



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of South Carolina

**American Council of Engineering
Companies of South Carolina
Board of Director's Meeting
November 1, 2018
Parrish & Partners
10:00 AM**

Board of Directors

____ Cameron Nations, Chair
____ Keith Overstreet Vice Chair
____ Jason Eppley, *Sec./Treasurer*
____ Chuck Black, Director
____ Petrina Butler, Director
____ Matt Gehman, Director
____ Jeff Mulliken, Director
____ Kevin Shoemake, Director
____ Mike Wooten, Director
____ Kylie Page, Past Chair*
____ Rick Fauteux, Nat. Director *
____ Jerry Carter, Affiliate National Director*

Committee Chairs:

____ Emily Swearingen, Transportation Committee*
____ Ricky Ward, Communications

ACEC-SC Staff

____ Adam B. Jones Executive Director*
____ Joe Jones
____ Elaine Mikell, Account Executive *
____ Other*

* denotes non-voting

Agenda

- Call to Order – Cameron Nations
- Approve Consent Agenda (Motion Required)
 - Board Meeting Minutes, October 4, 2018
 - Membership Report
 - New Members approved via email
 - Applied Control Technologies, Inc.
 - ABS Engineering Inc. d/b/a Applied Building Sciences, Inc.
- Financial Report – Jason Eppley
 - Financial Report (Motion Required)
- Chair's Report – Cameron Nations
 - Strategic Plan Progress
 - ✓ Grow/Diversify Membership – Kevin Shoemake
 - ✓ Grow the Brand – Kylie Page / Keith Overstreet
 - ✓ Legislative Influence - Adam Jones / Matt Gehman
 - ✓ Energize & Engage Membership – Adam B. Jones
- Executive Director's Report – Adam B. Jones/Joe Jones
 - Legislative Report
 - ACEC PAC donation to Rep. Arrington, Sen William Timmons, & Congressman Tom Rice
 - Design Construction Partnership Legislative Reception Date Change
 - SCFOR meeting
 - SC Engineering Conference & Trade Show
 - 2019
 - 2020
 - PENC
 - ACEC Private Market Push
- ACEC National/National Directors Report – Rick Fauteux
 - Listening Tour
 - Fall Conference
- Committee Reports:
 - Transportation Committee – Swearingen
 - ACEC-SC/SCDOT Annual Meeting Agenda
 - ACEC-SC Post Card
 - Environmental Committee – Overstreet
 - B.R.E Committee – Black
 - Communication Committee – Ward
 - Membership – Shoemake
 - Advocacy/PAC – Gehman/Williams
 - EEA Awards Gala – Caleb Pozsik
- Other Business
- Next Meeting: December 6, 2018 Parrish & Partners

The mission of ACEC-SC is to promote and protect the business interests and professional standards of engineers in the state of South Carolina; and to improve member firms' ability to profitably provide quality services to their clients.

American Council of Engineering Companies of South Carolina
Board of Directors
October 4, 2018
Parrish and Partners, Columbia, SC

Call to Order: ACEC-SC Chair Cameron Nations called the meeting to order at 10:00am. The following were in attendance: Keith Overstreet, Jason Eppley, Jeff Mulliken, Kylie Page, Rick Fauteux, Jerry Carter, Adam Jones and Elaine Mikell. On conference call were: Chuck Black, Petrina Butler, Matt Gehman, and Mike Wooten.

Consent Agenda: Motion was made, seconded and passed to approve the September 6 Board of Directors' meeting minutes.

Due to time constraints, the Executive Directors Report was moved up in the agenda.

Executive Directors Report (Adam Jones):

- Jones said thanks to ACEC National, ACEC-SC has had some facetime with some Congressional Candidates.
- ACEC-SC was a \$5,000.00 sponsor at Congressman Jim Clyburn's fundraiser in Columbia, SC. Jones and Jayson Jordan, S&ME, spoke with the Congressman and told him the engineers support him. Should the "blue wave" happen, Clyburn could become Speaker of the House.
- Jones has been working with Greg Knopp, ACEC, on donations for Congressman Tom Rice. He is working to setup a meeting with Rice on October 15th or 16th and asked everyone on the coast to join him.
- Jones said he also has a check for Senator William Timmons' congressional race, and hopes to meet with him soon.

Jones said the Gubernatorial debate before the construction industry has been cancelled.

Jones attended a "State Design Professionals Meeting" last week that is attended by mainly state agencies: OSE, DSS, State Fire Marshalls, etc. but AGC and AIA also attended.

- Discussion was on what each state agency was facing them but the main topic was the overlapping practice draft document. ACEC-SC Building and Infrastructure Committee may be interested in this; they meet twice a year, May and October.
- Jones noted this may be a good platform for the ACEC-SC Building & Infrastructure committee to be involved.

The Registration Board did reject the Overlapping Practice Guide

- Jones learned the AIA's Executive Director did not know the draft was coming, and she did not feel it was needed. She agreed with ACEC-SC that the Incidental Practice Guide should be updated instead.

The South Carolina Council of Engineering and Surveying Societies hosted its annual dinner with the SC State Board of Registration for Professional Engineers and Surveyors last Monday night, September 24, 2018.

- Jeff Mulliken represented ACEC-SC.
- Board members attending were: Gene Dinkins, Tim Rickborn, Dennis Fallon and Jimmy Chao.
- The smaller group was more conducive for better discussion of concerns.
- The Registration Board will not be working on the Regs again this year without a full-time attorney.

Jones told the group that the SCDOT golf tournament had been scheduled for the same date as the ACEC-SC Fall PAC Tournament. After a brief discussion, it was determined that it would be in the best interested to cancel this tournament for this year.

The Engineering Excellence Awards deadline is October 5, and we have received 10 Notice of Intent. Jones suggested we trade judging with other states, but Board feels judging should remain the same and use academia when possible.

Jones concluded his report saying it appears ACEC-SC will net around \$9,700.00 from the SC Engineering Conference.

Financial Report (Jason Eppley): Secretary/Treasurer Eppley reported on the Financial Statement.

- Year to date income is \$222,432.18, expenses \$59,325.07, net income is \$163,107.11.
- Income from membership dues continues, as well as the EEA Notice of Intent registrations and the ACEC-SC/SC DOT Annual meeting.
- A motion was made, seconded and passed to approve the financial report.
- New Member Applications approved by the Board of Directors.
 - Cardno, Inc., Charlotte, NC, (has a COA in SC), sponsored by Keith Overstreet, Design South Professionals.
 - Cox and Dinkins, Columbia, SC, sponsored by Jeff Mulliken, HOLT Consulting.
 - Insight Group, A Christopher Company, North Charleston, sponsored by HDR.

Elaine Mikell reported the following firms have chosen not to renew their membership: ADC Engineering, Wurster Engineering and TJS Deemer Dana (affiliate member). Petrina Butler said she would reach out to Wurster.

Chair's Report (Cameron Nations):

Strategic Plan Progress

- Grow /Diversify Membership-Chair Shoemake was not in attendance, no report given.
- Grow the Brand-Chairs Page/Overstreet-no new report.
- Concerning effective communications, Adam Jones passed a brochure from ACEC Georgia for the group to review. This would be given out at all events.
- Page is working on nominating committee guidelines for future elections.
- Legislative Influence-Chairs Jones/Gehman-Jones provided Board with list of Legislators he wishes to meet. These legislators are running for open seats. He will contact members once

the meetings are set and ask members to join. The goal is to get legislators prepped on the issues we face.

- Energize & Engage Membership-Chair Jones said there was no report. Next promotion would be ACEC-SC/SC DOT Annual Meeting.

National Director's Report (Rick Fauteux):

- 2018 Fall Conference-October 28-31 at Bellagio, Las Vegas
- President's update went out, asked the Board to make sure they are receiving the report.
- ACEC National President & CEO (Linda Darr) held the Listening tour for this region in Atlanta on September 26. The ACEC-SC attendees were: Rick Fauteux, Peter Strub, Melvin Williams and Adam Jones. There were several Southern states represented, 32 attendees in all. Roundtable discussions evaluating ACEC roles, what they do and providing awareness and perception.
- Help all companies be diverse.
- Working on workforce development, ie: Immigration issues.
- Advertising for a membership director.
- National Press Release-Daphne Bryant hired as Vice President of Membership. She will help build the ACEC Research and Management Foundation.
- President's Monthly Update came out on September 28 from Linda Darr.
- Darr just trying change dialog so ACEC is not so transportation oriented.
- Fauteux becomes chair of membership in April. He will put together a membership plan with ACEC staff.

Committee Reports:

Transportation Committee (Swearingen)

- Jeff Mulliken gave the report since Swearingen was not present.
- Transportation Committee meeting was held at the Davis & Floyd office.
- The nominations for the committees were made and reports were given.
- The Officers for the 2019 ACEC-SC/SC DOT Partnering Committee are:
 - Chair-Melvin Williams-S&ME
 - Vice Chair-David Taylor, Stantec
 - Voting-Bradley Cain, KCI
 - David Montgomery, HDR
 - Alternates-Petrina Butler, TRC
 - Jeff Mulliken, HOLT
 - Aaron Livingston, ICE
 - Clem Watson, Parrish & Partners
 - Randy Roberts, Neel-Shaffer
- Working on topics for the ACEC-SC/SC DOT Annual Meeting. There was not a lot of energy for a legislative topic. Discussing funding relocation, but safety has been a main focus.
- The committee is working on a special called meeting on Design Build Interchange Project set for November 1
- Operational improvements around bridge replacement.
- Goal is to make this an engineering submittal approval process.

- Main interest is the time.
- There may be a conference call for those who cannot attend in person.
- Petrina Butler said the Mid-Level Designers update meeting has been cancelled. After a conversation with SCDOT, there will be no lunch meetings for the foreseeable future.
- Discussion will fall back on open roads presentations and speakers are confirmed for this topic.

Environmental Committee (Overstreet):

- No report at this time.
- Working on the program for the Winter Meeting with Tom Jordan.
- Jones asked Petrina Butler if sustainable design could be a topic for the program. Butler will work on this.

B.R.E. Committee (Black):

- Working on judges for the Engineering Excellence Awards.

Communications Committee (Ward):

- Adam Jones gave Ricky Ward's report.
- National Materials are received and the committee is working on a storyboard for the recruiting slide deck that was requested at the last Board meeting.
- ACEC-SC will need to develop/produce the actual presentation.
- Committee discussed their role in supporting ACEC-SC. There is a desire to provide as much support as possible, realistically they believe it is best to limit their role to providing guidance, direction and advice.
- Matt Gehman is working with Ward on presentation about the background info. The presentation should contain scholarship information, lobbying efforts, networking opportunities, member engagement and updates on mission and strategic plan.
- The Committee is compiling reviews of website from other MOs. After reviewing the branding materials from ACEC, they will start working on a guidance document for website enhancements.

Membership (Shoemake): Page said the last membership committee meeting was postponed.

Advocacy/PAC (Gehman)

- Gehman finalized numbers for the oyster roast
- Confirmed cost of cash bar, generally around 100 ppl., \$600.00 budget.
- Silent auction will utilize an app so that everyone can bid, not just those in attendance. Cost of app is 3% of revenue.
- Net is \$3,600.00. assumes only making \$3,000 on silent auction.
- Date of the oyster roast is February 28, 2019.

EEA Awards Gala (Pozsik):

- Elaine Mikell updated the Board with the search for a venue.
- Narrowed down to the State Museum, the USC Alumni Center and the Zone at Williams Brice Stadium.
- Some Board members said they are willing to move the date in February to another day of the week should we want to pursue the SC State Museum.

National PAC report (Jerry Carter)

- Carter notified those that were on the occurring payment plan, that those ceased in March and needed to be signed back up.
- Thanked all who donated to PAC.
- Congratulated all, ACEC-SC made the 2018 PAC goal.
- The goal is \$12,164.00, the amount collected so far this year is \$13,897.00 and the amount committed using the monthly or quarterly payment plan for the year is \$16,633.00.
- Thanked the other member firm employees for their generous contribution.
- Thanked Mr. Howard Perry with S&ME for his \$1,000.00 contribution.
- On the national level, the goal for the year is \$1,070,754.00 of which \$758,816.00 or 71%, up 8% from last month, has been raised and collected to date. This does not count payment plans that have not been received.
- Carter announced that he will be resigning as PAC Daddy in December and has selected Kylie Page to assume the roll pending Board approval. This will be voted on at the next meeting.
- Nations thanked Carter for his service.

New Business

- There are Minute Man Funds that need to be used.
- The Minute Man fund amounts and distributions will be addressed as part of the financial report at the next Board of Directors meeting.

Next Meeting: November 1, 2018 at Parrish and Partners

Motion made to adjourn the meeting at 11:53am.

