

September/October, 2004

# GENERAL MEMBERSHIP MEETING

***Note – New Date:***  
**Wednesday, October 27, 2004**

*The Engineers Club  
11 West Mount Vernon Place  
Baltimore*

*Cash Bar – 11:30 AM    Lunch – Noon*

***Featuring: Sharon Pinder,***  
***Special Secretary, Governor’s Office of Minority Affairs***

**And, the announcement of the finalists in this year’s  
*Engineering Excellence Awards Competition!***

*For more information, or to make reservations,  
contact the ACEC/MD office, 410-539-1592.*

**Presidents Message**

***by Fred Wagner***

As I'm writing this message, most things seem insignificant in comparison to the passing of the 3<sup>rd</sup> Anniversary of 9/11 and the third hurricane (Ivan) in a month to bear down on Florida. However, while my thoughts and prayers go out to those who struggle through these tragedies, we must go on with the details and issues of our daily lives.

The last couple of past presidents of ACEC/MD warned me to be prepared to hit the ground running, and they weren't kidding. We have already had numerous committee meetings, and schedules and agendas are being set for the remainder of the year. In addition to our standing committees, we have added an ad-hoc committee to focus on the issues related to the Construction-Inspection and Construction Management industry. I would like to see this ad-hoc committee develop into a standing committee, so if you have an interest, please contact us.

We have also started preparing for the upcoming legislative session and have had preliminary meetings to establish the position of ACEC/MD concerning the issue of modifying the Certificate of Merit legislation to include the "firm" that employs the professional.

As we continue to focus on developing future leaders, this year we will offer our fourth edition of the Leadership Program. This program will be dynamic and interactive and will touch on all aspects of becoming a leader in the industry. As it has in the past, it will culminate with the class graduating at the annual convention to be held in Cambridge, MD, June 22-24, 2005. In addition, as part of the cooperative efforts of ACEC/MD with

the University of Maryland-Baltimore County to develop future leaders, Dewberry's Lou Robbins has volunteered to teach classes that will give students "tools" to address real world issues in the profession. Also, Nate Beil of KCI Technologies is coordinating an effort with the Community Colleges of Baltimore County that will provide input for the school's engineering technicians curriculum.

The County Engineers Association of Maryland (CEAM) recently held a successful annual conference where ACEC/MD presented a program entitled, "Getting the Best Bang for Your Buck." This session was very informative in outlining the dollars that can be saved in the long run through effectively selecting the engineer to do the planning and design. Thanks to Johnson, Mirmiran & Thompson's Bob Olsen and Dwight Emory of Garrett County for delivering this important message.

On September 22, 2004, we held our Quality Workshop entitled, "Bridging the Gap Between Owners' Expectations and the Capability of Design Firms to Deliver in the Horizontal Sector." At that time we also presented our QBS Award. Congratulations to Dave Mayhew and Towson University, the recipients of this year's awards.

There are a number of upcoming events that I strongly encourage you to attend. Our General Membership meeting will be held on October 27, 2004 at the Engineering Society of Baltimore. As a result of our meeting with Katie Knowlin, Director of MDOT's Office of Minority Business Enterprises, ACEC/MD is participating in an MBE/Small Business Open House on October 28, 2004. Primes and potential

subconsultant will be able to interact at this event. The American Society of Civil Engineers (ASCE) will hold its annual convention in Baltimore from October 20 through October 22, 2004 at the Baltimore Convention Center.

As mentioned earlier, plans have been finalized for our 17<sup>th</sup> Annual Conference, which we are bringing back to Maryland. Be sure to set June 22-24, 2005 aside in your calendar for the convention to be held at the Hyatt in Cambridge, MD. Details will follow.

I hope everyone had a great summer, and I look forward to seeing all of you at these upcoming meetings.

## **City of Baltimore Clarifies Notice to Proceed Policy**

Earlier this year ACEC/MD representatives held several meetings with the City of Baltimore to discuss ways to ensure timely payment to our member firms for work performed for the City. Officials from the City, including Shirley Williams and Mike Rice, informed our representatives about certain policies related to Notice to Proceed (NTP) on A/E contracts/task orders and processing of invoices. Both Ms. Williams and Mr. Rice informed ACEC/MD representative that the City does not want A/E consultants to begin work before they receive NTP. Following is a summary of the directions that were received from the City:

1. It is the policy of the City of Baltimore that the Department of Public Works and the Department of Transportation should not authorize A/E consultants to begin work on a project before receiving NTP from the relevant Department.
2. The Director of the Department issues NTP after consultant's scope and fee are approved by the Department and the Departments of Finance, Audits and the Board of Estimates. This approval is known as Approval of Expenditure Authorization Request (EAR).
3. The City will not process any invoice for payment until the EAR is approved.
4. In case of a true emergency, the Director of a Department may request the A/E consultant to begin work on a project before an EAR is approved.
5. This policy is applicable for all contracts; all supplementary agreements; and all task orders under on call contracts.
6. EAR approval is not required for each task order of on call urgent need contracts. Although, on call urgent need contracts must be approved before a consultant begins work on any task under that contract.

ACEC/MD has been made aware by some member firm representatives that City personnel are putting pressure on them to begin work before the NTP is issued.

At the recent City of Baltimore Liaison Committee, the aforementioned policy was confirmed with city representatives. If your firm is encountering deviations from this policy, please contact the ACEC/MD office.

