

NEWS

ACEC
American Council
of Engineering
Companies
of Oregon

June 2005

Alison Davis
Executive Director
adavis@acecOregon.org

Merideth Webber
Executive Assistant
mwebber@acecOregon.org

www.acecOregon.org

Member of the
American Council of
Engineering Companies
Washington, D.C.

FOURTH SCHOLARSHIP RECIPIENT PLANS TO ATTEND OREGON STATE UNIVERSITY

Scholarship Committee Chair, **Julia Kuhn, Kittelson & Associates, Inc.**, is pleased to announce the fourth recipient of the ACEC Oregon Scholarship – **Andrew Burg** from Klamath Falls. “It was a very difficult decision for us this year as we had several very worthy candidates,” Kuhn remarked.

Burg graduated from Henley High School. He plans to attend Oregon State University in the fall and major in civil engineering. Kuhn reports that Burg is an Eagle Scout, involved in the Air Force JROTC, baseball, ski club, a variety of volunteer activities, and works 20 hours per week while still maintaining a 3.97 GPA.

When asked how he became interested in engineering, Burg replied that one of his greatest goals is to earn a college degree and get a well-paying job after high school. “I want to pursue a college degree in civil engineering. I believe civil engineering is a great field for me because I like math and science and especially applying them to real world situations and problems. I like using math to problem solve and to help me complete a task,” Burg stated.

“Another reason I think I will enjoy civil engineering is because I want my work to benefit people. I think designing and building roads, bridges, buildings, tunnels, and dams to make people’s lives easier is a great way to help people.”

“I am very proud of my involvement with my school’s chapters of Key Club and Future Business Leaders of America (FBLA). This year I was a Key Club Board Member and the Treasurer for our FBLA chapter. Also I am an altar server, usher, and youth group member at St. Pius X Catholic Church. I believe these activities have provided me with valuable skills and experience which will benefit me in college.”

Congratulations, Andrew!

ACEC NATIONAL ANNOUNCES DATES FOR 2006 ENGINEERING EXCELLENCE AWARDS

The 2006 Engineering Excellence Award dates for ACEC National are as follows:

- EEA Submittals to ACEC National: January 13, 2006
- EEA National Judging: February 24-26, 2006
- EEA Gala Evening, Washington, D.C.: May 2, 2006

ACEC National’s “Call for Entries” brochure will be available in mid-July and will be mailed with the July/August issue of *Engineering Inc.* magazine. Watch for ACEC Oregon’s “Call for Entries” to be available near the end of July or early

August. Oregon’s Phase 1 entry deadline is October 24. More details will be available once the “Call for Entries” is released.



Engineering Excellence Awards 2006

FOCUS ON RISK MANAGEMENT

Typical A/E Business Insurance Coverages

Did you know there are almost 30 different business insurance coverages that can be purchased by your company?

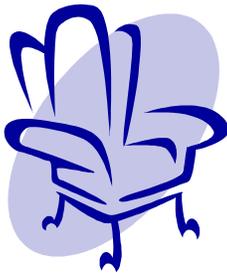
An organization of insurance brokers specializing in A/E business insurance (a/eProNet) has a useful listing of the various types of business insurance available. Go to their website at <http://aepronet.org/coverages.html> to select a brief explanation of each type of coverage.

Reviewing this information should increase your risk management knowledge. The website also carries a terminology section.

ACEC ANNOUNCES NEW VICE CHAIR

Woody G. Germany Vice Chairman, 2005-07

Woody Germany is ACEC's new Vice Chair representing several states, including ACEC Oregon.



Currently Germany serves as President of **WGM Group, Inc.** in Missoula, Montana, where he has served for more than 30 years. Since 1985, Germany has held various roles with ACEC Montana as a member of the Board of Directors, President and National Director.

Germany is a member of the ASCE, NSPE and AWWA. He specializes in civil engineering with an emphasis on municipal, transportation, commercial and residential planning and surveying, and is registered in Montana, Washington and Mississippi. He has a B.S. in Civil Engineering from Mississippi State University.

AMONG OURSELVES...