Respectfully submitted by:

Elaine Mikell
Account Executive
ACEC-SC

ACEC-SC Membership Report as of 10/25/18

| Company Name | ACEC DUES | SC Dues | MINUTE MAN | ACEC-SC PAC | TOTAL DUES | AMOUNT REC'D | ED FUND | PAYMENT METHOD | REASON DUES & AMOUN | DUES PAID |
|---|-------------|------------|------------|-------------|-------------|--------------|----------|-----------------|----------------------------|-----------|
| ADC Engineering, Inc. - NOT RENEWING | \$2,540.00 | \$2,306.94 | \$35.00 | \$230.69 | \$5,112.63 | | | | | |
| AECOM | \$0.00 | \$6,423.30 | \$63.00 | \$642.22 | \$7,128.52 | | | | | |
| Alliance Consulting Engineers, Inc. | \$4,598.00 | \$3,853.98 | \$39.00 | \$385.40 | \$8,876.38 | \$8,876.38 | | ck #16106 | | yes |
| American Engineering Consultants, Inc. | \$2,398.00 | \$2,141.10 | \$23.00 | \$214.11 | \$4,776.21 | \$4,776.21 | | ck# 15844 | 7/11/18 | Yes |
| Applied Building Sciences | \$871.00 | \$721.29 | \$23.00 | \$72.12 | \$1,687.41 | | | | | |
| Applied Control Technologies, Inc. | \$426.00 | \$433.18 | \$15.00 | \$43.31 | \$917.49 | | | | | |
| Bunnell-Lammons Engineering Inc. | \$1,936.00 | \$1,585.65 | \$47.00 | \$158.56 | \$3,727.21 | \$3,727.21 | | CK #65529 | | yes |
| Calyx Engineers & Consultants (Formerly Mulkey) | | \$856.44 | \$11.00 | \$85.64 | \$953.08 | \$953.08 | | ck #97222 | | yes |
| Cardno USA, Inc. NEW MEMBER | | \$433.18 | \$43.31 | \$476.49 | \$476.49 | | | ck# 023745 | did not pay minute man | yes |
| Carper Civil Consulting, LLC | \$335.00 | \$290.12 | \$7.00 | \$29.01 | \$661.13 | | | | | |
| Carlisle Associates, Inc. | \$1,969.00 | \$2,141.10 | \$23.00 | \$214.11 | \$4,347.21 | \$4,347.21 | | CK# 39333 | | yes |
| CDM Smith | | \$4,282.20 | \$43.00 | \$428.22 | \$4,753.42 | \$4,753.42 | | ck# 1835431 | | yes |
| CEMS ENGINEERING INC | \$3,810.00 | \$2,997.54 | \$31.00 | \$299.75 | \$7,138.29 | | | | | |
| Century Southern, Inc. | \$503.00 | \$428.22 | \$7.00 | \$42.82 | \$981.04 | \$981.04 | | ck #12847 | 7/6/18 | yes |
| CH Engineering, PLLC | | \$1,284.66 | \$15.00 | \$128.47 | \$1,428.13 | \$1,428.13 | | ck# 17557 | 6/27/18 | yes |
| Civil Engineering Consulting Service, Inc. | \$2,975.00 | \$2,388.34 | \$27.00 | \$256.93 | \$5,647.27 | \$5,647.27 | | CC Pay pal fees | pay pay feels | yes |
| Clark Patterson Lee | | \$866.35 | \$0.00 | \$0.00 | \$866.35 | \$866.35 | | ck # 129931 | did NOT pay PAC or minut | yes |
| Collins Engineers, Inc. | | \$1,712.88 | \$19.00 | \$171.29 | \$1,903.17 | \$1,903.17 | | ck #160110 | | yes |
| Construction Science and Engineering, Inc. | \$1,368.00 | \$1,284.66 | \$35.00 | \$128.46 | \$2,816.12 | \$2,816.12 | | ck# 11043 | | yes |
| Cox and Dinkins NEW MEMBER | \$1,038.00 | \$865.35 | \$31.00 | \$86.53 | \$2,020.88 | | | | | |
| Davis & Floyd, Inc. | \$7,215.00 | \$5,566.86 | \$55.00 | \$556.69 | \$13,393.55 | \$13,393.55 | | ck# 1765 | | yes |
| DDC Engineers, Inc. | \$2,511.00 | \$2,569.32 | \$27.00 | \$256.93 | \$5,364.25 | \$5,364.25 | | ck #36672 | | yes |
| Design South Professionals, Inc. | \$2,511.00 | \$2,569.32 | \$27.00 | \$256.93 | \$5,364.25 | \$1,341.06 | | ck# 24501 | pays dues quarterly | partial |
| ECS Carolinas, LLP | | \$3,425.76 | \$35.00 | \$342.58 | \$3,803.34 | \$3,803.34 | | ck# 281945 | | yes |
| eMuWave | \$486.00 | \$578.24 | \$11.00 | \$57.82 | \$1,133.06 | | | | | |
| ESP Associates, PA | | \$5,995.08 | | | \$5,995.08 | \$5,995.08 | | ck# 10107 | didn't pay minute man or | yes |
| F&ME Consultants | \$3,689.00 | \$3,425.76 | \$35.00 | \$342.58 | \$7,492.34 | \$7,492.34 | | ck #36687 | | yes |
| Forsberg Engineering & Surveying, Inc. | \$2,223.00 | \$2,141.10 | \$23.00 | \$214.11 | \$4,601.21 | \$4,601.21 | | ck# 37744 | | yes |
| Foth Infrastructure & Environment, LLC | | \$866.35 | | \$86.64 | \$952.99 | \$952.99 | | ck# 530664 | didn't pay minute man | yes |
| Froehling & Robertson, Inc. | | \$2,141.10 | | | \$2,141.10 | \$2,355.21 | \$214.11 | ck# 610348 | ask pac go to Ed Fund, did | yes |
| Gaines Engineering & Design, LLC | \$581.00 | \$856.44 | \$11.00 | \$85.64 | \$1,534.08 | \$1,534.08 | | ck#1560, 7/9/18 | | yes |
| GWA, Inc. | \$1,368.00 | \$1,284.66 | \$15.00 | | \$2,667.66 | \$2,796.13 | \$128.47 | ck# 18841 | | yes |
| HDR (ICA Engineering has merged with HDR) | | \$5,138.64 | \$51.00 | \$513.86 | \$5,703.50 | | | | | |
| Holt Consulting Company, LLC | | \$1,284.66 | \$15.00 | \$128.47 | \$1,428.13 | \$1,428.13 | | ck#2949 | | yes |
| Hussey Gay Bell | | \$2,596.32 | \$27.00 | \$256.93 | \$2,880.25 | \$2,880.25 | | ck# 54037 | | yes |
| GPI Geospatial (formerly Independent Mapping Consultants) | | \$1,284.66 | \$15.00 | \$128.47 | \$1,428.13 | \$1,428.13 | | CK 1520194 | | yes |
| Infrastructure Consulting & Engineering | | \$5,138.64 | \$51.00 | \$513.86 | \$5,703.50 | \$5,703.50 | | ck# 5215 | | yes |
| Infrastructure Engineers, Inc. | | \$1,731.88 | \$19.00 | \$171.29 | \$1,922.17 | \$1,922.17 | | ck#65210 | | yes |
| Insight Group, A Christopher Company NEW MEMBER | \$286.00 | \$289.12 | \$11.00 | \$28.91 | \$615.03 | | | | | |
| IPW Construction Group | \$652.00 | \$866.35 | \$15.00 | \$86.64 | \$1,619.99 | \$1,619.99 | | ck# 07521 | | yes |
| John Davenport Engineering Incorporated | | \$290.12 | \$7.00 | \$29.01 | \$326.13 | | | | | |
| Johnson, Mirmiran & Thompson | | \$2,141.10 | \$23.00 | \$214.11 | \$2,378.21 | \$2,378.21 | | CC | | yes |
| KCI Technologies, Inc. | | \$2,569.32 | \$27.00 | \$256.93 | \$2,853.25 | \$2,853.25 | | ck# 648028 | | yes |
| Keck & Wood, Inc. | | \$1,712.88 | | \$171.29 | \$1,884.17 | \$1,884.17 | | ck#112892 | didn't pay minute man | yes |
| Kimley-Horn and Associates, Inc. | | \$1,646.93 | | | \$1,646.93 | \$1,818.22 | \$171.29 | CC pay pal fees | didn't pay minute man | yes |
| Life Cycle Engineering, Inc. | \$14,129.00 | \$5,138.64 | \$51.00 | \$513.86 | \$19,832.50 | \$19,832.50 | | ck# 163783 | | yes |
| MA Engineering Consultants | | \$1,284.66 | | \$128.47 | \$1,413.13 | \$1,413.13 | | ck# 44930 | didn't pay minute man | yes |
| McCormick Taylor | | \$428.22 | \$7.00 | \$42.82 | \$478.04 | \$478.04 | | CK# 71218 | | yes |
| Mead & Hunt, Inc. | | \$2,997.54 | \$31.00 | \$299.75 | \$3,328.29 | \$3,328.29 | | ck# 143366 | | yes |
| Michael Baker International | | \$4,282.20 | \$43.00 | \$428.22 | \$4,753.42 | \$4,753.42 | | ck# 0002553054 | | yes |
| MLB Engineering, LLC | \$503.00 | \$428.22 | \$7.00 | \$42.82 | \$981.04 | \$981.04 | | ck#12407 | | yes |
| A Morton Thomas and Associates, Inc. (AMT) | | \$557.88 | \$11.00 | \$57.82 | \$626.70 | \$626.70 | | paid by cC | | yes |
| Neel-Schaffer, Inc. | | \$856.44 | \$11.00 | \$85.64 | \$953.08 | | | | | |
| NOVA Engineering | | \$856.44 | \$11.00 | \$85.64 | \$953.08 | \$953.08 | | ck# 48282 | | yes |
| OLH, Inc. | \$1,833.00 | \$1,712.88 | \$19.00 | \$171.29 | \$3,736.17 | \$3,736.17 | | ck# 11230 | | yes |
| WSP Parsons Brinkerhoff (formerly PB Americas) | | \$2,141.10 | \$23.00 | \$214.11 | \$2,378.21 | \$2,378.21 | | ck# 1577611 | | yes |
| Parrish and Partners, LLC | | \$2,569.32 | \$27.00 | \$256.93 | \$2,853.25 | \$2,853.25 | | ck # 5213 | | Yes |
| POND | | \$556.67 | \$19.00 | \$57.72 | \$633.39 | \$633.39 | | CC pay pal fees | paid with paypal | yes |
| Professional Engineering Associates, Inc. | \$1,762.00 | \$1,712.88 | \$19.00 | \$171.29 | \$3,665.17 | \$3,665.17 | | ck#33084 | | yes |
| Ramey Kemp & Associates Inc | | \$833.27 | \$11.00 | \$85.64 | \$929.91 | \$929.91 | | cc 8/17/18 | | yes |
| RK&K-Rummel, Klepper & Kahl, LLP | | \$866.35 | \$15.00 | \$86.64 | \$967.99 | \$967.99 | | ck# 147930 | | yes |

They paid in 2017 for 2018-2019

ACEC-SC Membership Report as of 10/25/18

| | | | | | | | | | |
|--|-------------|--------------|------------|-------------|--------------|--------------|------------------------|-------------------------|--|
| Rowe Professional Services Company | \$856.44 | \$11.00 | \$85.64 | \$953.08 | \$953.08 | ck#012701 | | yes | Kent alexander paid personal check to national pac |
| RS&H | \$1,284.66 | \$15.00 | \$128.47 | \$1,428.13 | | | | | |
| S&ME, Inc. | \$6,851.52 | \$67.00 | \$685.15 | \$7,603.67 | \$7,603.67 | ck# 442260 | 7/9/18 | yes | |
| SAM, LLC (merged with So-Deep) | \$1,284.66 | \$15.00 | \$128.47 | \$1,428.13 | \$1,428.13 | CC | | yes | |
| Sims Group Engineers, Inc | \$844.49 | | | \$844.49 | \$844.49 | CK# | | yes | |
| Stantec Consulting | \$2,997.54 | \$31.00 | \$299.75 | \$3,328.29 | \$3,328.29 | ck# 572909 | | yes | |
| Stevens & Wilkinson SC, Inc. | \$2,569.32 | \$27.00 | \$256.93 | \$2,853.25 | | | | | |
| STV Incorporated | \$2,141.10 | \$23.00 | \$214.11 | \$2,378.21 | \$2,378.21 | Ck#477233 | | yes | |
| SynTerra | \$4,383.00 | \$3,853.98 | \$385.40 | \$8,622.38 | \$8,622.38 | ck# 040120 | did not pay minute man | yes | |
| Terracon Consultants, Inc. | | \$5,566.86 | \$55.00 | \$556.69 | \$6,178.55 | ck# 1042729 | | yes | |
| The Sheridan Corporation | \$503.00 | \$428.22 | \$7.00 | \$42.82 | \$981.04 | ck # 15477 | | yes | |
| Thomas & Hutton Engineering Co. | | \$3,425.76 | \$35.00 | \$342.58 | \$3,803.34 | CK 95325 | | Yes | |
| Three Oaks Engineering | | \$826.59 | \$11.00 | \$837.59 | \$923.23 | \$85.64 | CC Pay pal fees | PAC money went to Ed Fu | Yes |
| TranSystems Corporation | | \$2,141.10 | \$23.00 | \$214.11 | \$2,378.21 | ck# 754559 | | yes | |
| TRC Environmental Corporation | | \$3,425.76 | \$35.00 | \$342.58 | \$3,803.34 | ck# 1145406 | | yes | |
| Vaughn & Melton Consulting Engineers | | \$1,712.88 | \$19.00 | \$171.29 | \$1,903.17 | ck# 040547 | | yes | |
| W. R. Riggs And Associates, Inc. | \$729.00 | \$856.44 | \$11.00 | \$85.64 | \$1,682.08 | ck# 17688 | 7/9/18 | yes | |
| Weston & Sampson | | \$1,712.88 | \$19.00 | \$171.29 | \$1,903.17 | ck#125713 | | yes | |
| Wurster Engineering- NOT RENEWING | \$969.00 | \$1,154.47 | \$19.00 | \$115.45 | \$2,257.92 | | | | |
| | \$71,100.00 | \$166,564.47 | \$1,765.31 | \$15,272.36 | \$254,702.14 | \$211,342.01 | \$599.51 | | |

