

THE FIRST WORD

October, 2006

ACEC OKLAHOMA and Oklahoma Department of Environmental Quality Discuss Issues

Oklahoma Department of Environmental Quality Executive Director Steve Thompson and Jon Craig, Director of DEQ's Water Quality Division met with ACEC OKLAHOMA representatives on September 22nd. The purpose of the meeting was to continue discussions on how DEQ and ACEC OKLAHOMA can work together to better serve Oklahoma communities which face water and wastewater quality issues.

Bob Williams, Poe & Associates, Oklahoma City; Phil Brown, Brown Engineering, Stillwater, and ACEC OKLAHOMA President Jim Sullins represented ACEC OKLAHOMA at the meeting.

Several issues were discussed, but two major issues came to the forefront.

The first part of the meeting centers on DEQ being more "engaged" with the communities, working more closely with the engineering consultants serving the communities, and assisting communities to "stage" projects to meet funding levels.

Thompson and Craig indicated that DEQ was trying to work more closely with the communities by asking "why" more often. While DEQ doesn't want to get into the "consulting business," at the same time they have a responsibility to assist the communities to make sure they receive the correct solution that fits the available funding.

DEQ also wants to work with the communities to "stage" projects to meet funding levels, and believes that the consent orders should be used as a "tool" to help set up the staging process.

As for working more closely with consultants to better serve communities, ACEC OKLAHOMA representatives continue to be concerned with the timeliness of plan reviews, as

well as the way DEQ communicates with consultants regarding changes and recommendations during plan review.

After some discussion, it was agreed that if a project is ready to go to bid, it should move to the top of the plan review list. DEQ said that those project should be a priority, and that efforts would be made to assure that the bid process is not delayed by waiting for plan review.

Communication continues to be a concern to both DEQ and ACEC OKLAHOMA, and several issues/concerns were discussed. The biggest concern from ACEC OKLAHOMA was the lengthy and detailed response letters from DEQ which seemingly could have much easier been handled either by phone or e-mail. DEQ concurred that some speedier processes could possibly be implemented, and agreed to work with the plan review staff encouraging them to use one-on-one communication whenever possible.

The second major issue discussed was regarding the funding sources for communities. It's almost a "Catch-22" situation in that a community can't receive funding until an engineering report is completed, but the community can't afford to hire an engineer until they receive funding.

To help alleviate this situation, Thompson suggested that DEQ, ACEC OKLAHOMA, and other interest parties work on a legislative solution through the Rural Economic Action Plan (REAP). REAP, developed in partnership with the Sub State Planning Districts (SSPD), provides matching CDBG funds with state appropriated REAP funds for community and economic development projects.

Thompson suggested that earmarked REAP funds could be directed to the SSPD's specifically and exclusively to be used for engineering. By doing that, construction dollars would not be used from engineering, and the "Catch-22" could be ended.

(Cont. on Page 2)

ACEC OKLAHOMA/DEQ Continue Discussions

(Cont. from Page 1)

DEQ and ACEC OKLAHOMA agreed that the legislative language would have to be very specific in stating that the earmarked funds were for "planning and design" so that there would be no confusion or co-mingling of the funds with construction funds. Also, both agreed that there would have to be a "cap" or "fixed fee" attached to the engineering fees so that each SSPD would get an equal share of the earmarked funds.

ACEC OKLAHOMA agreed that this approach could end a major problem for both the communities and engineers, and agreed to make contact with stakeholders in the REAP program to solicit their input and support, including the Oklahoma Rural Water Association, Oklahoma Municipal League, and the Oklahoma Association of Regional Councils.

ACEC OKLAHOMA will continue working with DEQ, and plans on inviting Executive Director Steve Thompson to speak at an upcoming meeting.

And, as always, we will keep you informed of further discussion and progress on these and other issues.

ACEC OKLAHOMA PAC Contributors

ACEC OKLAHOMA PAC thanks these member firm principals who have responded to Chairman Stewart's challenge:

Gary Finn, Terracon
Phil Brown, Brown Engineering
Jennifer Fair, PSA Consulting Engineers
Bill McVey, PSA Consulting Engineers
Michael Fair, PSA Consulting Engineers
Jim Stewart, PSA Consulting Engineers
Tom Hendrick, Wallace Engineering
Steve Ford, Zahl-Ford
Bob Williams, Poe & Associates
Jim Benson, Poe & Associates
Paul Sprehe, ACEC/ACECOK Past President
Brian Glover, Cobb Engineering
Roy Dean, Trumble-Dean
Jim Hunt, P B S & J
Marty Hepp, Cobb Engineering
Mike Homan, Terracon

Add your name to this list! Send your contribution today!

