

Salem Business Journal

SERVING THE MID-WILLAMETTE VALLEY

SALEM, OREGON

NOVEMBER 2006

VOL. 2, NO 11

Salem Companies Flourish Through \$1.3 Billion Bridge Program

BY KELDA RERICHA

The economic seeds planted by the OTIA III State Bridge Delivery Program are bearing fruit in Salem and other cities across the state. The \$1.3 billion bridge program, which was created by the 2003 Legislature as part of the Oregon Transportation Investment Act III, is not only repairing or replacing hundreds of aging bridges across the state, it is spurring economic development for businesses and individual workers.

The bridge program has had a major economic impact in Salem. Many companies working on the program have opened offices in the city. Those offices are employing people in everything from office jobs to engineering and design jobs. Employees at these companies are buying homes or renting apartments, grocery shopping, seeing movies, having dinner out.

And all of this economic opportunity has grown out of the bridge program.

There's more to come. New highway bridges north, south, east and west of Salem are being replaced meaning commercial trucking will no longer be delayed bringing goods into the city. Construction jobs will increase and workers on the line will be learning skills transferable to vertical construction in the city. The bridge program is securing a sustainable workforce that Salem will need long into the future.

The following are profiles of six Salem companies that have either opened or expanded offices in the city since the beginning of the bridge program.

HW Lochner Inc.

Lochner Inc opened a Salem office in July 2003 to work on the bridge program and hired 13 full-time employees by August 2004. One year later, its workforce blossomed to 26 full-time employees.

"At least half of our current employees have jobs because of the bridge work," said Karen Reynolds, vice president and office manager of the firm's Salem office. "Our Salem office doubled in size in just one year because of the program."

Already, Lochner's design work on 12 bridges on Interstate 5, I-84 and other areas of the state saved \$3 million in construction costs based on the original cost estimates. The savings were derived through the use of innovative materials and construction techniques.



OBEC Consulting Engineers

As it celebrates its 40th year of doing business in Oregon, OBEC Consulting Engineers can point to many milestones of increasing success: It has expanded from its original office in Springfield to four offices in western Oregon, and in the past three years it has grown from 55 employees to 106. Much of that expansion is due to the \$17 million in contracts OBEC is earning through work on local agency and state projects, including more than \$7 million for six bundles on the bridge program.

"The Legislature should be patted on the back for getting the OTIA III projects started quickly by allocating funding to local agencies and counties while the statewide bridge program was still in the planning phase," said Gayle Harley, OBEC president and chief construction engineer, and member of the board of the American Council of Engineering Companies. "That foresight kept contractors and suppliers busy during the ramp-up for the larger-scale, long-term state program."

OBEC's corporate headquarters are in Eugene, but it opened an office in Salem in June 2004. The Salem branch, which was established primarily to work on the bridge program, employs 19 people, from bridge and roadway engineers to project managers and CAD technicians.

CH2M Hill

Founded in 1946 in Corvallis by three Oregon State University students and their civil engineering professor, the company now employs more than 18,000 people worldwide. Recognized nationally as an innovator in engineering design, CH2M Hill has a natural choice as a prime contractor on the bridge program.

CH2M Hill established a Salem office in June 2003 to work on the bridge program. It started with just two people and has expanded to 15 full-time employees. During that time, the company won two prominent bridge program contracts - Clarks Branch to Tunnel Mill Race and Sutherlin to Roseburg - worth nearly \$90 million.

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"In Salem, we are close to the action around the state, and we have a group of people constantly striving to create new and valuable solutions to the construction projects we are taking on," said Doug Johnson, regional design-build business development manager, CH2M Hill. "We're delighted to be here."

David Evans & Associates Inc.

Since its founding in Oregon in 1976, David Evans & Associates Inc., an employee-owned architecture, construction and engineering firm, has emerged as a recognized leader in sustainable design for complex transportation projects nationwide. It was, therefore, a natural choice as the design firm on three of the most prestigious bridge repair and replacement projects on the bridge program.

Each of the three bundles is high profile because of multiple aesthetic and community priorities. On the McKenzie River to Goshen Grade project, the prominence of the McKenzie River Bridge at a nearby park requires a design that will appeal to the many recreational users in the area. And both projects on Interstate 84, Hood River to The Dalles Dam Access and Sandy River to Jordan Road, are located in the Columbia River Gorge National Scenic Area. The estimated worth of the three projects is more than \$150 million.

Oregon is home to six DEA offices, including the corporate headquarters in Portland. The 70 people in the Salem office work almost exclusively on the bridge program, from a surveying team and environmental specialists to construction engineers and CAD technicians.

Athalye Engineering Services Inc.

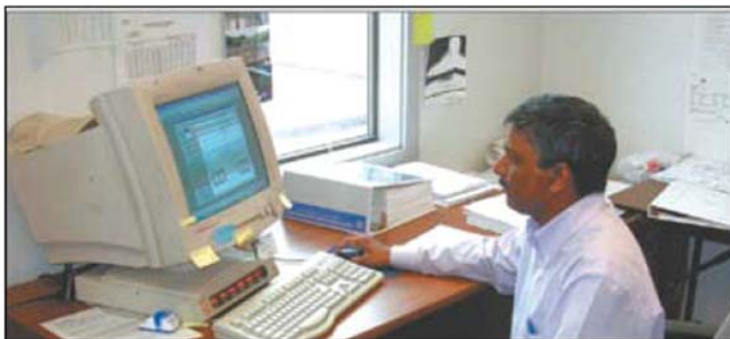
Based in Salem, Athalye is a small firm specializing in bridge engineering. The company has a core team of two full-time employees and hires additional local help as work demands, bringing new jobs and new career opportunities to the region.

"We are a small firm," said owner Ashok Athalye. "But we are capable of doing a lot of bridge work because our team is focused on bridges. We are proud of our work on the bridge program and delighted to be part of the Salem community."

Athalye designed two bridges on the Interstate 5 Sutherlin to Roseburg bridge program project, and has also completed designs for 10 bridges in the Clarks Branch to Tunnel Mill Race bundle, located between Eugene and Myrtle Creek on I-5.

Quincy Engineering Inc.

In selecting design consultants for the bridge program, ODOT looks for firms with expertise



Athalye Bridge engineer Kotha Roa works on a bridge program project in the company's Salem office

not just in engineering but in roadway and bridge design. By hiring Quincy Engineering Inc., the agency contracted with a firm of more than 30 engineers who have such experience. In 2004, Quincy opened an office in Salem and hired five people to help it fulfill its \$700,000 in bridge program contracts.

"Being in the same city is a big advantage," said Karen Tatman, the Quincy roadway project manager and design engineer who helped establish the office. "It makes it easier for us to coordinate our work than if we were located in Portland."

The OTIA III State Bridge Delivery Program is part of the Oregon Department of Transportation's 10-year, \$3 billion Oregon Transportation Investment Act. OTIA funds will repair or replace hundreds of bridges, pave and maintain city and county roads, improve and expand interchanges, add new capacity to Oregon's highway system, and remove freight bottlenecks statewide. About 17 family-wage jobs are sustained for every \$1 million spent on transportation construction in Oregon. Each year during the OTIA program, construction projects will sustain about 5,000 family-wage jobs.