AFFILIATE MEMBERS

| | | | | | | | | | |
|--|----------|--|---------|----------|------------|-----------------|------------------|-----|--|
| Advance Drainage Systems, Inc. | \$650.00 | | \$65.00 | \$715.00 | 715.00 | CC | | yes | |
| TJS Deemer Dana LLP Not renewing | \$650.00 | | \$65.00 | \$715.00 | | | | | |
| Edwards-Pitman Environmental, Inc. | \$650.00 | | \$65.00 | \$715.00 | 715.00 | Ck #023298 | | Yes | |
| Gibbes Burton, LLC | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck#0000005780 | | yes | |
| Insurance Management Consultants, Inc. | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck# 009593 | | yes | |
| O R Colan Associates, LLC | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck#12469 | | yes | |
| SC Asphalt Pavement Association | \$650.00 | | | \$650.00 | 715.00 | \$65.00 | credit card | yes | |
| ACEC Business Insurance Trust | | | | | | | | | |
| Primacq Group, Inc. | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck# 8664 | | yes | |
| Mar Mac Construction Products Co. | \$650.00 | | \$65.00 | \$715.00 | | | | | |
| Oldcastle-Adams Products | \$627.53 | | \$65.00 | \$692.53 | 692.53 | CC 7/26/18 | paid with paypal | yes | |
| T. Wayne Owens & Associates, PC | \$650.00 | | | \$650.00 | 650.00 | CK# 2346 | | yes | |
| Tindall Corporation | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck#465490 | | yes | |
| The Canaan Agency | \$650.00 | | | \$650.00 | | | | | |
| Utility Coordination Consultants, LLC | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck # 005520 | | yes | |
| THC, Inc. | \$627.53 | | \$65.00 | \$692.53 | 692.53 | CC Pay pal fees | paid with paypal | yes | |
| Enterprise Fleet Management | \$650.00 | | \$65.00 | \$715.00 | 715.00 | ck # 1802712 | | yes | |
| Burkett Burkett & Burkett Certified Public Accountants, PA | \$650.00 | | \$65.00 | \$715.00 | 715.00 | Ck# 12891 | | yes | |
| | | | | | \$9,900.06 | | | | |

Total Dues Amount

THOSE WHO DID NOT RENEW

| | Jul '18 - Jun 19 | Budget | \$ Over Budget | % of Budget | Jul '18 - Jun 19 | DELTA | notes |
|--|------------------|------------|----------------|-------------|------------------|-----------|-------------|
| Income | | | | | | | |
| 4010 · ACEC-SC DUES | 137,517.30 | 153,000.00 | -15,482.70 | 89.88% | 117,844.36 | 19,672.94 | dues |
| 4020 · ACEC-SC PAC | 13,454.78 | 16,100.00 | -2,645.22 | 83.57% | 11,545.95 | 1,908.83 | pac |
| 4030 · ACEC DUES | 58,455.75 | 61,000.00 | -2,544.25 | 95.83% | 55,292.75 | 3,163.00 | dues |
| 4040 · ACEC MINUTE MAN FUND (TORT) | 1,329.75 | 1,500.00 | -170.25 | 88.65% | 1,132.75 | 197.00 | min man |
| 4045 · EDUCATION FUND | 664.51 | 500.00 | 164.51 | 132.9% | 599.51 | 65.00 | ed fund |
| 4050 · AFFILIATE DUES | 7,755.06 | 8,000.00 | -244.94 | 96.94% | 7,755.06 | 0.00 | |
| 4070 · ACEC ROYALTIES | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 4130 · MEMBER MEETINGS | | | | | | 0.00 | |
| 4130.1 · ENGINEERING EXCELLENCE AWARDS | | | | | | 0.00 | |
| 4130.11 · ENTRY FEES | 5,308.10 | 7,000.00 | -1,691.90 | 75.83% | 0.00 | 5,308.10 | eea entries |
| 4130.12 · PLAQUES | 0.00 | 700.00 | -700.00 | 0.0% | 0.00 | 0.00 | |
| 4130.13 · EE BANQUET | 0.00 | 5,000.00 | -5,000.00 | 0.0% | 0.00 | 0.00 | |
| 4130.1 · ENGINEERING EXCELLENCE AWARDS - Other | 0.00 | 10,000.00 | -10,000.00 | 0.0% | 0.00 | 0.00 | |
| Total 4130.1 · ENGINEERING EXCELLENCE AWARDS | 5,308.10 | 22,700.00 | -17,391.90 | 23.38% | 0.00 | 5,308.10 | eea entries |
| 4130.2 · WINTER MEETING | 0.00 | 21,000.00 | -21,000.00 | 0.0% | 0.00 | 0.00 | |
| 4130.3 · SCDOT MEETING | | | | | | 0.00 | |
| 4130.31 · SCDOT MEETING EXHIBITORS | 3,350.20 | 8,000.00 | -4,649.80 | 41.88% | 1,740.70 | 1,609.50 | exhibitors |
| 4130.32 · SCDOT MEETING SPONSORS | 43,141.10 | 65,000.00 | -21,858.90 | 66.37% | 26,521.10 | 16,620.00 | sponsors |
| 4130.33 · SCDOT MEETING REGISTRANTS | 4,864.98 | 55,000.00 | -50,135.02 | 8.85% | 0.00 | 4,864.98 | registrants |
| 4130.3 · SCDOT MEETING - Other | 0.00 | 5,000.00 | -5,000.00 | 0.0% | 0.00 | 0.00 | |
| Total 4130.3 · SCDOT MEETING | 51,356.28 | 133,000.00 | -81,643.72 | 38.61% | 28,261.80 | 23,094.48 | dot mtg |
| 4130.4 · BOARD RETREAT | 0.00 | 9,000.00 | -9,000.00 | 0.0% | 0.00 | 0.00 | |
| 4130.5 · SUMMER ENGINEER'S CONFERENCE | 9,779.62 | 10,000.00 | -220.38 | 97.8% | 0.00 | 9,779.62 | scec conf |
| 4130.6 · MEMBER GOLF TOURNAMENTS | | | | | | 0.00 | |
| 4130.61 · FALL PAC GOLF TOURNAMENT | 1,640.00 | 10,000.00 | -8,360.00 | 16.4% | 0.00 | 1,640.00 | golf |
| 4130.62 · SPRING SCHOLARSHIP TOURNAMENT | 0.00 | 15,000.00 | -15,000.00 | 0.0% | 0.00 | 0.00 | |
| 4130.6 · MEMBER GOLF TOURNAMENTS - Other | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| Total 4130.6 · MEMBER GOLF TOURNAMENTS | 1,640.00 | 25,000.00 | -23,360.00 | 6.56% | 0.00 | 1,640.00 | golf |
| 4130 · MEMBER MEETINGS - Other | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| Total 4130 · MEMBER MEETINGS | 68,084.00 | 220,700.00 | -152,616.00 | 30.85% | 28,261.80 | 39,822.20 | mtgs |
| 4130.8 · FAR program | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 4140 · FUTURE LEADERS PROGRAM | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 4200 · PAYPAL CREDITS | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| Total Income | 287,261.15 | 460,800.00 | -173,538.85 | 62.34% | 222,432.18 | 64,828.97 | income |
| Gross Profit | 287,261.15 | 460,800.00 | -173,538.85 | 62.34% | 222,432.18 | 64,828.97 | total |
| Expense | | | | | | 0.00 | |
| 6010 · ACEC NATIONAL DUES | | | | | | 0.00 | |
| 6010.1 · MINUTE MAN CONTRIBUTIONS | 0.00 | 1,500.00 | -1,500.00 | 0.0% | 0.00 | 0.00 | |
| 6010.2 · NATIONAL DUES | 16,702.50 | 61,000.00 | -44,297.50 | 27.38% | 0.00 | 16,702.50 | dues |
| 6010.3 · EXECUTIVE DIRECTOR/NAECE DUES | 0.00 | 200.00 | -200.00 | 0.0% | 0.00 | 0.00 | |
| Total 6010 · ACEC NATIONAL DUES | 16,702.50 | 62,700.00 | -45,997.50 | 26.64% | 0.00 | 16,702.50 | dues |
| 6015 · ACEC-SC PAC Transfer | 128.84 | 0.00 | 128.84 | 100.0% | 128.84 | 0.00 | |
| 6020 · ACEC TRAVEL | | | | | | 0.00 | |
| 6020.2 · EXECUTIVE DIRECTOR | 1,655.38 | 8,000.00 | -6,344.62 | 20.69% | 1,655.38 | 0.00 | |
| 6020.3 · NATIONAL DIRECTOR | 425.78 | 5,000.00 | -4,574.22 | 8.52% | 0.00 | 425.78 | travel |
| 6020.4 · PRESIDENT | 0.00 | 5,000.00 | -5,000.00 | 0.0% | 0.00 | 0.00 | |
| 6020.5 · PRESIDENT ELECT | 0.00 | 4,000.00 | -4,000.00 | 0.0% | 0.00 | 0.00 | |
| 6020.6 · AFFILIATE NATIONAL DIRECTOR | 0.00 | 4,000.00 | -4,000.00 | 0.0% | 0.00 | 0.00 | |
| 6020 · ACEC TRAVEL - Other | 0.00 | 500.00 | -500.00 | 0.0% | 0.00 | 0.00 | |
| Total 6020 · ACEC TRAVEL | 2,081.16 | 26,500.00 | -24,418.84 | 7.85% | 1,655.38 | 425.78 | travel |
| 6030 · BOARD EXPENSE | 42.80 | 2,000.00 | -1,957.20 | 2.14% | 42.80 | 0.00 | |
| 6045 · EDUCATION FUND EXP | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 6050 · COMMITTEE ACTIVITY | | | | | | 0.00 | |
| 6050.1 · MEMBERSHIP | 2,600.29 | 5,000.00 | -2,399.71 | 52.01% | 0.00 | 2,600.29 | membershi |
| 6050.2 · TRANSPORTATION | 74.61 | 7,200.00 | -7,125.39 | 1.04% | 74.61 | 0.00 | |
| 6050.3 · ENVIRONMENTAL | 0.00 | 250.00 | -250.00 | 0.0% | 0.00 | 0.00 | |
| 6050.4 · COMMITTEE ACTIVITY - OTHER | 0.00 | 250.00 | -250.00 | 0.0% | 0.00 | 0.00 | |
| Total 6050 · COMMITTEE ACTIVITY | 2,674.90 | 12,700.00 | -10,025.10 | 21.06% | 74.61 | 2,600.29 | |
| 6120 · LEGISLATIVE ACTIVITY | | | | | | 0.00 | |
| 6120.2 · LOBBY FEES | 0.00 | 416.00 | -416.00 | 0.0% | 0.00 | 0.00 | |
| 6120.3 · ACTIVITIES EXPENSE | 0.00 | 500.00 | -500.00 | 0.0% | 0.00 | 0.00 | |
| 6120.4 · SC PAC CONTRIBUTIONS | 0.00 | 16,100.00 | -16,100.00 | 0.0% | 0.00 | 0.00 | |
| 6120 · LEGISLATIVE ACTIVITY - Other | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| Total 6120 · LEGISLATIVE ACTIVITY | 0.00 | 17,016.00 | -17,016.00 | 0.0% | 0.00 | 0.00 | |
| 6130 · MEMBER MEETING EXPENSES | | | | | | 0.00 | |
| 6130.1 · ENG. EXCELLENCE AWARDS | | | | | | 0.00 | |
| 6130.15 · EAA PRINTING | 2,717.96 | 2,800.00 | -82.04 | 97.07% | 2,717.96 | 0.00 | |
| 6130.1 · ENG. EXCELLENCE AWARDS - Other | 0.00 | 15,000.00 | -15,000.00 | 0.0% | 0.00 | 0.00 | |