Joint ACEC OKLAHOMA/AIA/ AGC Meeting Set for November

The 11th Annual Architect's Fall Convention is scheduled for November 2-3, 2006, at The Watkins Center on the campus of Oklahoma State University in Stillwater.

ACEC OKLAHOMA will again join with AIA and the Associated General Contractors for the Thursday afternoon program which will bring architects, engineers, and contractors from across the state together to discuss issues common to the three professions.

Registration information will be sent soon to all ACEC OKLAHOMA members, but mark your calendars today for this important event.

Welcome New Member

Or, maybe we should say, WELCOME BACK!!!!

ROBERT B. HENDRICK & SONS CO., INC., has rejoined ACEC OKLAHOMA after a short hiatus, and we are excited to welcome the firm back.

Alan Hendrick is the principal of the firm, which recently relocated their civil engineering practice to 3226 Bart Conner Drive in Norman.

We thank Alan for his vote of confidence in ACEC OKLAHOMA, and look forward to the firm again being an active member of ACEC OKLAHOMA.

ODOT/ACEC OKLAHOMA Partnering Steering Committee to Meet on October 20th

The ODOT/ACEC OKLAHOMA Partnering Steering Committee's next scheduled meeting will be on Friday, October 20th at the Oklahoma Engineering Center.

Several items are already on the agenda for discussion between ACEC OKLAHOMA members and ODOT Senior Staff.

If you have a specific issue which you would like ACEC OKLAHOMA to bring to ODOT's attention, please contact Jim Sullins as ACEC OKLAHOMA as soon as possible.

Call Jim at (405) 525-7696, or e-mail at jsullins@acecok.org.

PRESIDENT'S MONTHLY UPDATE

David Raymond, President, ACEC

October, 2006

General

- Almost 850 attendees at the Fall Conference in Charleston made it one of our largest Fall meetings; participants considered the educational and social activities “impressive”; ACEC’s Distinguished Award of Merit went to Norman Mineta; and guest speakers John Kasich and Leslie Robertson were “big hits” (See *Last Word*, September 29, 2006).

- Board of Directors approved an updated QBS policy statement and provided feedback on the Council’s next three-year budget including proposed new resources for membership recruitment, PAC fundraising, and educational programming.

- Six ACEC member organizations received plaques commemorating their 50th anniversary: ACEC/Iowa, ACEC/Missouri, ACEC/New Mexico, ACEC/North Dakota, ACEC/Washington, and ACEC/Wyoming; and 14 new members of the College of Fellows and two Community Service Award winners were honored (See upcoming issue of *Last Word*).

- ACEC Chairman Jeff Daggett led a 21-member U.S. delegation to the FIDIC meeting in Budapest to reinforce A/E best practices before international engineering industry.

- ACEC President Dave Raymond participated in White House meeting on key political and legislative priorities leading up to the November elections.

Government Affairs

- Supported confirmation of Mary Peters as the new Secretary of Transportation.

- Hosted fundraiser for Rep. Henry Brown (R-SC), member of the House Transportation and Infrastructure Committee and consistent supporter of ACEC’s business agenda.

- 7 MOs were honored at the Fall Conference as the latest of 14 who have met their 2006 ACEC/PAC fundraising goals: ACEC/Arkansas, ACEC/Indiana, ACEC/Michigan, ACEC/South Dakota, ACEC/Washington, ACEC/Wyoming, and ACEC/Nebraska.

- Raised \$100,000 for ACEC/PAC at the Fall Conference, contributing to a record year that should take us over the \$400,000 mark, with much-needed resources to support pro-business candidates in the upcoming elections.

- Initiated ACEC member action to build support for final passage of the Water Resources Development Act (WRDA).

- Supported Federal Highway Administration’s proposed rule to improve the review process for transportation projects affected by historic preservation issues.

Institute for Business Management

- Record-setting attendance at the ACEC Finance Forum (40 participants) and solid attendance (26) at the IT forum, both in Chicago.

- Popular online seminars during the month included “A Systematic Approach to Hiring” with Greg Churchman and “Trends in Ethics that Affect Engineers” with Dave Gebler.

- ACEC’s Council of American Mechanical and Electrical Engineers (CAMEE) signed an MOU with ASHRAE for cooperation on educational programming.

- CASE Toolkit Committee completed risk management modules 2 and 3 (of 10) designed to help firms identify, quantify and determine risk in prospective projects.

- New joint NCEES-ACEC Registered Continuing Education Program website (www.rcep.net) has issued a call for registration of educational providers; and later this Fall the site will feature a Master Calendar of educational offerings.

- John Kasich signed 150 copies of his popular book, “Stand for Something,” after his address to ACEC members at the Fall Conference.

- ACEC’s Institute for Business Management has signed an Agreement with AIA for their participation in ACEC’s Organizational Peer Review program.