The ACEC Oregon Board of Directors is pleased to announce the following new member firms. Please welcome...

4B Engineering and Consulting, LLC, 3000 Market Street NE, Suite 528, Salem, OR 97301-1835, phone (503) 589-1115, fax (503) 589-1118, e-mail: epbpe@juno.com, web: www.4bengineering.com. Key personnel is **Edward Butts, P.E.** The firm provides general civil and environmental engineering and consulting to water and wastewater clients in Oregon and Washington. The firm also provides electrical, control system and SCADA system design and engineering as well as water and wastewater system consultation.

Rodger G. Bekooy, P.E., LLC, 13465 NW Pettygrove Street, Portland, OR 97229-4549, phone (503) 806-0978, fax (503) 520-1420, e-mail: RodgerBekooy@comcast.net, web: www.rgbekooy.com. The firm specializes in mechanical engineering, litigation consulting and forensic engineering. Specializing in heating, ventilating, air-conditioning and plumbing systems for commercial and institutional buildings.

David A. Strayer, P.E., 2850 SW Cedar Hills Blvd., No. 67, Portland, OR 97005-1393, phone (503) 860-6055, fax (503) 641-4584, e-mail: davidastrayerpe@earthlink.com. The firm provides professional mechanical engineering solutions, specializing in machine design, mechanical analysis, new product development, prototyping, contract engineering and tooling.

Raymond T. Miller, P.E., S.E., FACEC, 4 Sibelius Court, Lake Oswego, OR 97035-1422, phone and fax (503) 699-8628, e-mail: rtmillerstructeng@comcast.net. Firm provides forensic and structural engineering for industrial, commercial and residential structures.

S.R. Walker & Associates, 5246 NE Alameda, Portland, OR 97213, phone (503) 288-3379, fax (503) 288-3389, e-mail: steve@srwalker.com, web: www.srwalker.com. Key personnel is **Steven R. Walker, P.E.** The firm provides consulting in water resources, planning and marketing, business development and strategic planning for the A/E/C professional services provider.

NEW AFFILIATE MEMBER

Boart Longyear Company, 19700 SW Teton Avenue, Tualatin, OR 97062, phone (503) 692-6400, fax (503) 692-4759, tjacques@boartlongyear.com, www.boartlongyear.com. Key personnel are **Terry Jacques** and **Greg McInnis**. Firm provides drilling and well services. Boart Longyear is a leading supplier of products, systems and services to the natural resource industry (minerals, energy and water), the construction and quarrying industries and industrial markets worldwide.



CBG Consulting Engineers is now **Mazzetti & Associates, Inc.** Key personnel are **Robert Gulick** and **Thomas Pride**.

Jones and Stokes, an affiliate member firm providing environmental consulting services, has joined forces with **MOBRAND Biometrics, Inc.** MOBRAND Biometrics, Inc., is recognized for creative solutions for fisheries and watershed management. In addition to environmental compliance, natural and water resource management and planning, the firm will now offer a wider spectrum of services in watershed planning and ecosystem restoration, from models to monitoring.

Arlan H. Rippe, P.E., recently was appointed to the **Kleinfelder** Technical Resource Council (TRC), a select internal group of senior professionals with advanced expertise in the practice areas of geotechnical and environmental engineering, geology, materials testing, hydrogeology and water resources. The TRC allows Rippe the opportunity to work in the firm's numerous offices on projects and proposals, technical quality reviews and oversight, quality assurance, team building and mentoring. Rippe is the former president of **Squier Associates**, which currently operates as **Squier/Kleinfelder**, and has more than 36 years of experience in civil and environmental engineering, specializing in geotechnical engineering.

MORE AMONG OURSELVES...

Local consulting firms **Parametrix, Inc.** and **Mason Bruce & Girard, Inc.** (MB&G) received the Federal Highway Administration's prestigious Environmental Excellence Award for Environmental Streamlining in an Earth Day ceremony April 22. Both firms were honored for their role in developing the Oregon Department of Transportation's Oregon Bridge Replacement Environmental Stewardship Program, a program that improves environmental protection and streamlines the environmental permitting process for state bridge replacement and repair projects.