| | | | | | | | |
|--|------------|------------|-------------|-----------|------------|-----------|-------------|
| Total 6130.1 · ENG. EXCELLENCE AWARDS | 2,717.96 | 17,800.00 | -15,082.04 | 15.27% | 2,717.96 | 0.00 | |
| 6130.2 · WINTER MEETING EXPENSE | 0.00 | 12,000.00 | -12,000.00 | 0.0% | 0.00 | 0.00 | |
| 6130.3 · SCDOT MEETING EXPENSE | 2,000.00 | 54,000.00 | -52,000.00 | 3.7% | 0.00 | 2,000.00 | dot exp |
| 6130.4 · BOARD RETREAT EXPENSE | 0.00 | 10,000.00 | -10,000.00 | 0.0% | 0.00 | 0.00 | |
| 6130.6 · GOLF TOURNAMENT EXPENSES | | | | | | 0.00 | |
| 6130.61 · FALL PAC GOLF TOURNAMENT EXP. | 2,140.00 | 10,000.00 | -7,860.00 | 21.4% | 500.00 | 1,640.00 | golf refund |
| 6130.62 · SPRING GOLF TOURNAMENT EXPENSE | 7,072.91 | 15,000.00 | -7,927.09 | 47.15% | 7,072.91 | 0.00 | |
| 6130.6 · GOLF TOURNAMENT EXPENSES - Other | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| Total 6130.6 · GOLF TOURNAMENT EXPENSES | 9,212.91 | 25,000.00 | -15,787.09 | 36.85% | 7,572.91 | 1,640.00 | golf refund |
| 6130.70 · LEGISLATIVE RECEPTION | 0.00 | 2,700.00 | -2,700.00 | 0.0% | 0.00 | 0.00 | |
| 6130.80 · REGIONAL MEETINGS | 438.99 | 0.00 | 438.99 | 100.0% | 438.99 | 0.00 | |
| 6130 · MEMBER MEETING EXPENSES - Other | 30.04 | 3,500.00 | -3,469.96 | 0.86% | 30.04 | 0.00 | |
| Total 6130 · MEMBER MEETING EXPENSES | 14,399.90 | 125,000.00 | -110,600.10 | 11.52% | 10,759.90 | 3,640.00 | mtg exp |
| 6130.8 · FAR PROGRAM EXP | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 6140 · FUTURE LEADERS PROGRAM EXPENSE | 888.95 | 0.00 | 888.95 | 100.0% | 888.95 | 0.00 | |
| 6160 · DUES AND SUBSCRIPTIONS | 884.00 | 900.00 | -16.00 | 98.22% | 284.00 | 600.00 | dues |
| 6170 · SCCJC DUES | 0.00 | 2,500.00 | -2,500.00 | 0.0% | 0.00 | 0.00 | |
| 6200 · MANAGEMENT FEES | 56,694.40 | 170,083.20 | -113,388.80 | 33.33% | 42,520.80 | 14,173.60 | mgt fee |
| 6210 · MISCELLANEOUS OPERATIONS | | | | | | 0.00 | |
| 6210.1 · PHOTOCOPIES | 1,806.37 | 0.00 | 1,806.37 | 100.0% | 1,571.03 | 235.34 | copies |
| 6210.2 · POSTAGE | 135.94 | 0.00 | 135.94 | 100.0% | 134.06 | 1.88 | postage |
| 6210.3 · FAXES | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 6210.4 · LONG DISTANCE | 66.84 | 0.00 | 66.84 | 100.0% | 66.84 | 0.00 | |
| 6210.5 · GOT COMPANY.COM | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 6210.6 · OFFICE SUPPLIES | 28.03 | 0.00 | 28.03 | 100.0% | 28.03 | 0.00 | |
| 6210.8 · WEBSITE | 335.00 | 5,000.00 | -4,665.00 | 6.7% | 150.00 | 185.00 | website |
| 6210 · MISCELLANEOUS OPERATIONS - Other | 366.48 | 12,000.00 | -11,633.52 | 3.05% | 366.48 | 0.00 | |
| Total 6210 · MISCELLANEOUS OPERATIONS | 2,738.66 | 17,000.00 | -14,261.34 | 16.11% | 2,316.44 | 422.22 | |
| 6410 · BANK CHARGES / CREDIT CARD FEES | | | | | | 0.00 | |
| 6410.1 · CAROLINA FIRST SERVICE FEE | 12.00 | 48.00 | -36.00 | 25.0% | 8.00 | 4.00 | bank fees |
| 6410.2 · PAYPAL EXPENSE | 120.00 | 500.00 | -380.00 | 24.0% | 60.00 | 60.00 | paypal |
| 6410.3 · REGONLINE EXPENSE | 364.39 | 528.00 | -163.61 | 69.01% | 364.39 | 0.00 | |
| 6410 · BANK CHARGES / CREDIT CARD FEES - Other | -30.00 | 12.00 | -42.00 | -250.0% | 0.00 | (30.00) | |
| Total 6410 · BANK CHARGES / CREDIT CARD FEES | 466.39 | 1,088.00 | -621.61 | 42.87% | 432.39 | 34.00 | |
| 6510 · LEGAL AND PROFESSIONAL SERVICES | | | | | | 0.00 | |
| 6510.1 · ACCOUNTING & PROFESSIONAL SVCS | 0.00 | 2,500.00 | -2,500.00 | 0.0% | 0.00 | 0.00 | |
| 6510.2 · LEGAL & PROFESSIONAL SCVS FOR I | 0.00 | 2,500.00 | -2,500.00 | 0.0% | 0.00 | 0.00 | |
| 6510.5 · LIABILITY INSURANCE | 0.00 | 350.00 | -350.00 | 0.0% | 0.00 | 0.00 | |
| 6510 · LEGAL AND PROFESSIONAL SERVICES - Other | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| Total 6510 · LEGAL AND PROFESSIONAL SERVICES | 0.00 | 5,350.00 | -5,350.00 | 0.0% | 0.00 | 0.00 | |
| 6610 · PUBLIC RELATIONS | | | | | | 0.00 | |
| 6610.4 · AWARDS | 192.60 | 200.00 | -7.40 | 96.3% | 192.60 | 0.00 | |
| 6610 · PUBLIC RELATIONS - Other | 28.36 | 3,500.00 | -3,471.64 | 0.81% | 28.36 | 0.00 | |
| Total 6610 · PUBLIC RELATIONS | 220.96 | 3,700.00 | -3,479.04 | 5.97% | 220.96 | 0.00 | |
| 6999 · UNCATEGORIZED EXPENSES | 0.00 | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | |
| 7000 · MINUTE MAN MATCH | 0.00 | 5,146.77 | -5,146.77 | 0.0% | 0.00 | 0.00 | |
| Total Expense | 97,923.46 | 451,683.97 | -353,760.51 | 21.68% | 59,325.07 | 38,598.39 | |
| Net Income | 189,337.69 | 9,116.03 | 180,221.66 | 2,076.98% | 163,107.11 | 26,230.58 | net |

ACEC-SC
Balance Sheet
As of June 30, 2019
Jun 30, 19

ASSETS

Current Assets

Checking/Savings

| | |
|-------------------------------------|------------|
| 1001 · ACEC-SC | 473,838.10 |
| 1010 · PAC | 13,453.42 |
| 1015 · ACEC-SC Education Foundation | 8,442.54 |
| 1110 · CD - MERRILL LYNCH | 3,435.85 |
| 1120 · SCHO CD - CAROLINA FIRST | 12,603.60 |

Total Checking/Savings 511,773.51

Accounts Receivable

| | |
|-----------------------------|-----------|
| 11000 · Accounts Receivable | -5,708.21 |
|-----------------------------|-----------|

Total Accounts Receivable -5,708.21

Other Current Assets

| | |
|---------------------------|----------|
| 12000 · Undeposited Funds | 7,725.29 |
|---------------------------|----------|

Total Other Current Assets 7,725.29

Total Current Assets 513,790.59

TOTAL ASSETS **513,790.59**

LIABILITIES & EQUITY

Equity

| | |
|---------------------------|-----------|
| 3000 · OPENING BAL EQUITY | 27,760.23 |
|---------------------------|-----------|

| | |
|--------------------------|------------|
| 3900 · RETAINED EARNINGS | 296,692.67 |
|--------------------------|------------|

| | |
|------------|------------|
| Net Income | 189,337.69 |
|------------|------------|

Total Equity 513,790.59

TOTAL LIABILITIES & EQUITY **513,790.59**

ACEC Private Industry Brief

Commercial & Residential Real Estate

June | July 2018

ACEC's Private Industry Briefs

Welcome to the inaugural issue of a new, bimonthly series on various private-sector markets of interest to ACEC member firms. Even though this issue focuses on Commercial & Residential Real Estate, future issues will focus on other private-sector markets.

To ensure regular, uninterrupted delivery of future issues, click below to subscribe. The subscription is free and you can cancel anytime.

Link: <https://programs.acec.org/industrybrief/>

Top Development Firms

According to *Commercial Property Executive's* annual rankings, the current Top 10 Development Firms and the building types they specialize in are:

1. **Trammell Crow Co.** (O, I, R, M, H, He, X)
2. **Hines** (O, I, R, M, H, X)
3. **Related Cos.** (O, R, M, H, X)
4. **Wood Partners** (M)
5. **Greystar Real Estate Partners** (R, M)
6. **Related Group** (R, M, H)
7. **Duke Realty** (O, I, He)
8. **Liberty Property Trust** (O, I)
9. **Majestic Realty Co.** (O, I, R)
10. **LMC, A Lennar Company** (M)

Building types key: O=Office, I=Industrial, R=Retail, M=Multifamily, H=Hospitality, He=Health Care, X=Other.

5 Current Market Trends

- ▶ **1. Industrial/Distribution:** For the fifth straight year, the industrial/distribution market is the top-ranked property sector for investment and development in *Emerging Trends in Real Estate 2018* (pwc & ULI). Demand is generally credited to the rise of e-commerce, and supply of such properties is only now catching up with demand. Buildings are trending larger and developers that may have typically concentrated only on office space are getting involved in industrial projects. The growing appeal is not just for U.S. investors and developers. Industrial real estate has ranked first each year since 2013 in the annual survey by the Association of Foreign Investors in Real Estate (AFIRE); in 2010, industrial real estate was the lowest-ranked among property types.
- ▶ **2. Retail:** The retail market is going through a significant change, primarily due to e-commerce. Regional malls were introduced in the 1950s, and big box retail took off in the 1980s, but the last few years has seen a rise in online shopping and a shift in how and where Americans spend their money.

Current Market Trends continues on the following page.

— What facility types are growing? —

According to *Emerging Trends in Real Estate 2018* (pwc, ULI), the top five growth markets are:

1. **Fulfillment**
2. **Warehouse**
3. **Senior housing**
4. **Moderate income/workforce apartments**
5. **Medical office**

Current Market Trends, *continued*

Shoppers spend less on clothes and accessories and more on big-ticket items, such as automobiles and technology, as well as experiences, such as travel and food. Retail spending is growing, but money is not being spent in the same physical spaces as in the decades past. Full-priced department stores, such as Macy's, JCPenney and Sears, have closed hundreds of stores. Meanwhile, the fastest growing segment of the retail market (who generally are owner-users) is in the discount segment, including Dollar General, Dollar Tree, Family Dollar, and Aldi. According to *Business Insider*, in 2018, Dollar General planned on opening 900 stores; Dollar Tree 320; and Family Dollar 300. This is followed by Aldi with 180. Aldi operates 1,750 stores in 35 states and is planning to reach 2,500 stores by 2022, according to the company.

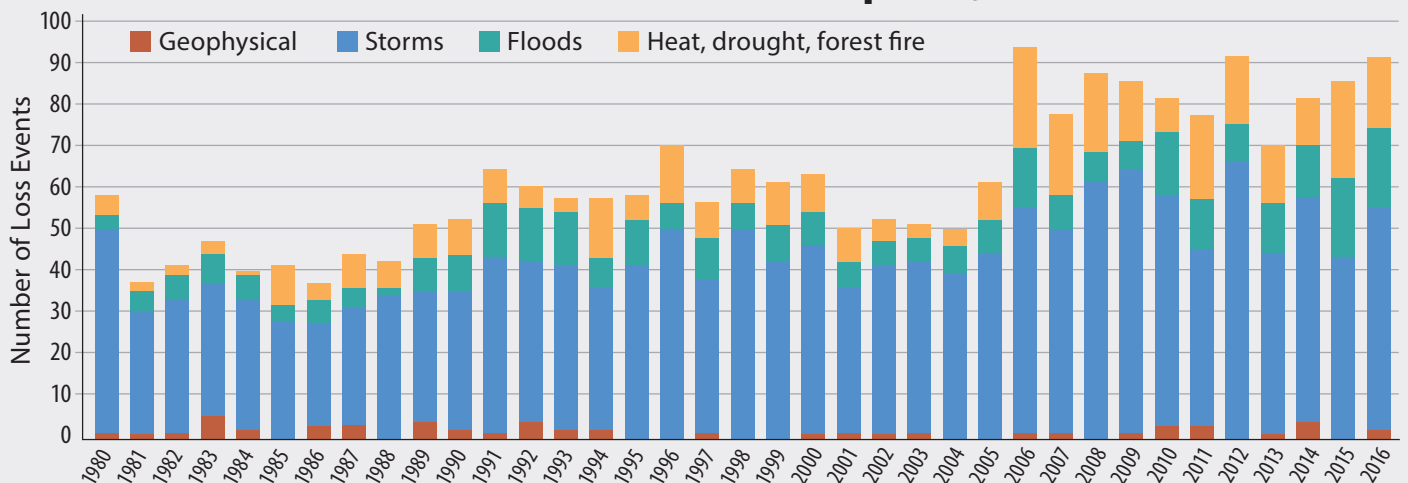
► **3. Natural Disasters/Catastrophes:** Impacts of natural disasters on real estate were significant in 2017 as Hurricane Harvey flooded Houston and the Texas Gulf Coast, and two more hurricanes (Irma and Maria) impacted Florida, Puerto Rico, and the Caribbean. If it seems like a rise in natural disasters is trending, it is not your imagination (see chart below), as there has been a long-term rise in significant natural disasters since 1980. Between 2007 and 2016, the insured property losses from natural catastrophes exceeded \$200 billion. Rising sea levels are also expected to have a continued impact on major cities such as Boston, New York, Norfolk, and Miami. How local zoning and building codes, along with insurance requirements, change development practices remains unknown.