Still Time to Sign Up for Project Managers Bootcamp

PSMJ, in association with ACEC OKLAHOMA, will host the critically acclaimed PROJECT MANAGERS BOOTCAMP, Thursday-Friday, October 26-27, in Oklahoma City.

To date, 47 engineers and architects have pre-registered for the Bootcamp. Actually, the response has been so good that the Bootcamp has been moved from the Courtyard by Marriott meeting facilities to the Cox Convention Center next door to the Marriott.

With the change in meeting rooms, space is still available for additional registrations. If you've been putting off registering, do so today!!!!

Visit the ACEC OKLAHOMA website (www.acecok.org) to download the registration form.

Hourly Billing Rates Escalate for Architecture and Engineering Services

Architecture, engineering, and environmental consulting firms are charging more for their employees' time than ever before, a new report shows.

Data in ZweigWhite's 2006 *Fee & Billing Survey of Architecture, Engineering, Planning & Environmental Consulting Firms* show that across the 29 employee positions reviewed for the report, hourly billing rates increased an average of 17% since 2003. Seven percent of that increase has come in the past year.

Data in the new edition of the annual report, published every year since 1998, were compared to data from the 2003 edition, revealing that median hourly billing rates increased the most for senior architects (32%), senior scientists (28%), mechanical engineers (27%), senior process engineers (26%), and senior planners (25%).

Senior landscape architects, senior civil engineers, senior mechanical engineers, architects, and planners all increased from 20-22% each over the same time period.

Senior staff are defined as those with at least five years of experience, with some project management responsibilities, while non-senior staff have fewer than five years of experience and are not typically in project manager roles.

At the other end of the scale, structural engineers, senior interior designers, and senior structural engineers saw the lowest percentage increases from 2003 to 2006—all less than 10% over their 2000 rate. No position saw a decrease.

Other findings from the survey show that 79% firms update their billing rates annually, while another 10% do so every two years.

Additional survey data show current project design fees as related to construction costs for a range of architecture and engineering services in a series of major market sectors.

The 2006 *Fee & Billing Survey of Architecture, Engineering, Planning & Environmental Consulting Firms* is available from the publisher for \$395, plus \$8 shipping and handling.

To order, contact Zweig White Information Services, One Apple Hill Drive, Suite 2, Natick, MA 01760, tel: 1-508-651-1559, fax: 1-508-653-6522, e-mail info@zweigwhite.com, or visit our web site at www.zweigwhite.com.

PSMJ Tips: Five Values of Consistently Excellent A/E/C Firms

Over the summer, PSMJ conducted interviews with the leaders of twenty-two A/E/C firms that qualified for inclusion in PSMJ's **Circle of Excellence**. These firms are as diverse as the built environment itself, yet they all demonstrate remarkably consistent attitudes about their clients, staff members, and their work. Here are five essential elements to success for the Circle of Excellence:

- **Circle of Excellence firms treat great clients great.** They communicate with clients often, keep the focus on service, foster collaborative relationships, and provide real value. They don't look at their business as getting work, rather as getting clients.
- **Circle of Excellence firms believe that quality design and excellent service are the best marketing you can do.** Many do not have formal marketing/business development groups. Some rely exclusively on "word-of-mouth" advertising and repeat work from past clients. Even the firms that have dedicated marketing staff admit that it's design and service that turn the prospect into a client. What are the principal elements of excellent service? Attention to detail and a personal touch. Even in large firms these are keystone values.
- **Circle of Excellence firms take communication very seriously and are in constant improvement mode.** They make the financial condition of the firm known to everyone so people can see how they are doing. They also persistently solicit feedback and ideas from everyone in the firm in order to make improvements at all levels. These firms develop a culture that helps identify potential firm leaders and cultivates those people.
- **Circle of Excellence firms pay their people well and don't abuse them.** Excellent firms understand that their people are the single most important factor in their success. They offer competitive salaries, benefits, perks, and flexibility. They share financial success with their people. They recognize and reward hard work at every turn. They actively create a collaborative, learning work environment that's comfortable and enjoyable. No two firms do it the same way, but they all do it.
- **Circle of Excellence firms are committed to training and mentoring.** They report that getting new people up to speed quickly and putting them in the critical path of projects as soon as possible is a priority. Some firms have a formalized structure for achieving this, others do it ad hoc – all recognize it as a critical value.

Circle of Excellence firms don't act alone. Don't miss PSMJ's two most useful reports — **47 Project Management Checklist** and **Developing an Effective Organizational Structure for Your A/E/C Firm**. You get each report for just \$47, plus free shipping on your entire order! For fastest service, e-mail customerservice@psmj.com or call 1.800.537.7765. Plus, include priority code 352897 with your order to get free shipping. And, Order both reports and get a BONUS REPORT, **Managing Time and Projects More Effectively in A/E Firms** FREE with your order.