Parametrix's Portland office managed the development of the environmental strategy. "We were thrilled to help create such an innovative and successful program," said Jeff Heilman of Parametrix. "ODOT initiated this collaborative effort with a sincere request to look outside the box for better solutions. That willingness to innovate made this an exciting effort for us. And the results – more efficient bridge delivery combined with better environmental protection and recovery – make it especially satisfying."

Mason Bruce & Girard was responsible for leading the environmental permitting for federal Endangered Species Act and other biological resource regulations. MB&G and Parametrix worked with ODOT and many regulatory agencies in developing a set of Environmental Performance Standards which ensure that bridge repair and replacement activities result in a long-term enhancement of the environment.

The board of directors is pleased to bestow the honor of life membership upon **Gilbert R. Meigs, P.E.**, and Past President (1979-80).

Miller Consulting Engineers has announced the retirement of founder and past president **Ray Miller**. Those who worked with Miller over the years said the firm's success is in large part due to value Miller placed on his employees' innovation, standards and customer service.

Over the years, Miller amassed an array of professional titles and served on many advisory boards, including the Structural Advisory Board for the State of Oregon; the Structural Code Advisory Board; the Budget Advisory Committee for the Bureau of Water Works; and the Structural Appeals Board where he was its chair.

Miller is currently the vice president of the Masonry Society, is past president of ACEC Oregon, then known as the Consulting Engineers Council of Oregon (1993-94), and serves on the Coalition of American Structural Engineers, the Structural Engineers Association of Oregon, and the Oregon Chapter of the American Concrete Institute.

Miller has been honored as a fellow of the American Council of Engineering Companies (Washington, D.C.), and as a member of the Academy of Distinguished Alumni, School of Engineering and Applied Science for Portland State University.

Gary Peterson, CEG, has joined **Shannon & Wilson, Inc.** as a vice president and branch manager with the firm's Portland office. With 27 years of experience in the architectural-engineering industry, most recently with Squier/Kleinfelder Portland, he has extensive experience in providing geotechnical design support and solutions for transportation, water resources, wastewater, and site development projects. As Portland branch manager, he will assume the reins from **Frank Fujitani** who will continue to work on technically challenging projects and provide ongoing client support.

Among several other professional affiliations, Peterson is currently chair of the Oregon State Board of Geologist Examiners.

THANK YOU, ACEC OREGON PAC DONORS

A big thank you to the following firms for contributing to ACEC Oregon's Political Action Committee. *Contributions received during May 2005:*

DEGENKOLB ENGINEERS

SPENCER B. GROSS, INC.

Thank you!

ELECTION RESULTS

2005-2006 Board of Directors

(Terms of office commence June 29, 2005.)

PRESIDENT

Ken Wightman

David Evans and Associates, Inc.

PRESIDENT-ELECT

Dwight Hardin

**GRI Geotechnical &
Environmental Consultants**

IMMEDIATE PAST PRESIDENT

Cynthia Lowe

Parsons Brinckerhoff

SECRETARY/TREASURER

Gregg Scholz

R&W Engineering, Inc.

VICE PRESIDENT

Jory Abrams

CH2M Hill, Inc.

VICE PRESIDENT

Gayle Harley

OBEC Consulting Engineers

VICE PRESIDENT

John Martin

Pacific Energy Systems, Inc.

VICE PRESIDENT

Mel Sears

Parametrix, Inc.

REGIONAL VICE PRESIDENT

Darryl Anderson

**Anderson Engineering &
Surveying, Inc.**

*Congratulations and welcome,
new board members!*

And special thanks to:

PAST PRESIDENT

George Gross

Spencer B. Gross, Inc.

COMMITTEE RECAPS FROM FISCAL YEAR

LEGISLATIVE COMMITTEE REPORT

CHAIR: **Melissa Johnson, David Evans and Associates, Inc.**

COMMITTEE GOALS:

- 1) Remove the sunset and thresholds from QBS law.
- 2) Build relationships with legislators and help them understand engineering.
- 3) Help engineers become more comfortable with the legislative process.
- 4) Raise \$20,000 annual PAC funding.