► **4. Housing:** Demand for housing remains strong, due to both the large generations of Millennials still

renting and transitioning to home ownership, and Baby Boomers downsizing. Experts predict that the market will level off in 2019-2020, with a possible renewed focus on suburban developments. According to CBRE, 22.6 percent of multifamily units under construction are in urban cores, which is the result of a 20-year trend that began in 1997 at just 7.6 percent. CBRE also notes that in a recent survey of investors, 60 percent wanted to increase development of senior housing, with the evolving 'independent living' market segment as a target. This corresponds with the *Emerging Trends in Real Estate 2018* profile of the top future developments within residential real estate: 1) senior housing; 2) single family-moderate/workforce; 3) multi-family condominiums; 4) single family-high income; and 5) master-planned communities.

► **5. International Owners/Investors:** The trend of U.S. real estate attracting foreign owners/investors continues to grow. Global investment in U.S. real estate is about 16 percent (2014-2017, source: Real Capital Analytics), and no longer includes just first-tier cities, but also second and even third-tier cities. New York and Los Angeles are tied for being the number one U.S. cities for foreign investment. New York has held that distinction for seven years running; however, Los Angeles has gained traction in recent years due to its port and connection to industrial real estate opportunities. "The cargo coming into the Port of Los Angeles represents 43 percent of all cargo coming into the United States. Respondents also say online shopping is likely to have the biggest effect on real estate over the next five years," says Jim Fetgatter, chief executive of AFIRE. The top five countries where investment comes from are: 1) China; 2) Canada; 3) Germany; 4) Singapore; and 5) South Korea (source: Real Capital Analytics).

Number of U.S. Natural Catastrophies, 1980-2016



Source: Insurance Information Institute

Government Affairs Action

- ▶ **Section 179D Tax Deduction:** ACEC recently submitted a statement to the House Ways and Means Committee in support of extending the Section 179D energy-efficient commercial buildings tax deduction, which expired in December 2017. The committee is reviewing such deductions in the context of the newly revised tax code, and committee leaders publicly expressed interest in eliminating most of the expired provisions. ACEC is advocating for their extension in the next tax legislation considered by Congress. Section 179D allowed private building owners to claim a \$1.80 per-square-foot deduction for the installation of certain energy efficient systems.
- ▶ **Brownfields:** ACEC was supportive of legislation passed by Congress to reauthorize federal programs in support of brownfield redevelopment as part of the FY'18 Omnibus appropriations bill. The "BUILD Act" provides local governments with increased liability protection to facilitate redevelopment, and authorizes additional funding for site cleanups. The new law increases grant funding limitations for sites from \$200,000 to as high as \$650,000, as well as "multipurpose" grants up to \$1 million for bundled projects. The Environmental Protection Agency (EPA) estimates the United States has more than 450,000 brownfield sites. Such sites are typically contaminated from abandoned manufacturing and industrial activities. According to the EPA, every \$1 invested in redevelopment yields an average of \$16.99 in return, and every \$100,000 invested in brownfield redevelopment creates 8.9 jobs.
- ▶ **National Flood Insurance Program:** Since 1968, the National Flood Insurance Program (NFIP) has offered protective coverage for homeowners, renters, and small businesses. The commercial real estate industry supports the long-term reauthorization and reform of NFIP, as well as an expansion of private-market protections.
- ▶ **Wetlands Reform & Water Infrastructure:** ACEC is actively engaged with Congress to support funding and financing mechanisms for water and wastewater infrastructure improvements necessary to facilitate commercial and residential development. Language is included in the Senate version of the Water Resources Development Act (WRDA) that would reauthorize and expand the Water Infrastructure Finance and Innovation Act (WIFIA) program, which provides low cost loans and loan guarantees to support water projects. The Council is also engaging with the Administration and private-sector stakeholder groups on efforts to replace the Waters of the United States (WOTUS) wetlands policy finalized in 2015 with a new rule.

Key Webinar

The "Retail Apocalypse": Understanding Market Effects and Opportunities

With the "clicks versus bricks" trend and a dramatically changing retail market, the business press is declaring a "Retail Apocalypse." Experts predict that by 2023 more than half of the U.S.'s 1,200 malls are expected to close or be substantially redesigned.

Even so, there's a rise in new design and construction opportunities in retail, and a projected growth in some submarkets, such as food and grocery.

Join Taylor Coyne and Jason Wollum via ACEC's on-demand webinar to examine the effects and opportunities of the changing retail market, including:

- Which retail subtypes are growing or shrinking
- What makes retail clients unique
- How aging indoor malls are being repurposed and renovated nationally

Webinar Presenters

Taylor Coyne, Senior Research Analyst with JLL and co-author of *A New Mall Rises: Retail Centers Renovate, Redevelop and Re-Tenant to Remain Relevant*, gives insight into retail clients and developers in this market sector, including what geographic regions and market subsectors are experiencing growth.

Jason Wollum, Retail Practice Director and Senior Vice President with Henderson Engineers, a top-rated retail engineering firm, provides insight on how engineering firms can successfully work with retail clients and what makes them different from other private-sector clients and projects.

On-Demand Link:

<http://bit.do/acec-retailapocalypse>

Upcoming Issues

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August | September 2018

Intermodal & Logistics

October | November 2018

Energy & Utilities

December 2018 | January 2019

Health Care & Science+Technology

Hot Markets



Source: Emerging Trends in Real Estate 2018

Market Scope

The **commercial and residential real estate market** is 'vertical' in nature and contains a variety of commercial and residential real estate property types, including:

- Office
- Industrial
- Retail
- Multi-family residential, including student and senior housing
- Hospitality
- Health care

Clients are typically developers and owner-users, such as large retailers.

Within the currently dynamic retail market sector, there are several different property types, unique in their physical design and popularity: urban/high street retail; neighborhood/community shopping centers; lifestyle/entertainment centers; outlet centers; power centers; and regional malls.

Key Webinar

Partnering with Economic Development in an "Amazon-HQ2" World

As we've witnessed with the Amazon HQ2 search, many Fortune 500 and industrial clients engage economic development (ED) agencies in searches and site selection processes, and engineering input is needed. Download ACEC's on-demand webinar to learn more about the role of ED agencies and how your firm can partner with them to capture new work.

Webinar Presenters

Will Hearn, Senior Vice President with CBRE's Business Location Consulting Group

Courtney Dunbar, Industrial Program and Economic Development Leader with Olsson Associates

On-Demand Link:

<http://bit.do/acec-amazonhq2>

ACEC Private Industry Brief

Intermodal & Logistics

August | September 2018

Market Scope

The intermodal and logistics market is a dynamic and growing one, with various types of facilities, including marine terminals, rail terminals, depots and container yards, inland ports, freight airport terminals, and industrial real estate located adjacent to intermodal facilities. Many facilities are like mini-cities, and a wide range of engineering design services are required for their creation and expansion, including land development, transportation, mechanical/electrical/plumbing, structural, environmental, geotechnical, and water-related design. With more than 1,100 facilities, the North American intermodal market is the largest in the world.

Top Clients

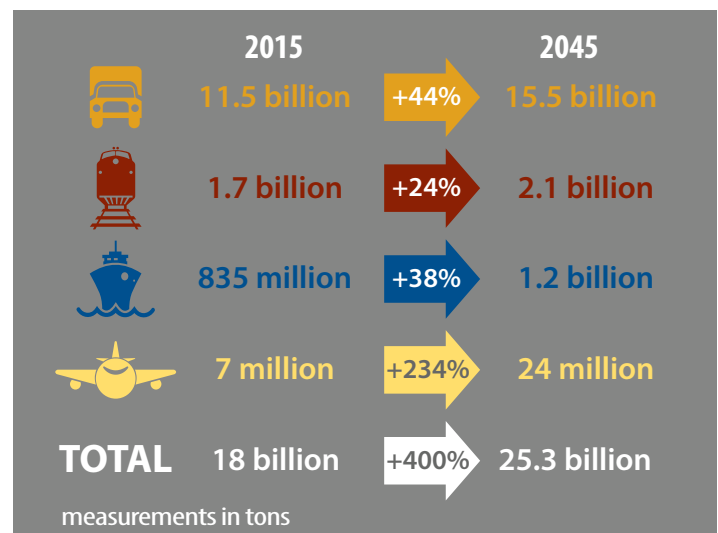
Major clients in this market sector contract with engineering firms directly, often using master service agreement-type contracts. These clients include:

- 1. Ports:** There are more than 300 ports in the United States (source: U.S. DOT, Maritime Administration). *Please note the table on page 2 of the 20 largest U.S. ports.*
- 2. Railroads:** Freight railroads in the United States are privately held, with close to 600 operating nationally. The seven U.S. Class 1 freight railroads are: BNSF Railway, CSX Transportation, Grand Trunk Corporation (Canadian National Railway), Kansas City Southern Railway, Norfolk Southern Combined Railroad Subsidiaries, Soo Line Corporation (Canadian Pacific Railway), and Union Pacific Railroad.
- 3. Logistics Companies:** United Parcel Service (UPS), FedEx, XPO Logistics, C.H. Robinson Worldwide, and Amazon.
- 4. Industrial Real Estate Developers:** Trammell Crow Co., Hines, Duke Realty, Liberty Property Trust, and Majestic Realty Co.

5 Current Market Trends

- **1. E-Commerce:** In an age of online shopping and next-day delivery, our freight system is under serious strain. According to the U.S. Department of Transportation (DOT), the domestic freight system moves approximately 63 tons of goods per American each year. In 2018, U.S. online sales are expected to surpass \$400 billion and account for 11 percent of all retail transactions, according to Forrester Research Inc. Tight delivery times are pushing retailers to build more agile supply chains and efficient fulfillment infrastructures. Businesses are not building supply chains around single transportation methods. Pursuing intermodal strategies (rail in addition to trucking) helps retailers diversify transportation options and hedges against trucking industry volatility and roadway congestion. And the growth has just begun; the Federal Highway Administration (FHWA) estimates a 40 percent freight volume increase by 2045. *Continued on next page*

Anticipated Growth by Mode



Source: U.S. DOT

Current Market Trends, *continued*

- ▶ **2. Panama Canal Expansion Effects:** Expanded Panama Canal locks went into operation in mid-2016, but the full impact is just now being realized and measured. According to the U.S. DOT, 64 percent of the of the cargo passing through the Panama Canal originates or is destined for the United States. With the expansion of the Canal, Post-Panamax ships can now come to the U.S. East and Gulf Coast ports. These ports have invested, and continue to invest, billions in capital improvements to modernize and accommodate new-generation container ships by dredging harbors, widening channels, raising bridges, and purchasing larger cranes. All but one of the 20 largest U.S. ports (*see table to right*) can accommodate Post-Panamax ships. In addition, ports are prioritizing landside road and rail projects to increase efficiencies and eliminate freight bottlenecks.
- ▶ **3. Trucking Decline:** The trucking industry has several major challenges. When the Great Recession ended, the driver shortage skyrocketed to 45,000 in 2015, according to the American Trucking Association (ATA). As ATA's *Truck Driver Shortage Analysis 2017* report details, "The driver shortage is really a problem for the entire supply chain as 70.6% of all freight tonnage is moved on the nation's highways... 43 percent of the trucking's operational costs is driver compensation, which is the largest operational cost for a motor carrier. Additionally, as volumes increase, the existing driver pool is only more strained." The trucking industry is further challenged by roadway congestion; according to FHWA congestion costs trucking companies \$27 billion per year in extra transportation costs. Congestion around the freight industry's 'first mile' (getting out of a port complex) and 'last mile' (getting freight to its final destination) is particularly challenging. Truck parking capacity is a problem in all states and incorporating truck parking analysis in transportation planning is critical to addressing long-term needs.
- ▶ **4. Technological Revolution:** "The freight industry is experiencing a technological revolution," says FHWA. Changes are happening largely out of necessity. There is significant migration toward digitalization of international supply chains. By using technology to better match supply and demand, efficiencies are improving and the strain on the freight system is not as great. Fully and partially automated trucks, ships, planes, and transfer facilities may be transformative, impacting the design of infrastructure. Automated vehicles may not be imminent, but automated features are already improving the safety and efficiency of freight movements.

- ▶ **5. The Future of Trade:** Renegotiated trade agreements or newly implemented tariffs could result in changes to import and export volumes, along with the importance of affected trade routes. According to the U.S. DOT, over the past 30 years, international trade has increased much faster than overall economic growth. U.S. exports nearly doubled over the past decade. Total exports and imports of goods reached \$4 trillion in 2014, accounting for 23 percent of U.S. GDP. Before the Trump Administration, it was thought that international trade balances, due in part to low U.S. energy costs, could shift from imports towards exports. Strong domestic energy production may enable the United States to become a natural gas net exporter by 2020, and this will impact many modes since there is limited pipeline capacity in North America.

