Why Texas is the Center of the Universe
and the Problems that come with being the Center of the Universe

Richard S. Szecsy, PhD, PE, FACI
President & CEO
Texas Aggregates and Concrete Association

May 8, 2014
Austin, Texas
General Overview

- **Largest State trade association in US**
  - $6.5B in representation
  - 95% of cement, 75% of ready-mix, 65% of aggregates

- **Legal/Environmental**

- **Legislative Efforts**

- **Education/Outreach**

- **Specifications**
  - State and local levels
Overview

• Material Consumption
• Regulatory Environment
• Political Shift(s)
Why Texas?

• **Rationale**
  – Low cost of living and cost of labor
  – Low taxation rate (no personal State income tax)
  – No geographic barriers to prevent growth
  – “Open for business”

• **Immediate Concerns**
  – Water
  – Transportation
  – “No” is not a solution…
What happens when they get here?

- **They want to move and drink...**
  - Water and transportation.

- **They want to participate...**
  - Bring alternate philosophies.

- **They want immediate action/response...**
  - No tolerance for delayed gratification.

- **They want what they like about where they came from, only in Texas...**
Material Consumption in Texas (2013)

- 48.0M cubic yards of concrete (#1)
  - More than #2 and #3 combined

- 228M metric tons of aggregate (#1)
  - More than #2 and #3 combined

- 15.0M tons of cement (#1)
Texas Pop. and Cement Consumption

- Population
- Cement tons

![Graph showing population and cement consumption trends from 2010 to 2050.](image-url)
Texas Population and Cement (10 yrs)

- Population
- Cements tons

Texas Population:
- 2010: 25,000,000
- 2023: 35,000,000

Cement Consumption (tons):
- 2010: 5,000,000
- 2023: 10,000,000

10 years
Cement Apocalypse?

Texas Production and Import Capacity

- 7 years
- 20 years
Regulatory Environment

- **EPA** = water/air
- **TCEQ** = air/water
- **EAA** = water
- **DHS** = Tier 2 reporting
- **DHS (the other one...)** = ammonium nitrate storage
Current Political Facts

- 38 electoral votes
  - #2 to CA (55)
- Presidential Primary
  - May 29 (2012)
  - Mar 1 (2016)
- 1980 to Present
  - Voted Republican
  - 1976 last Democrat
Changing Political Reality?

- Demographic shift
  - Ethnic/cultural
  - Transplants
- 2016 Presidential
- 2020 Presidential?
- 2024 Presidential??
- The importance of Texas the to winner
Going Forward

• **People** coming to Texas for the foreseeable future;
  – Increase in consumption of EVERYTHING!

• **Regulatory environment** is least restrictive as it will ever be going forward;

• **Political climate** is the most business friendly as is will be going forward;
Questions and Further Information

Richard S. Szecsy, PhD, PE
President

Texas Aggregates and Concrete Assoc.
900 Congress, Suite 200
Austin, Texas 78701
214-202-1379 cell
512-451-5100 ofc

rich.szecsy@tx-taca.org
www.tx-taca.org