COMMITTEE ACCOMPLISHMENTS: A compromise on QBS was reached with cities, counties, and special districts to remove the sunset, lower the percentage of state funding from 35 percent to 10 percent, raise project design and construction cost from \$400,000 to \$900,000. The bill passed the House unanimously 56-0, and is currently in Senate. **Dave Leonard, Jory Abrams, Martha Moore, and Jody Seaborn** and **Marshall Coba** testified before the House and later **Cynthia Lowe** and **Coba** negotiated the compromise.

Over the past year, Legislative Committee members and ACEC Oregon leadership attended several fund raisers and invited legislators to attend Engineering Excellence, breakfasts at firms and office tours. "Day at the Capitol" was a success with 20 engineers participating, meeting with more than 30 legislators.

In January the committee held a legislative preview breakfast for members, and special guest **Deborah Kafoury** shared tips on how to best communicate with legislators.

Thirty firms contributed to the ACEC Oregon PAC, in the amount of approximately \$20,500, which enabled ACEC Oregon to contribute to legislators that were receptive to ACEC Oregon goals.

Special thanks in recognition of the efforts made by **George Gross, Dwight Hardin, Cynthia Lowe, Jim Marvin, Ray Miller, Martha Moore, Barry Myers, Bob Post, Jody Seaborn, Steve Walker, Ken Wightman, David Williams, Marshall Coba, Alison Davis, Merideth Webber**, and everyone who attended our "Day at the Capitol."

FHWA LIAISON COMMITTEE REPORT

CHAIR: **Dwight Hardin, GRI Geotechnical & Environmental Consultants**

COMMITTEE UPDATE: Due to FHWA restructuring, the committee



has not been active this year. The committee hopes to resume next year.

MEMBERSHIP COMMITTEE REPORT

CHAIR: **Erik Peterson, Peterson Structural Engineers, Inc.**

COMMITTEE GOALS:

- 1) To maintain and retain current membership.
- 2) To create and implement new member outreach programs.
- 3) To add 10 new member firms in the next year.

COMMITTEE ACCOMPLISHMENTS: This is a new committee and once committee members were decided, regular meetings were scheduled. This year the committee discussed various areas of membership and new member considerations.

A new list of potential member firms and contact assignments were generated by the committee. The committee also made contacts and sent information to potential new member firms. More than 15 new firms joined ACEC Oregon this year.

OPERATIONS/ADMIN COMMITTEE REPORT

CHAIR: **Keith Thompson, David Evans and Associates, Inc.**

COMMITTEE ACCOMPLISHMENTS: The Operations Committee met in April to discuss the 2005-2006 budget. The committee approved the budget and recommended a three percent dues increase. The budget was approved by the Board of Directors and then was presented to the general membership at the May 25 business dinner. The budget was approved for the new fiscal year beginning July 1. The committee is also investigating the possibility of converting the annual salary survey to an on-line questionnaire.

Special thanks to long-standing chair **Keith Thompson** for outstanding service to ACEC Oregon. Thompson will retire as chair and **Jay McRae, CH2M Hill, Inc.**, will assume the role.

PROGRAMS COMMITTEE REPORT

CO-CHAIRS: **George Mead, Mead Smith, PC, and Kevin McCormick, Miller Consulting Engineers**

COMMITTEE GOALS:

- 1) Provide quality and educational programs.
- 2) Supply our members with programs that fulfill their requirement for continuing education.
- 3) Do all of the above while bringing in non-dues revenue.

COMMITTEE ACCOMPLISHMENTS: Successfully continued the breakfast meeting series. Special thanks to **David Evans and Associates, Inc.** for providing the program venue again this year. The programs brought in the expected amount of non-dues revenue. The committee received outstanding back-up from Merideth and Alison. Programs this year included seven Business Leadership Development breakfasts, a dinner program with ODOT's **Bruce Warner**, an afternoon seminar on sustainability and a dinner program about development in the south waterfront district.