Top 20 U.S. Ports by Volume

| Rank | Port | TEUs | 5-Year CAGR |
|------|----------------------|-----------|-------------|
| 1 | Los Angeles (CA) | 4,782,737 | 1.4% |
| 2 | Long Beach (CA) | 4,088,296 | 3.7% |
| 3 | New York/New Jersey | 3,718,607 | 4.7% |
| 4 | Savannah (GA) | 2,006,610 | 8.1% |
| 5 | Houston (TX) | 1,709,831 | 5.9% |
| 6 | Tacoma (WA) | 1,345,389 | 3.4% |
| 7 | Norfolk (VA) | 1,293,212 | 6.8% |
| 8 | Seattle (WA) | 1,229,870 | -7.1% |
| 9 | Charleston (SC) | 1,179,170 | 6.5% |
| 10 | Oakland (CA) | 978,597 | -0.1% |
| 11 | Port Everglades (FL) | 714,199 | 5.2% |
| 12 | Miami (FL) | 621,481 | 1.7% |
| 13 | Baltimore (MD) | 470,479 | 5.0% |
| 14 | Philadelphia (PA) | 469,109 | 21.8% |
| 15 | New Orleans (LA) | 294,704 | 4.7% |
| 16 | Jacksonville (FL) | 276,319 | 7.1% |
| 17 | Wilmington (DE) | 190,508 | 3.8% |
| 18 | Mobile (AL) | 157,497 | 4.1% |
| 19 | West Palm Beach (FL) | 147,652 | 3.8% |
| 20 | Boston (MA) | 147,441 | 8.4% |

TEU – Twenty-Foot Equivalent Unit, which is used to measure a ship's cargo carrying capacity. The dimensions of one TEU are equal to that of a standard 20-foot by 8-foot shipping container.

CAGR – Compound annual growth rate.

Source: Panjiva

Government Affairs Action

► **FAST Act Freight Programs:** ACEC is actively monitoring implementation of the FAST Act, which established a National Multimodal Freight Policy and requires the development of a National Freight Strategic Plan. Currently in draft state, the plan describes the national freight transportation system, including major corridors and gateways, and assesses the physical, institutional, and financial barriers to improvement. The plan makes recommendations around strategies for improved planning, dedicated funding, and innovative technologies. Congress also included the first-ever dedicated freight funding through two programs:

- 1) The National Highway Freight Program, which includes \$6.3 billion in formula funds over five years for states to invest in freight projects on the National Highway Freight Network, up to 10 percent of the funds may be used for intermodal projects; and
- 2) A discretionary grant program, recently renamed INFRA Grants, that provides \$4.5 billion over five years.

► **Multimodal Grants:** ACEC advocates for robust annual funding for the BUILD (Better Utilizing Investments to Leverage Development) grants program at U.S. DOT, which provides funds for road, rail, transit and port projects with regional or national significance. Formerly known as TIGER, these competitive grants allow a wide array of project sponsors, including state and local governments, metropolitan planning organizations and port authorities, to advance multi-modal capital expansion and improvement projects.

► **TIFIA & RRIF:** ACEC supports improvements to federal programs that help intermodal clients secure loans, loan guarantees, and lines of credit, such as the Transportation Infrastructure Finance and Innovation Act (TIFIA) and the Railroad Rehabilitation & Improvement Financing (RRIF) programs. Freight projects, particularly those involving the private sector in innovative project delivery and financing approaches, are well-suited to these programs.

► **Waterside Programs:** ACEC is advocating for increased funding under the Water Resources Development Act bill that is currently active in Congress so waterside infrastructure is modernized for the 21st century. This includes U.S. Army Corps of Engineers (USACE) and Harbor Maintenance Trust Fund (HMTF) provisions. HMTF funds the federal government’s surveying and dredging projects. USACE spends an average of \$1.5-\$2 billion annually on navigation projects, per the U.S. DOT. These are funded by both user-fee-supported trust funds and appropriations from the General Fund.

Business Development Insight

Follow the Plans: States Are Outlining Multimodal Freight Priorities

States were required by the U.S. DOT to complete freight plans by December 4, 2017, and to update them at least once every five years, in order to be eligible for the programmatic funds included in the FAST Act. The American Transportation Research Institute analyzed the state plans and released a ranking of the 12 best in February 2018.

Reviewing the plans will provide insight to engineering firms who want to better understand future freight investments to target prospective clients and projects.

| Rank | State & Freight Plan Link |
|---------|-----------------------------|
| 1 | Texas |
| 2 | Georgia |
| 3 (tie) | California |
| 3 (tie) | Mississippi |
| 4 (tie) | Iowa |
| 4 (tie) | Florida |
| 5 (tie) | Washington |
| 5 (tie) | Michigan |
| 5 (tie) | Ohio |
| 6 | Nevada |
| 7 | Maryland |
| 8 | Alabama |

Freight Intermodal Connector Delays

Delays at connections between major intermodal facilities cost the U.S. economy time and money:

4,237 hours of truck delays occur on freight intermodal connectors daily;

\$353 million is the cost of delays on congested connectors;

\$3.2 billion is needed to increase capacity on congested connectors; and

\$2.2 billion is the estimated cost to improve connector pavement conditions to "good".

Source: U.S. DOT

Top Ports & Intermodal Facilities



ACEC's Private Industry Briefs

This is the second issue of a new, bimonthly series on various private-sector markets of interest to ACEC member firms. To ensure regular, uninterrupted delivery of future issues, click below to subscribe. The subscription is free and you can cancel anytime.

Link: <https://programs.acec.org/industrybrief/>

Upcoming Issues

October | November 2018

Energy & Utilities

December 2018 | January 2019

Health Care & Science+Technology

February | March 2019

Public-Private Partnerships (P3s)

Key Webinar

Understanding Multimodal Clients & Opportunities

Join ACEC's September 13th webinar to learn about the latest multimodal market trends, what makes port, rail, and logistics companies unique clients, and how you can position for work within this market sector.

Webinar Presenter

M. John Vickerman, AIA, PE, is an international expert in the planning and design of port, intermodal and freight logistics facilities. Much of Mr. Vickerman's work focuses on assisting ports, railroads and shipping companies in recognizing and preparing for future market and technological changes. Both a professional engineer and registered architect, Mr. Vickerman brings 40 years of experience to his own practice, Vickerman & Associates LLC.

Link: <https://www.acec.org/calendar/calendar-webinars/understanding-multimodal-clients-opportunities/>

ACEC Private Industry Brief

Energy & Utilities

October | November 2018

Market Scope

For engineering firms, the energy and utilities market is estimated to be \$20 billion, resulting in 21 percent of overall market share for *Engineering News-Record's* Top 500 firms in 2017. Many firms count oil and gas companies, as well as utilities, as major clients. Typically working under a Master Services Agreement or similar type of contract, a wide range of engineering services are provided to these clients, including: civil, mechanical/electrical, structural, environmental, geotechnical, and water-related design. Energy and utility clients are also significant buyers of surveying and mapping services, because their projects often span large geographies.

Top Clients

The list below features the top 10 largest U.S. electric utilities (by revenue), and the states in which they operate. The total number of electric utilities in the United States is estimated to be 3,300, with about 200 providing the majority of power to commercial and residential customers.

1. **NextEra Energy:** 34 states in Continental U.S.
2. **Duke Energy:** FL, IN, KY, NC, OH & SC
3. **Southern Company:** 19 states in Continental U.S.
4. **Dominion Resources:** ID, NC, OH, UT, VA, WV & WY
5. **Exelon:** 28 states in the Continental U.S.
6. **American Electric:** AR, IN, KY, LA, MI, OH, OK, TX, VA & WV
7. **Public Service Enterprise Group:** NJ & NY
8. **Consolidated Edison:** NY
9. **Xcel Energy:** CO, MI, MN, NM, ND, SD, TX & WI
10. **PG&E:** CA

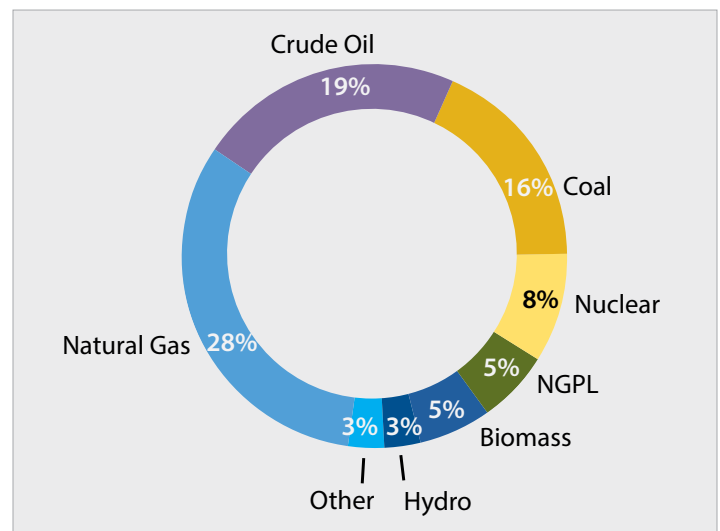
Source: Statista

5 Current Market Trends

- **1. Natural Gas Grows; U.S. Becomes Net Energy Exporter:** At a recent Brookings Institution briefing, International Energy Agency (IEA) Executive Director Fatih Birol, a renowned energy expert and chair of the World Economic Forum's (Davos) Energy Advisory Board, referred to the United States' "seven-year silent revolution in shale gas" as an "upheaval" reshaping the global energy industry. IEA predicts that within five years, the United States will account for close to three-quarters of all liquid natural gas (LNG) export growth, and its market share will jump to 20 percent in 2023 from only four percent today. China will be the recipient of much of this LNG, as it becomes the largest importer of natural gas by 2019, with demand forecasted to grow by 60 percent between 2017-2023 (IEA). This growth is attributed to recent Chinese policies aimed at reducing air pollution by switching from coal to natural gas.

Continued on next page

2017 U.S. Energy Production by Source

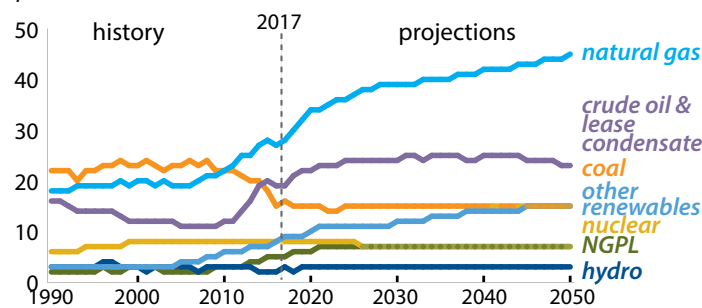


Source: U.S. Energy Information Administration (EIA)

Current Market Trends, *continued*

Natural Gas to Lead Future U.S. Production

quadrillion British thermal units

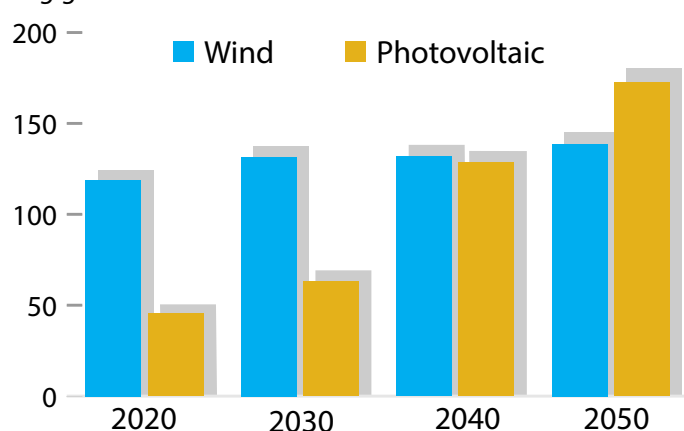


- **2. Pipeline Limitations Challenge Market:** Because exports need to move from basins to terminals before being exported, having the necessary infrastructure is one of the "market evolutions and reforms" identified as critical by IEA. The estimated spend for infrastructure investment over the next 17 years is substantial; for natural gas it is \$417 billion, with an additional \$320 billion for oil infrastructure, according to a June 18, 2018 Interstate Natural Gas Association of America (INGAA) report. The report details that the U.S. Southwest will lead in oil and gas infrastructure investment, followed by the Northeast. As it has in the past, design and construction will hinge largely on pipeline approvals, particularly in the Northeast where environmental groups have successfully blocked new pipelines.

- **3. Solar and Wind Growing to Meet Electricity Demand:** Public and private-sector investments in renewable energy technologies resulted in production from wind and solar reaching record highs for 2017, according to EIA. This upward trend is expected to continue, as renewable generation is projected to increase 139 percent by 2050, with solar accounting for 94 percent of that growth. Project opportunities connected to solar and wind farms will increase as a result.

Wind and Solar Capacity to Increase

in gigawatts



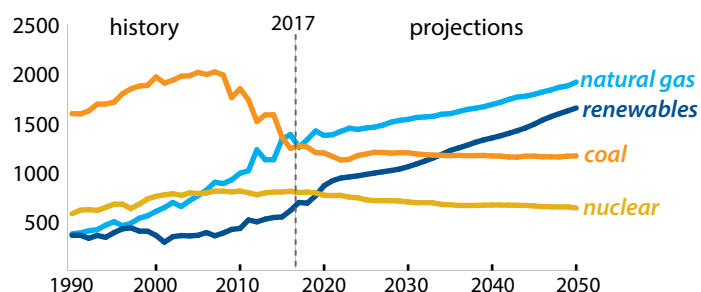
Source data for graphics on this page: EIA

► 4. Resiliency and Security of Increasing

Importance: Global demand for electricity is expected to double, as the world becomes more technologically advanced and electric vehicles become more common. Having the ability to store and deliver electricity, which comes from a mix of sources that is trending towards natural gas and renewables from coal and nuclear, is key. Disruptions in the form of natural and man-made disasters, such as hurricanes or cyber attacks, is of significant concern. Climate change, and the challenge of addressing it, "is a clear economic opportunity for many companies and could be a significant risk if companies fail to act" according to Tufts University's 2018 report *Clean Energy Policy and Expanding Markets: Insights from Corporate, Labor and Investor Leaders*.

