# ACEC THE CONNECTOR



May 2025

## US DOT fares well in initial White House budget



The White House's fiscal 2026 budget proposal suggests a 6% increase in base discretionary funding for the Department of Transportation (DOT), focusing on air traffic control upgrades and rail safety.

Why it matters: The proposed budget shifts resources to enhance infrastructure, critical for maintaining and improving transportation systems across the nation.

- The increase in funding underscores the administration's commitment to modernizing transport infrastructure.
- However, the proposal includes an 11.1% reduction in non-base discretionary funding, affecting infrastructure projects from the 2021 law.

**Driving the news:** Key allocations include \$13.8 billion for FAA operations, a \$5 billion investment in airspace infrastructure, and a \$596 million increase for shipbuilding.

• These investments aim to address workforce shortages and outdated technology in aviation.

**Yes, but:** Not all proposals are popular. The budget plans to cut \$308 million from the Essential Air Service, which may face opposition in Congress.

• Additionally, there's a proposed \$247 million cut for TSA screening, potentially impacting frontline officer levels.

**NEVI rescission:** The budget proposes a \$4.1 billion reduction in DOT's advance funding for the NEVI grant program, which could retroactively cancel significant electric vehicle charging

infrastructure funding.

• This move highlights potential reallocations within the infrastructure budget.

**The bottom line:** While the budget aims to address critical areas, the lack of detail and proposed cuts in certain areas could lead to significant debate and negotiation in Congress.



# Tax Cuts and Jobs Act boosts engineering sector



The 2017 Tax Cuts and Jobs Act (TCJA) has significantly benefited the U.S. engineering industry by facilitating job creation, technological investments, and business expansion, as per a new study by the ACEC Research Institute.

Why it matters: The TCJA's provisions are crucial for sustaining industry growth and economic stability.

- Without an extension, 391,000 jobs and \$14 billion in wages could be lost between 2026 and 2029.
- Maintaining these provisions is vital for safeguarding employment opportunities.

**Driving the news:** The ACEC study warns of potential job losses and reduced economic growth if Congress doesn't extend the TCJA by the end of the year.

• "Eliminating the TCJA would deal a serious blow to job creation and economic growth," said Linda Bauer Darr, ACEC president and CEO.

#### **Key findings:**

- Stronger job growth and wages: The industry could suffer significant losses if the law expires.
- Investments in workforce and technology: Tax savings have been reinvested into higher wages, benefits, and technological improvements.
- Wider economic contributions: The tax cuts are projected to generate \$1.4 trillion for the U.S. economy in 2026, supporting 7 million jobs and \$785 billion in GDP.

**Implications for policy:** As key TCJA provisions near expiration at the end of 2025, extending them could further enhance industry growth.

**Zoom In:** Read the entire <u>report here.</u>





Transportation Secretary Sean Duffy <u>confirmed the agency</u> will conduct mass layoffs, indicating at a town hall with department employees that the earliest it will occur is late May, as the agency evaluates the "deferred" resignation offers.

Why it matters: These cuts reflect the Trump administration's broader directive to trim the federal workforce and could impact various transportation initiatives.

- The reductions are part of efforts to streamline operations and cut costs.
- Concerns arise about potential impacts on project delivery and service continuity.

#### By the numbers:

- FTA's headcount dropped from 791 to 553, marking a 30.1% reduction.
- The National Highway Traffic Safety Administration (NHTSA) saw a 25.4% decrease, and the Federal Highway Administration (FHWA) a 25.1% reduction.
- Overall, DOT's workforce shrunk by 4.8%, equating to almost 2,800 departures.

What's next: Secretary Sean Duffy announced an upcoming reduction in force (RIF) planned for the end of May.

- The extent of the layoffs depends on the participation in the Deferred Resignation Program (DRP).
- DOT is offering a 20% bonus for air traffic controllers who delay retirement.

**DOT real estate strategy:** DOT is evaluating its real estate holdings to identify consolidation opportunities, though moving offices to new cities or states isn't planned currently.

**The bottom line:** While the department aims to "do more with less," the effectiveness and impact of these strategies remain to be seen.





**Acting IDOT Secretary Gia Biagi** is scheduled to have the <u>Illinois Senate Executive Appointments</u> consider and vote on her appointment this week. **ACEC Illinois** has filed a slip in support of Secretary Biagi.

**Former ACEC Illinois Member gets new gig:** Mayor Brandon Johnson announced Michael McMurray, former City Hall official and current executive at Wight & Co., as the new leader of the Chicago Department of Aviation. McMurray, who requires City Council approval, brings extensive government experience, having previously served as a deputy commissioner under former Mayor Daley.