COMMITTEE RECAPS (continued from page 4)

CORPS OF ENGINEERS LIAISON COMMITTEE

CHAIR: Andy Vessely, Cornforth Consultants, Inc.

COMMITTEE GOALS:

- 1) Ensure cooperative dialogue between USACE and ACEC.
- 2) Clarify and understand the changing roles of USACE and the private sector.
- 3) Foster an attitude that explores opportunities and resolves issues.
- 4) Additional goals are outlined in ACEC/USACE Partnering Agreement.

COMMITTEE ACCOMPLISHMENTS: Held quarterly meetings highlighting issues of interest to the USACE and ACEC.

MEETING HIGHLIGHTS:

JAN 2004 – **Derek Cornforth** (founder of **Cornforth Consultants**) and **Victor Viets** (former PDX manager of **URS**) discussed business strategies and acquisition/valuation of consulting firms.

JULY 2004 – Roundtable meeting discussing how large consulting firms share technical and human resources (**Curt Bagnell, CH2M Hill; David Calver, PB; Steve Walker, HDR; and Kim Marcus and Jennifer Renninger, URS**).

OCT 2004 – **Rowena Musser**, A-E Coordinator for USACE, discussed the new SF 330 forms that are replacing the old SF 254 and 255 forms.

JAN 2005 – **Jon Dasler**, DEA, presented to case histories highlighting use of hydrographic GIS and remote sensing.

APRIL 2005 – **Doug Clarke**, Chief Programs and Project Management, and **Don Borda**, Acting Chief of Regulatory Section, provided overview of 2006 Corps budget and the Portland District regulatory process.

Meetings are well-attended by USACE members. They are interested in private sector business and technical practices. ACEC Oregon committee members benefit by getting an opportunity to hear from USACE regarding budgetary, regulatory, and policy issues.

SCHOLARSHIP COMMITTEE REPORT

CHAIR: Julia Kuhn, Kittelson & Associates, Inc.

COMMITTEE GOALS:

- 1) Identify outstanding scholarship recipient amongst incoming freshman applicants for 2005 – 2006 school year.
- 2) Provide scholarship recipients with opportunities for professional mentoring and access to industry professionals.
- 3) Raise funds for scholarships through the ACEC Oregon Networking Day Golf Tournament.

COMMITTEE ACCOMPLISHMENTS: The committee awarded the fourth annual scholarship. ACEC Oregon now has three students receiving scholarships that are currently enrolled in Oregon universities. Last year's Networking Day golf hole sponsors raised \$1,800 for the scholarship fund.

ODOT LIAISON COMMITTEE REPORT

CHAIR: Bob Carson, Mason, Bruce & Girard, Inc.

COMMITTEE GOALS:

- 1) Provide a forum for information exchange between ODOT and ACEC Oregon.
- 2) Designate subcommittees to work issues and solve problems. Current subcommittees are Contracts and Training/Technology Transfer. A third subcommittee soon to be established is Project Delivery/Management Systems.

COMMITTEE ACCOMPLISHMENTS: The Liaison Committee succeeded in moving beyond contracting issues and routinely receives updates on recent developments in all relevant areas of ODOT's business.

The Contracts Subcommittee arranged for and hosted a very successful workshop on Qualification Based Selection (QBS) in October that was attended by about 160 people.

Through the ODOT/ACEC Liaison Committee, the ODOT/ACEC Steering Committee was established to provide a forum for collaborative guidance and oversight of the overall ACEC/ODOT business partnership including the communication and decision-making structure. The Steering Committee is charged with providing leadership and designing the future for the working relationship. This is enabling a much higher level of interaction with ODOT than ACEC had through the Liaison Committee.

RISK MANAGEMENT COMMITTEE REPORT

CHAIR: Jack Beemer, David Evans and Associates, Inc.

COMMITTEE GOALS:

- 1) Provide a basic insurance educational document to summarize insurance coverage types to member firms.
- 2) Develop an audit tool to query member firms about their risk management practices – evaluate responses and share information as appropriate.
- 3) Provide advice on specific risk management related requests.
- 4) Develop/sponsor programs on risk management relevant topics.
- 5) Review proposed legislation and regulations as requested.
- 6) Recommend tort reform and other legislation for consideration to the Legislative Committee.

