in conjunction with a CalAPA conference.

→ Registration open for the CalAPA Annual Dinner Jan. 18 at the historic Jonathan Club in Los Angeles

Registration is now open for the most prestigious asphalt industry event of the year -- the CalAPA Annual Dinner, which will take place on Thursday, Jan. 18 at the elegant Jonathan Club in downtown Los Angeles. This event is open only to CalAPA members and invited guests. Click [HERE](#) for details and to register on-line.

Former Assemblyman Roger Dickinson, now executive director of Transportation California, a CalAPA-supported advocacy group, will be the featured speaker at the dinner. He'll provide the very latest update about the passage of SB1, the \$52 billion Road Repair & Accountability Act of 2017, and what it will mean for our industry in the months and years ahead.

The evening program will also include an installation of association officers for 2018, recognition of industry leaders, and the induction of a "Life Member" into the CalAPA "Hall of Fame." A reception begins at 5:30 p.m., followed by the dinner. A meeting of the CalAPA Board of Directors will take place in the





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aftersnoon prior to the dinner.

Roger Dickinson

The Jonathan Club is located at 545 S. Figueroa St. in downtown Los Angeles. There are a limited number of sleeping rooms available at the historic venue. Contact the Jonathan Club directly at (213) 624-0881 to make a reservation and mention "CalAPA." The Jonathan Club has a strict dress code and business attire is required. Click [HERE](#) for details about the dress code.

For more information and sponsorship opportunities, visit the CalAPA 2018 Annual Dinner website [HERE](#) or contact Sophie You at (916) 791-5044.



The historic Jonathan Club in downtown Los Angeles, location of the CalAPA Annual Dinner, has been frequented by U.S. presidents, governors and captains of industry.

→ Tech Term of the Week

Each week we highlight a word, acronym or other reference commonly used in the asphalt pavement industry in California.

SETTLEMENT: A depression at the pavement surface that is caused by deformation or erosion of underlying materials.

→ Quote of the Week

"All men should strive to learn before they die, what they are running from, and to, and why."

James Thurber

We hope you enjoy CalAPA's *Asphalt Insider*. We are committed to providing you with the most up-to-date information on technical issues, regulation, news, analysis and events in California that may impact the asphalt pavement industry. Click [HERE](#) to contact us with any comments or suggestions.

Sincerely,

Russell W. Snyder, CAE
Executive Director
California Asphalt Pavement Association (CalAPA)