ACEC Illinois' IDOT Committee met in person last week with IDOT Leadership , including Jack Elston, Jenni LeSeure, Holly Bieneman, Greg Lupton and Jayme Schiff. Among the topics of discussion were IDOT Bridge and Structures inspection program packages, the upcoming MYP, lump sum contracting, local roads NOFO and ptb submittals.

**The Illinois Association of Engineering Technology Professionals Board** has their Spring Meeting set for May 14-16. To review the agenda and register, <u>click here.</u>

## Catch up on USDOT news

The Safe Streets and Roads for All (SS4A) program is <u>soliciting applications</u> for fiscal year 2025 grants, aimed at funding competitive initiatives to enhance road safety across various user groups. This funding opportunity supports projects that prevent fatalities and serious injuries involving pedestrians, bicyclists, motorists, and more.

Government Accountability Office Releases Study on Formula Funds: The Infrastructure Investment and Jobs Act authorized and appropriated over \$300 billion in funding for highway formula programs for fiscal years 2022 through 2026. As Congress deliberates about what to include in the next surface transportation authorization, it may create new formula programs, which it has done in some prior surface transportation authorizations. GAO was asked about variables that could be used for potential new federal highway formula programs. This report describes: (1) the views of selected stakeholders with expertise and federal highway funding recipients on variables that could be used for potential new federal highway formula programs and (2) federal data that could measure these variables. Read the <u>full report here.</u>

**USDOT** outlines its accomplishments in first 100 days.





ACEC-IL's podcast, produced by River Strategies, "Engineering Works" interviews Erin Aleman, Executive Director of the Chicago Metropolitan Agency for Planning (CMAP). Erin discusses the approaching transit fiscal cliff, how we got here, and CMAP's crucial role in bridging the funding gap.





# ERIN ALEMAN, EXECUTIVE DIRECTOR CHICAGO METROPOLITAN AGENCY FOR PLANNING (CMAP)

**Listen Here** 

### **Member Updates:**

# ENGINEERING ENTERPRISES, INC. WELCOMES NEW STAFF MEMBER TO THE CONSTRUCTION GROUP

Engineering Enterprises, Inc. (EEI), an award-winning firm in civil engineering and land surveying, is pleased to welcome one new staff member to our construction group.

Mark Chilelli has joined our Construction Group as a Senior Project Technician I and brings over 15 years of experience in leading operation teams and sales departments in the wastewater industry, including trenchless rehabilitation. Mark is eager to apply his relatable skills in the field, conducting inspections, and managing significant infrastructure projects.

"We are excited to welcome Mark to the construction team," said Brad Sanderson, PE, Chief Operating Officer / President. "His experience in the industry will be a valuable asset as we continue to grow and serve our clients."

For more information about EEI and our services, please visit: <a href="www.eeiweb.com">www.eeiweb.com</a>.

About Engineering Enterprises, Inc. (EEI)

Engineering Enterprises, Inc. (EEI), founded in 1974, is an award-winning consulting engineering firm providing services to public agencies and private entities throughout northern Illinois. Over 75 experienced firm members including licensed professional civil engineers, land surveyors, and support team members provide a full range of services for planning, design, and construction of infrastructure projects, funding assistance, and municipal consulting. Our core values guide our staff on every project from initiation through completion keeping us committed to quality, service, and value for our clients. By offering outstanding service to every client, every day, we are able to assist with bettering the communities in which we serve.

# Morreale Communications is pleased to announce the promotion of Mary McIlvain to Associate Vice President

Morreale Communications is pleased to announce the promotion of Mary McIlvain to Associate Vice President. With more than seven years of extensive experience and proven leadership at the firm, McIlvain will continue to provide account oversight and strategic counsel to clients in the Transportation, Infrastructure and Mobility division and build relationships with industry partners to develop new business opportunities. Her previous work has earned several awards from The American Council of Engineering Companies of Illinois for stakeholder outreach and engagement. She holds a master's degree in communications from DePaul University.



Founded in 2006, Morreale Communications is a leading strategic communications agency working at the intersection of business, media, policy and people. Driven by the desire to

empower our clients by elevating their voices during times of change, crisis and opportunity, Morreale offers an integrated suite of solutions. Morreale is a certified WBE/WBENC agency bringing unrivaled experience from a wide range of backgrounds to provide deep insights and counsel to our clients.

## JACK WEGENER EARNS CERTIFIED PUBLIC INFRASTRUCTURE INSPECTOR (CPII) CREDENTIAL FROM AMERICAN PUBLIC WORKS ASSOCIATION (APWA)



Engineering Enterprises, Inc. (EEI) is pleased to announce that **Jack Wegener** has become a Certified Public Infrastructure Inspector (CPII). The certification program is governed by the CPII Council of the American Public Works Association (APWA). The purpose of the Public Infrastructure Inspector Certification is to promote quality infrastructure throughout the community by advancing the knowledge and practice of construction inspection to benefit the community and public agencies.

