

ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES
of South Dakota

National Director's Report on the ACEC Annual Convention in Boca Raton, FL

**Harlan Quenzer
ACEC of South Dakota
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The ACEC Annual Convention was held in Boca Raton, Florida on October 14 through 17. ACEC/SD attendees included Harlan Quenzer, Daryl England and Terry Helms.

Convention Highlights

- It was reported that approximately 850 business and policy leaders attended the 2012 ACEC Annual Fall.
- The State Leadership Breakfast with the leaders of the regional MOs was held on Sunday morning, October 14th. The meeting was chaired by Chairman Elect, Gregs Thompolous Pecori. The meeting was attended by MO presidents, National Directors and Executive Directors from Minnesota, Missouri, Nebraska, Iowa, North Dakota and South Dakota. A number of issues and concerns were raised during the discussion. As in the past, it was extremely interesting to me that although the topics were believed to be a state specific issue by the party raising the issue, the other states represented at the meeting have either experienced or are experiencing similar issues and concerns. Some of the specific issues of common interest that were discussed were:
 1. The economy (except for North Dakota) and Infrastructure funding levels;
 2. The number of firms who have offices in state but do not belong to the member organizations which included concerns relative to the decline (or lack of growth) in membership.

PO Box 398
Rapid City SD 57709-0398
Telephone/Fax 605/394-6674

Website: www.cecsd.org Email: Gail.Boddicker@sdsmt.edu

3. Outsourcing versus in-house completion of design work by state and federal agencies; and
 4. Selection of design professional on basis of price versus QBS (There was considerable concern voiced over the push back from the various states regarding the proposed federal regulations that require the use of QBS rather than allowing the use of “familiar firms” and “current practices”).
- The Board of Directors meeting was held on October 14th and was presided over by Chairman Ted Williams. In the President’s Report, President Dave Raymond reported that ACEC is looking for a slow growth in the economy in 2012 and 2013 with greater improvement in 2014. President Raymond also reported that given the weak economy and the political deadlock in Congress, the issues of potential changes in the tax structure and decreases in infrastructure funding continues to be a concern with an uncertain outcome. President Raymond stressed the continued necessity of ACEC’s advocacy for protecting and increasing infrastructure funding levels.
 - It was reported by President Raymond that the number of firms represented in the ACEC membership appears to be flat but that the number of employees in the firms is up by 5.4%. This is a change from last year when the number of firms was the same but the number of employees was down.
 - The matter of an increase in dues was discussed. It was reported that ACEC has been working without an increase in funding for the years 2009 through 2012 which is equivalent to a decrease in purchasing power of 18.4% during the period. It was also reported that there has been no non-inflationary increase in dues since 1999. The discussion addressed the need for an increase in dues at this time to assist with fight against in-sourcing and advocating for continued and increased infrastructure funding among other issues facing the industry. The impact of various levels of increases was discussed. Information provided indicates that a dues increase that would result in an increase of about \$1,320,000 would result in an increase in dues of \$383 for a firm with 50 employees. New York and Kentucky expressed opposition while the general consensus among the other member organizations was to support the proposed increase. A vote on this topic was not scheduled or taken on this issue. The vote on this topic is scheduled for the Spring meeting in 2013.
 - Convention attendees had a choice of many high quality sessions in business development, marketing, financial management, ownership transition, and retirement planning.
 - The speaker for the opening session was Rich Karlgaard, publisher of Forbes and North Dakota native. Mr. Karlgaard talked about the challenges of private versus public growth and his outlook on the future of the American economy.

- The keynote luncheon speaker, Ron Insana, Senior Financial Commentator for CNBC, gave an excellent talk on the economic conditions in the country and his thoughts on the economy in the coming years.
- During the convention, South Dakota was again recognized for achieving its ACEC PAC goal for the year.

The Spring Conference will be held in Washington, DC April 21 through 24, 2013. The Annual Fall Conference for 2013 is scheduled for October 27 through 30, 2013, in Scottsdale, AZ. I encourage that each member should attend at least one, if not both of these conferences