Electricity Generation from Select Fuels

billion kilowatthours

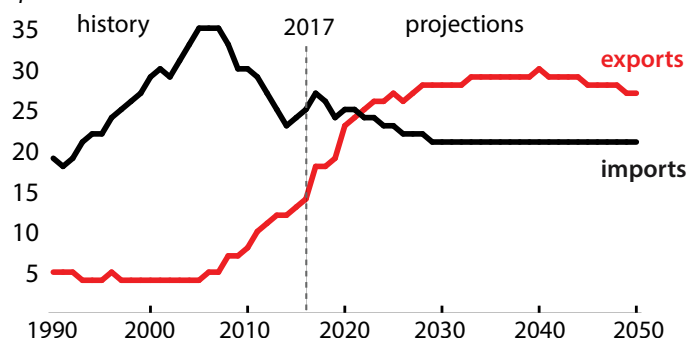


► 5. Future Geopolitics and Economies are Unknown:

EIA estimates that the United States will become a net energy exporter by 2022, with others giving even earlier estimates. This is a major market shift because the United States has been an net energy importer since 1953. The major factors that will influence this radical shift are maintaining favorable geological and technological innovations domestically, as well as higher world oil prices and a growing global economy. In addition, because China is one of the largest importers, clarity regarding trade policy will be key, as well as the future exchange value of the U.S. dollar.

Exports to Outpace Imports

quadrillion British thermal units



Government Affairs Action

- ▶ **Energy Legislation:** ACEC supports S. 1460 the "Energy and Resources Act of 2017" and urges Congress to send the President a final bill to develop America's energy resources. Congress has limited opportunity to finalize legislation this year. S. 1460 calls for modernizing electricity infrastructure and streamlining the federal permitting of natural gas exporting facilities. Several House-passed energy bills (H.R. 2910 - "Promoting Inter-agency Coordination for Review of Natural Gas Pipelines Act", H.R. 3043 - "Hydropower Policy Modernization Act," and H.R. 2883 - "Promoting Cross-Border Energy Infrastructure Act") could be combined with S. 1460. In the 114th Congress (2015-2017), the House and Senate each cleared ACEC-supported energy bills, which included provisions to expedite LNG export facility approvals and cross-border energy infrastructure projects.
- ▶ **Permitting:** ACEC supports S. 3303 the "Water Quality Certification Improvement Act of 2018" clarifying provisions of Section 401 of the Clean Water Act where developers of federally permitted projects seek state water quality certifications necessary for final federal project approval. The bill requires states to grant or deny requests in a timely manner and inform applicants within 90 days as to whether any additional information is needed to complete the review. Recently, the White House Council on Environmental Quality (CEQ) opened the review of National Environmental Policy Act (NEPA) implementing regulations pursuant to Executive Order (EO) 13807, which directs agencies to optimize inter-agency coordination of NEPA review and decisions and reduce unnecessary burdens and delays. ACEC supports NEPA; however, we share many of CEQ's stated goals for this proposed rulemaking, including promotion of efficient, well-informed, and timely federal decision making.
- ▶ **FERC:** ACEC actively supports the filling of Federal Energy Regulatory Commission (FERC) vacancies and maintaining a functional quorum. Without a functional quorum, billions of dollars of energy infrastructure can languish due to deadlock. Today, FERC has one vacancy, with the four positions evenly split between Democrats and Republicans.
- ▶ **Cybersecurity:** ACEC engages with FERC and the National Energy Reliability Corporation (NERC) so ACEC members and utilities are not subjected to unreasonable cybersecurity liability standards in engineering contracts. ACEC views FERC/NERC advocacy as a key area in the broader public dialogue on supply-chain cybersecurity.

Business Development Insight

Trending: Water use for fracking is growing and so may related services.

A major component of fracking is water and how to process the wastewater that results from drilling.

Fracking is a process that blasts a mix of water, sand and chemicals into rock formations to release oil and gas. One of shale drillers biggest challenges is what to do with the vast volumes of wastewater that are the byproduct of fracking wells.

According to a recent article in *The Wall Street Journal*, "The Next Big Bet in Fracking: Water" (August 22, 2018), drillers in the Permian Basin in New Mexico and Texas currently generate more than 1,000 Olympic-size swimming pools full of murky, salty water daily. Handling this water is up to 25 percent of a wells' lease operating expense. *The Wall Street Journal* describes that private-equity firms are investing more than \$500 million into wastewater-disposal companies. Many of these companies are building pipelines to transport wastewater for underground disposal, as an alternative to trucks that currently haul it away, a problem exacerbated by the current trucking shortage.

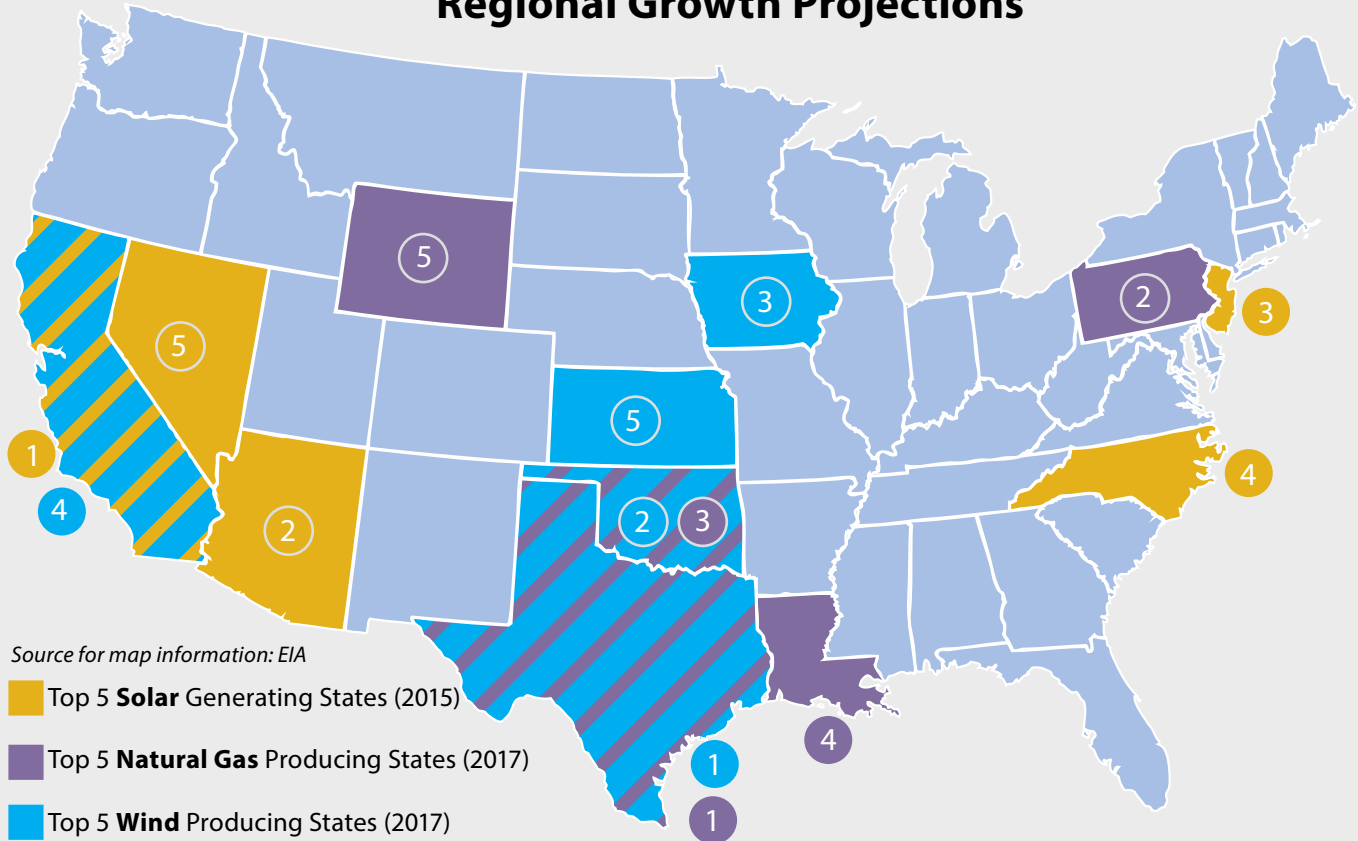
Besides the increase in water byproduct from production rising, the actual volume of water being used to frack a single well is increasing due to changes in production processes. Duke University researchers published their peer-reviewed findings in the journal *Science Advances* (August 15, 2018), and they are garnering considerable attention. The article describes that the amount of water used per well for hydraulic fracturing (fracking) surged by 770 percent between 2011 and 2016 in all major U.S. shale gas and oil production regions. The volume of brine-laden wastewater that wells generated during their first year of production also increased by up to 1440 percent during the same period.

Clearly, solutions and services around the treatment, transmission and disposal of this wastewater presents opportunities for engineering firms.

Within 5 years the United States will account for close to three-quarters of all LNG export growth and its market share will jump 20% in 2023, from 4% today. China is also set to dominate the growth in global gas demand in the next 5 years, and becomes the largest natural gas importer by 2019.

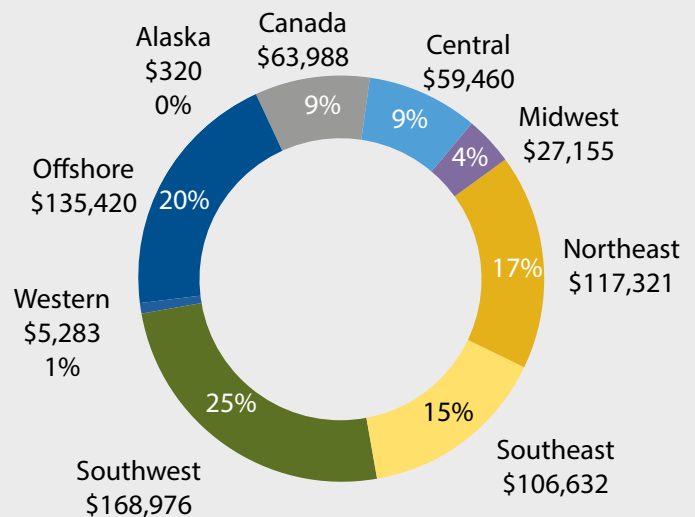
- International Energy Agency, 2018

Top Energy Producing States & Regional Growth Projections



North American Regional Growth Projections

The great need for continued oil, gas and natural gas liquids infrastructure continues. The INGAA Foundation, Inc.'s *North America Midstream Infrastructure through 2035* report projects total oil and gas infrastructure investment averaging between \$55-70 billion per year between 2018-2035, suggesting the "robust environment for oil and gas infrastructure development has not yet run its course and is likely to continue for many years." In North America there are regional trends that greatly influence infrastructure development, depending on where production is expected to grow and locations where product would be used or exported. The chart to the right details the projected infrastructure spend per region between 2018-2035.



ACEC's Private Industry Briefs

This is the third issue of a new, bimonthly series on various private-sector markets of interest to ACEC member firms. To ensure regular, uninterrupted delivery of future issues, click below to subscribe. The subscription is free and you can cancel anytime.

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Upcoming Issues

December 2018 | January 2019

Health Care & Science+Technology

February | March 2019

Annual Economic Outlook

April | May 2019

Public-Private Partnerships (P3s)



ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES

A LOOK AHEAD

100-Day Review and Recommendations

Linda Bauer Darr, President & CEO, ACEC
October 2018

EXECUTIVE SUMMARY

Bottom Line Up Front View of Presentation

- The Charge of the Search Committee
- How I Listened
- What I Heard & Observed
- Who is ACEC Today?
- Opportunities and Challenges
- The Road Ahead
- The Details



The Search Committee

ACEC Search Committee Meeting May 2018:

- “Change the face of national with the MOs and partner to make their jobs easier”
- “Make ACEC prominent; raise the visibility of engineering; do more with communications”
- “When I write that check to National, I want to feel good about it (value proposition)”
- “Be open and transparent”
- “Grow ACEC”
- “We have a great staff but they have been held back by top-down control”

HOW I LISTENED

MO Listening Sessions

88 participants, 28 MOs, 3-hour sessions

Phone Calls

Numerous calls with members, MOs, and ACEC officers and board members.

Industry Meetings

ACEC Summer Board lunch, DPC summer meeting, ACEC California meeting, ACEC Massachusetts meeting, Life Health Trust Briefing, FIDIC

Industry Execs

One-on-one calls, lunches, and meetings with industry CEOs.