The Certified Public Infrastructure Inspector certification program is intended for individuals that inspect the

construction of public infrastructure (e.g., roadways, highways, utilities, bridges, dams) and facilities (e.g., pump stations, treatment plants, water storage facilities) and other types of construction work and materials to ensure compliance with plans and specifications. Duties may include observation, measurement, testing, and documentation. The Public Infrastructure Inspector Certification system includes an eligibility application process, an exam, and a recertification application process.

For more information about EEI and our services, please visit <a href="www.eeiweb.com">www.eeiweb.com</a>.
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About Engineering Enterprises, Inc. (EEI)

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**Collinsville, IL** – With Steve Keil, PE, PLS set to retire on May 30, 2025, Oates Associates reflects on and celebrates his remarkable 35-year career with the company.

After beginning his career in 1983 as an engineering technician and advancing to survey crew chief and design engineer, Keil then joined Oates Associates in 1995, where his versatility in surveying and engineering made him a key contributor. From the start of his career with Oates Associates, he has been involved in major infrastructure projects, applying his expertise to some of the company's most impactful work. Some of his early work includes:

- I-255 is a bypass route that runs through Missouri and Illinois. It is a key link for regional and interstate traffic. Keil was involved with the \$41 million extension of I-255, providing connections between I-270 and New Poag Road.
- The \$400 million, 25-mile extension of MetroLink from East Saint Louis to MidAmerica Airport provides a public transit link across the bi-state region. Keil led survey efforts to establish property lines and right-of-way for the extension, with survey encompassing 35 sections and over 400 parcels.
- · Highland, Illinois recognized a need to study a roadway corridor around and through the city to connect major routes, provide access to developing areas, and prevent congestion. Keil was part of the team that laid the foundation for infrastructure around the city 30 years ago and designs new routes and road improvements for the community to this day.

Keil built his technical expertise and grew into leadership roles with Oates Associates. He has held various positions with the company, transitioning from a survey and project manager to a principal and director that provides guidance on complex projects. Having served on the company's board of directors, he was part of a team that provided strategic insight and direction for success.

"We are grateful for Steve's long-standing dedication and service to Oates Associates. He has helped deliver many of our most complex and significant infrastructure projects. His commitment and contributions have played an important role in our continued success. As he steps into retirement, we extend our sincere appreciation for his contributions and best wishes for this next chapter," said Chief Executive Officer Jeffrey Rensing, PE, SE.

Oates Associates is a 100% employee-owned multi-disciplined design firm with offices in Collinsville and Belleville, Illinois and St. Louis and St. Charles, Missouri. Oates provides engineering and surveying services for transportation and building projects. Specifically, this includes transportation and traffic engineering, ADA transition planning, stormwater management, site design, building and bridge structural design and inspections, surveying and drone operations. For more information, visit www.oatesassociates.com or call 618.345.2200.



## Healthy Politics Episode 10: How Healthcare is Driving Federal Debt and Shaping the Economy

LISTEN HERE

Healthy Politics is a series hosted by Holmes Murphy Compliance Director Nick Karls and Senior Advisor Den Bishop, focusing on healthcare-related topics in politics.

### **IAETP Spring Conference**

The 2025 Spring conference will be at the **Sheraton Lisle Naperville Hotel** May 14 - 16th, 2025

Details & Registration: https://iaetp.org/



5.8.2025 - IDOT Regional Tour: IDOT Region 1 & IDOT Region 2 Updates - Register

6.3.2025 - Spring Board Meeting & Luncheon - Save the Date

**6.9.2025** - Spring Golf Outing - Register Here

6.10.2025 - Webinar: The Fears and Risks of Tariffs and the Impact on Design -

Register Here

6.17.2025 - Webinar: ACEC Life/Health Trust Informational Session - Register Here

11.18.2025 - 11.19.2025 - ACEC IL Fall Conference - Save the Date

### **Online Education Opportunities:**

- Bystander Training and Manager Harassment Training Register here
- Sexual Harassment Training Register here
- Retention & Recruitment: A Webinar Series to Enhance the Employee Experience - Register here

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### **SUBMIT UPDATES & ARTICLES:**

Please submit firm update & news articles by the 15th of each month to: <a href="mailto:bethany@acecil.org">bethany@acecil.org</a> Articles and updates will be included in the membership newsletter, posted on our website, and shared through our social media feeds.







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