COMMITTEE ACCOMPLISHMENTS: Developed a direct link from the ACEC Oregon website to a/e Pro Net's typical insurance coverages page "An Introduction to Typical Liability and Property Insurance Coverages for Design Professionals," <http://aepronet.org/coverages.html>. Developed detailed risk management practices audit form and reviewed proposed legislation as requested. Jack Beemer presented a program on QBS at the state APWA convention. Beemer also worked extensively on national initiatives involving "Client Expectations of Perfection" and cost recovery efforts against engineers by FHWA and state DOTs.

COBA'S CAPITOL COMMENTARY..

by ACEC Oregon lobbyist Marshall Coba, CobaCo LLC

HB 3272-A, the ACEC sponsored QBS bill, has passed the House Business Committee and the House floor unanimously. We expect the bill to have a hearing in the Senate Rules Committee chaired by Sen. Kate Brown soon and be passed to the Senate floor.

The bill represents a negotiated settlement with local governments who continue to oppose the total expansion of the Qualification Based Selection (QBS) method to all projects and to all levels of government. The bill requires QBS to be used for all state agency procurements of A/E services and has a local government requirement when projects that have 10% or more state funding exceed \$900,000 in total cost. This is a change from the 35% and \$400,000 requirement currently in law. In addition, the bill removes the sunset provision from the 2001 bill that would have automatically removed the local government QBS requirement on June 1, 2008. When QBS passes the Senate and is signed by the Governor, it will signal a reaffirmation of QBS by the legislature and, with the removal of the sunset provision, will also ensure that QBS is Oregon law for years to come.

In April, several engineers came to Salem to testify and lend support during a hearing that ran for more than two hours. They include: ACEC members **Dave Leonard**, Pinnacle Engineering, Inc., Roseburg; **Martha Moore** TW Environmental, Inc, Portland; **Jory Abrams**, CH2M Hill, Inc., Portland; **Jim Marvin**, Marvin Chorzempa & Larson P.C., Portland; **Melissa Johnson**, David Evans

and Associates, Inc., Portland; and non-member **Jody Seaborn**, Seaborn Engineering, Hood River. Thank you to the ACEC members who testified and to those who have been intimately involved in this issue over the years.

HB 3158; STATUTE OF ULTIMATE REPOSE

HB 3158 reduces the time lawsuits can be filed against design professionals from ten years to six years. This is an AGC sponsored bill that passed the House and was sent to the Senate Judiciary Committee chaired by Sen. Ginny Burdick. Burdick represents downtown Portland and member firms in her district were recently asked to contact her in order to demonstrate support of the bill.

Unfortunately, HB 3158 is being bottled up by Senate leadership because of strong opposition from the trial lawyers. The legislation does not look like it will go any further this session.

As the session draws to an end, the notice requirements for hearings on bills has changed to one hour notice. This is the signal for a commitment to sine die. This late session period is frantic for legislators and lobbyists and requires a continual vigil at the Capitol.

With the school budget funding plans in the two houses only \$50 million apart the end of the session is in sight. Nearly all of the legislative leadership entered the session committed to an orderly, timely, and budget oriented session. If the end, or sine die, of the session comes prior to July 4th it will be considered a well managed if uneventful session.

NEW TAX BENEFIT A MAJOR WIN FOR ENGINEERING FIRMS

by David A. Raymond, President, ACEC National

The crucial role of the engineering industry to our economy was underscored late last year when the President signed into law the American Jobs Creation Act (H.R. 4520). The law created a new 9% tax deduction for A/E firms. It was an important win for ACEC and its members – one that will benefit engineering firms for years to come.

The 9% deduction is phased in over six years: 3% for tax years 2005 and 2006; 6% for tax years 2007 through 2009; and 9% thereafter.

The legislation was enacted by Congress to replace a tax benefit for exporters of manufactured goods and services that was deemed an unfair trade practice by the World Trade Organization (WTO). When the export-based benefit was repealed, Congress was inclined to compensate those industries that benefited from it with a bill designed to also stimulate a flat domestic economy by creating manufacturing jobs. ACEC saw this as an

opportunity to convince Congress that engineering services should be included in the replacement measure.