Staff

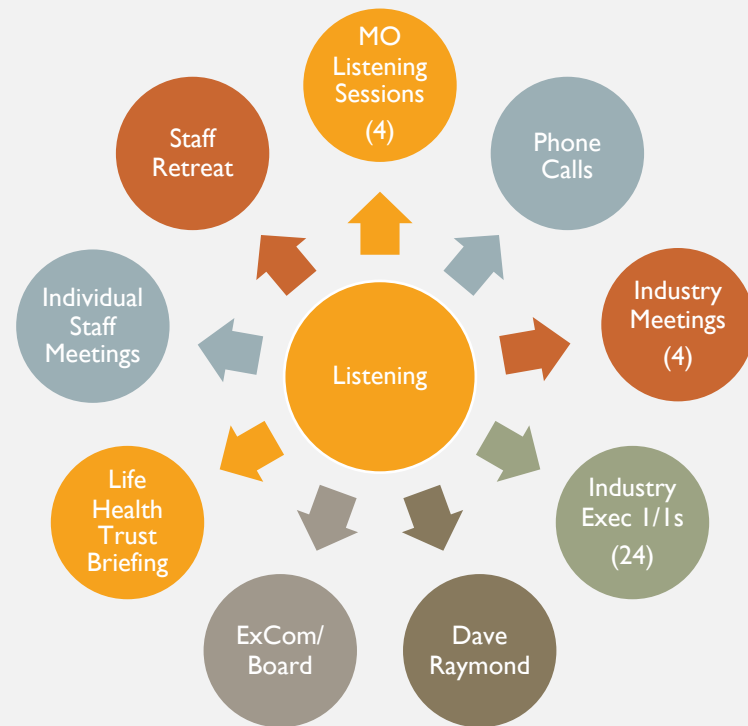
Personal meetings with each staff member, one off-site full-day staff retreat, and several all-staff and department meetings

ExCom/Board

Helpful guidance from virtually everyone on the ACEC Board and Executive Committee!

Dave Raymond

Four face-to-face meetings, several emails and phone calls, and a detailed on-site briefing prior to coming onboard.

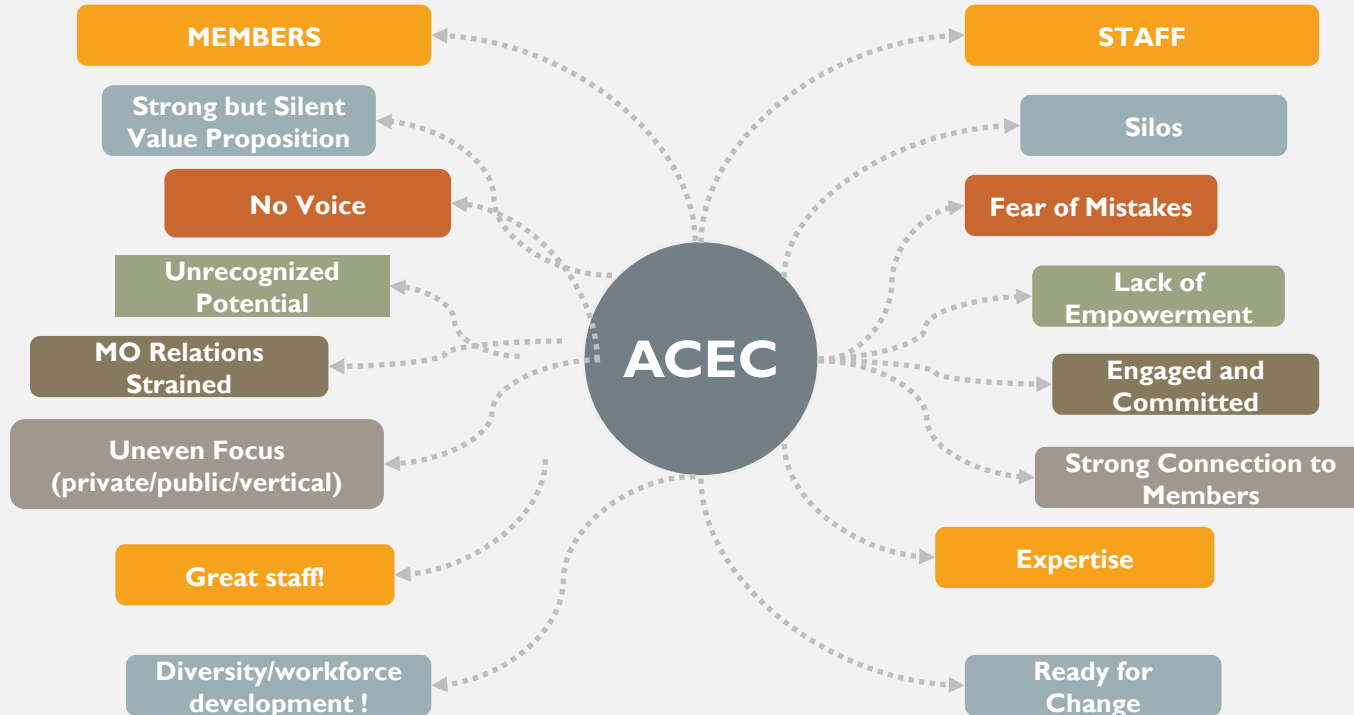


STILL LISTENING...

- Leadership Orientations (34 MOs, two Trusts signed up)
- Winter NAECE
- ACEC/TX Winter Public Affairs Conference
- ACEC/MW, ACEC/MD meetings
- AASHTO, ASCE, ARTBA, AGC meetings
- Next Steps: policymakers, stakeholders, thought leaders, media

WHAT I HEARD & OBSERVED (MY IMPRESSIONS)

ACEC Up Until Now



WHO IS ACEC TODAY?

Scope: Breadth

ACEC is a complex organization. In addition to being a hub for 52 organizations that create the National/MO federation; ACEC national plays host to almost 60 individual enterprises ranging from committees to coalitions to business trusts.

11 Open Committees and 6 Subcommittees

Policy, BRE, PR and
Membership

15 Appointed Committees

Governance, GA Coord.
Committee, PAC, Fellows, Past
Chairs, Foundation

7 Coalitions w/ 6 Committees

CAMEE, CASE, COPS, LDC,
SFC, Geopros, DPC

6 Forums

Finance, HR, IT, Sales &
Marketing, Emerging Leaders,
Legal

2 Councils

CFO

CIO

3 Trusts

Business

Life/Health

Retirement



WHO IS ACEC TODAY?

Scope: Depth of Engagement



Member Firms = 5,647

Employees = 679,572

**National and MOs combined.*



Participation

6,945

**Measured by subgroup involvement*



Governance

108



Education

10,000+/year



Circulation (news)

115,000+



Meetings

3,535/year



Trusts

2,462



Awards

100+

ADVOCACY

Taxes

Qualifications-Based Selection

Infrastructure Investment

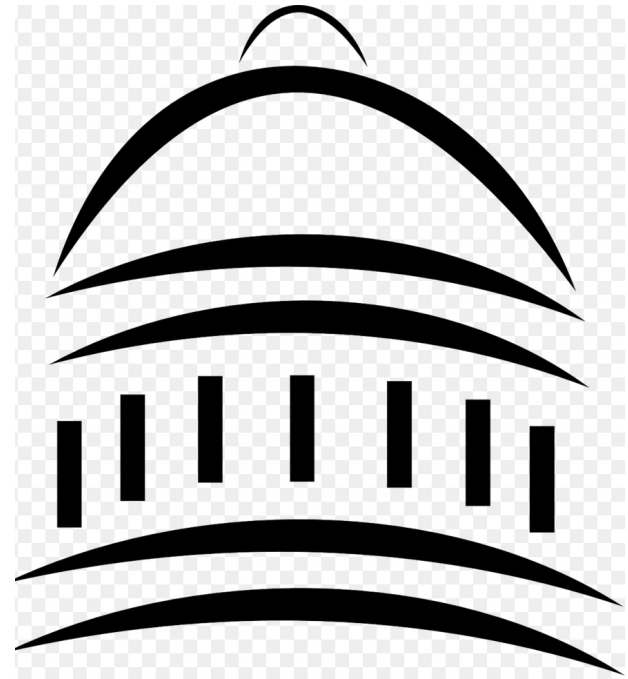
Promoting Energy Markets

International Markets

Promoting Private Markets

Political Advocacy (\$2 M/cycle)

Minuteman Fund (\$2.6 M)





Opportunities And Challenges

SET A CLEAR VISION

Work with and through our extensive network of grassroots member organizations to communicate and grow the ACEC value proposition for our members, and build strength and prominence for ACEC and the business of engineering locally, in Washington, DC, and on the national stage.

THE ROAD AHEAD AND HOW WE GET THERE



Setting Clear Priorities for ACEC



Strong, Collaborative MO Relations



Promoting ACEC's Value Proposition



Building Influence and Becoming the Voice of the *Business* of Engineering



Greater Transparency



SETTING CLEAR PRIORITIES FOR ACEC



Strategic Planning Fall 2018-Fall 2019



Membership Survey: Where is Value?



Diversity & Inclusiveness: a “Must Do”

STRONG & COLLABORATIVE MO RELATIONS



ACEC Membership and MO Services Dep't



Recruitment Tools & Incentive Partnerships



Opportunities for Non-Dues Rev Growth

PROMOTING ACEC'S VALUE PROPOSITION



**Boost Internal Member and MO
Communications**



Improve and Polish the ACEC Brand



**Measure Impact and Improve Social
Media**

**BUILD INFLUENCE & BECOME VOICE OF THE
BUSINESS OF ENGINEERING (EXTERNAL)**



Position ACEC as Proactive, Solution-Focused Industry Thought Leader



ACEC Foundation to Build Forward-looking Research to Support Public Policy Agenda Development



**Build Strategic Communications Plan;
Collaborate Across Departments, w/ MO's,
and Firms to Support**



GREATER TRANSPARENCY



PAC Investments, Strategy, Results



Member Financial Investment in ACEC

THE DETAILS

- ✓ *Most Direct Reports to become Senior Vice Presidents*
- ✓ *ACEC PAC and Political Director to be Supported by GA team*
- ✓ *Awards and Exhibits to Move Under Newly Named Meetings, Exhibits, and Awards Department*
- ✓ *Cross Department Teams Formed on Non-dues Revenue, Communications & Marketing*
- ✓ *Private Client focus to include magazine content, quarterly economic outlook focus with state by state breakdown.*

ACEC REORGANIZATION

President & CEO

General Counsel

Exec. Assistant

Operations, Finance and Administration

Finance

Budget

HR

IT

Membership and MO Services**

Recruitment

Non-Dues
Revenue

Mem.
Records

Foundation+

MO
Services*

**Member
Comms +**

Advocacy and External Affairs**

Policy

Pol.Affairs

Minuteman

ACEC/PAC

Strat.
Comms *

Business Resources and Education**

Education

Leadership
Programs

Coalitions

Councils

Forums

Marketing +

Meetings, Events, and Exhibits

Meetings

Events

Exhibits+

Awards+

Note: Advocacy and BRE share ACEC private sector, acquisition/procurement; Marketing focus was limited to BRE;

Key: * = New

B = Moved

+ = Expanded focus

21st annual **ACEC-SC / SCDOT** **MEETING AND TRADE SHOW**

Tuesday, December 4, 2018

Agenda

| | | | |
|---------------------|--|--|--|
| 8:00 am - 8:30 am | Registration: Trade Show and Breakfast | | |
| 8:30 am - 9:00 am | Trade Show Open | Welcome: Emily Swearingen, PE, AECOM - SCDOT/ACEC-SC Co-Chair Opening Remarks: John Boylston, PE, SCDOT Director of Preconstruction - SCDOT/ACEC-SC Co-Chair Emily O. Lawton, FHWA South Carolina Division Administrator | |
| 9:00 am - 9:30 am | | SCDOT Program Update: Christy A. Hall, PE, SCDOT Secretary of Transportation | |
| 9:30 am - 10:00am | | Break: Meet the Vendors | |
| 10:00 am - 10:50 am | | AASHTO and SCDOT... Partnerships and Publications | Construction of Carolina Bays Parkway Extension |
| | | | Traffic Management Plan - Wando Bridge Closure |
| 11:00 am - 11:50 pm | | Geotechnical Challenges in the high-seismic, soft-ground environment of the Port Access Road project. | Resiliency is a Multidisciplinary Opportunity |
| | | | Merging Data from Multiple Platforms for High Accuracy Mapping |
| 12:00 pm - 1:30 pm | | Lunch: Ben Fanning, The QUIT Alternative - How Leaders can create the job they love... without quitting. | |
| 1:40 pm - 2:30 pm | | Coastal Engineering Considerations in Bridge Design | Emotional Intelligence for Engineers |
| | | | Designing for Pedestrian and Bicycle Safety |
| 2:40 pm - 3:30 pm | | 3D Modeling for Transportation | Minimizing Project Risk |
| | | | Data Driven Safety Analysis |
| 3:30 pm - 4:00 pm | Break: Meet the Vendors | | |
| 4:00pm - 4:50pm | SCDOT Hurricane Florence Overview: Leland Colvin, PE, Deputy Secretary for Engineering | | |
| 4:30pm - 5:45pm | Reception | | |



YOU ARE CORDIALLY INVITED

DECEMBER 4, 2018

21st annual **ACEC-SC / SCDOT** **MEETING AND TRADE SHOW**



CONFERENCE TO BE HELD AT:



KEYNOTE SPEAKERS INCLUDE:

- ◆ MS. CHRISTY HALL, PE, SCDOT SECRETARY OF TRANSPORTATION
- ◆ MS. EMILY LAWTON, FHWA DIVISION ADMINISTRATOR
- ◆ MR. JOHN BOYLSTON, PE, SCDOT DIRECTOR OF PRECONSTRUCTION
- ◆ MR. LELAND COLVIN, PE, SCDOT DEPUTY SECRETARY OF ENGINEERING
- ◆ MR. BEN FANNING, AUTHOR OF #1 BEST SELLER "THE QUIT ALTERNATIVE"

REGISTER BY NOVEMBER 27, 2018 AT THE
FOLLOWING WEBSITE:

<http://acecsc.org/acec-sc-sc-dot-annual-meeting-december-4-2018/>

PROGRAM STARTS PROMPTLY AT 8:30 AM