ACEC argued that the entire A/E industry was central to both “trade measure compensation” and stimulation of the economy. America’s A/E firms, we argued, employ 1.2 million and generate more than \$100 billion in annual revenue, and A/E projects lead to work for other industry sectors, including construction and manufacturing. Completed projects, in turn, strengthen the infrastructure upon which our future economic development depends. Congress and the President agreed.

ACEC was successful in persuading Senate Finance Committee Chairman Charles Grassley (R-IA) to accept language that extended the new tax benefit to A/E firms. This cleared the way for Senators Kay Bailey Hutchinson (R-TX), Mary Landrieu (D-LA) and Gordon Smith (R-OR) to offer the A/E amendment on
(continued on page 7)

ACEC'S CONSULTING CONGRESS DAY, WASHINGTON, D.C.

Oregon was well represented during Consulting Congress Day activities held in Washington, D.C. in mid-April. The Oregon delegation met with staff representing **Senators Gordon Smith** and **Ron Wyden**, and also staff from **Rep. Darlene Hooley**, **Rep.**

David Wu, **Rep. Greg Walden**, **Rep. Peter DeFazio**, and **Rep. Earl Blumenauer's** offices. Important issues discussed were TEA-21 reauthorization, water infrastructure funding, and other critical issues of importance to the engineering industry.



ACEC Spring Meeting in Washington, D.C. Pictured, front row from left, are: **Patty and Ken Wightman, Cindi Chandler, and Lexie and Jack Beemer, David Evans and Associates, Inc.**

Back row from left: **Steve Anderson, Anderson Consulting Services; Alison Davis, ACEC Oregon; George Gross, Spencer B. Gross, Inc.; and Art Johnson, Kpff Consulting Engineers.**

NEW TAX BENEFIT *(continued from page 6)*

the floor of the Senate. Similar efforts took place in the House, and the President's signature on the final bill turned our amendment into law.

Specifically, the Jobs Creation Act adds a new section in the tax code – Section 199 – which provides a 9% tax deduction for “qualified production activities income” derived from work done in the U.S. While the measure originally targeted manufacturing, ACEC's amendment ensured that the new law's definition of qualified income also included engineering services.

Put simply, the taxable income generated by engineering firms from domestic engineering projects will be lowered by 9% when the benefit fully phases in, meaning ACEC members will pay less in taxes and have more to invest in growing their businesses.

ACEC was also successful in assuring that the new tax deductions apply to both corporations and non-corporate entities such as partnerships, S-corporations and LLCs.

The Council is now working with the Treasury Department to maximize the benefit to A/Es when regulations are implemented. The Treasury Department already has adopted ACEC's recommended definition of engineering services as part of its proposed implementing regulations. The definition is broad and easily construed, designed to simplify record-keeping and documentation requirements.

ACEC exists for the sole purpose of improving the business environment for our member firms. The new law is the latest in a series of ACEC success stories that improve our business environment and strengthen America.

For a two-page summary entitled “Tax Relief for Engineers,” please contact mwebber@acecOregon.org.

This article is intended to provide general information only, and should not be used for purposes of tax planning. Should you require specific tax advice regarding the content of this article, consult with a tax advisor.

Mark your calendar...

JUNE

■ **Wednesday 29th**

Networking Day – Golf & Dinner
Langdon Farms Golf Club

SEPTEMBER 15, 16 & 17

Joint Annual Meeting with ACECWashington

Skamania Lodge
Stevenson, Washington



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room today at
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www.skamanielodge.dolce.com.**

OCTOBER

■ **Wednesday 5th**

Risk Management Seminar
presented by Risk Management Committee
More details to come!

ACEC
Oregon

American Council of Engineering Companies of Oregon
5319 SW Westgate Drive, Suite 221 ♦ Portland, Oregon 97221
phone 503.292.2348 ♦ fax 503.292.2410 ♦ www.acecOregon.org