## **Small Business Reserve Program Begins October 1**

On April 27, 2004, Governor Ehrlich signed Senate Bill 904 into law establishing the Small Business Reserve Program. The Small Business Reserve Program begins October 1, 2004 and expires September 30, 2007 if not extended by the legislature. For the first time, qualified small businesses will only be competing with other qualified small businesses for contracts as prime contractors. Major aspects of this program are:

- The Small Business Reserve Program legislation requires that 22 designated procurement units, of which the MDOT is one, shall structure their procurement procedures to achieve a *minimum of 10 percent of the unit's total dollar value* of goods, supplies, services, maintenance, construction, construction-related services, architectural and engineering service contracts *to be made directly to qualified small businesses*.
- The total dollar value of procurements by a designated procurement unit does not include the value of contracts in conflict with federal law and does not include procurement preference contracts to benefit disadvantaged individuals as stipulated by law; i.e. State Use Industries, Blind Industries and Services of Maryland and sheltered workshops.

- The Department of General Services (DGS) will have a **bidder's list of qualified small businesses** that shall be posted on the DGS's website ([www.dgs.state.md.us](http://www.dgs.state.md.us)) by September 15, 2004.
- Effective October 1, 2004, a small business for Maryland means a business, other than a broker, that meets the following criteria:
  - the business is independently owned and operated;
  - the business is not a subsidiary of another business;
  - the business is not dominant in its field of operation;
  - the wholesale operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
  - the retail operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
  - the manufacturing operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed average of \$2,000,000 in its most recently completed 3 fiscal years;
  - the service operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years; and
  - the construction operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years.

- Solicitations designated for Small Business Reserve shall be clearly marked as such.

To clarify this new program, Jacqueline Jones, Chief of MDOT's Small Business Preference Program has provided the following frequently asked questions:

**Which twenty-two (22) State agencies are required to reserve ten (10) percent of their total procurement dollars for qualified small businesses?**

- The State Treasurer;
- The Department of Budget and Management;
- The Department of Business and Economic Development;
- The Department of Environment;
- The Department of General Services;
- The Department of Health and Mental Hygiene;
- The Department of Housing and Community Development;
- The Department of Human Resources;
- The Department of Juvenile Services;
- The Department of Labor, Licensing, and Regulation;
- The Department of Natural Resources;
- The State Department of Education;
- The Department of State Police;
- The Department of Public Safety and Correctional Services;
- The Department of Transportation;
- The University System of Maryland ;

- The Maryland Port Commission;
- The State Retirement Agency;
- The Maryland Insurance Administration;
- The Maryland Stadium Authority;
- The State Lottery Agency; and
- Morgan State University .

The websites for these 22 agencies can be accessed through [www.maryland.gov](http://www.maryland.gov) using the Agency Index drop down list.

\* If a business has not existed for three years, the gross sales average is computed for the period of the business's existence. For newly formed businesses the determination will be based upon employment levels and projected gross sales.

### **What if a business operates in more than one of the five general business classifications?**

If a business operates in more than one of the following business classifications:

wholesale, retail, manufacturing, service and construction, its combined operation must meet the limitation of the more liberal classifications. For instance, for any type of operation besides construction the average annual gross sales limit is \$2 million.

Therefore, the combined operation cannot exceed \$2 million annually in average gross sales. However, the employment limit for a retail operation is 25 persons, versus 50 for a wholesale operation and 100 for a manufacturing operation. Accordingly, a business with

both retail and wholesale classifications can have up to 50 employees, while a combined manufacturing and wholesale business can have up to 100 employees.

### **How are the gross sales and employment level calculated?**

Gross Sales: For a business that has been in operation long enough to file a Federal income tax statement, the annual average Gross Sales of the business will be calculated from the sales amounts contained on the tax form(s).

Employment: Employment will be calculated on an employee “Full-Time Equivalent” (FTE) basis. All full time, part time, temporary or contractual employees, including employees of temporary help firms or subcontractors working for the business, will be counted against the applicable employment limitation. The specific FTE employment levels for a business at the end of each calendar quarter (March 31st , June 30th , September 30th and December 31st) will be averaged to determine a business most recent FTE employment level.

### **How do I apply to be qualified as a small business?**

The Maryland Department of General Services (DGS) is establishing an online self-certification process that will start by September 15, 2004 .

### **How often must a business get qualified as a small business?**

A business needs to reapply for qualification every year by the anniversary date of the initial certification. Verification of businesses' gross sales and employment data will occur annually. However, if a business ceases to be independently owned and operated or

becomes a subsidiary of another business, the business needs to notify the Department of General Services immediately via email at [sbadmin@dgs.state.md.us](mailto:sbadmin@dgs.state.md.us) or in writing to State of Maryland , Department of General Services, Small Business Reserve Program, 301 West Preston Street , Room M-3, Baltimore , Maryland 21201 .

### **How do I update my small business profile?**

A business can change its basic information, i.e. address and contact name, online. However, a change to information that may alter whether or not a business remains on the list of qualified small businesses must be requested in writing to State of Maryland , Department of General Services, Small Business Reserve Program, 301 West Preston Street , Room M-3, Baltimore , Maryland 21201 or via e-mail at [sbadmin@dgs.state.md.us](mailto:sbadmin@dgs.state.md.us) .

### **Will my company receive a Small Business Qualification Number?**

Yes. Once a business completes the registration process a Small Business Qualification Number will be assigned.

### **What are the benefits of participating in the Small Business Reserve Program?**

The overall goal is to increase economic opportunities for small businesses. Only qualified small business may participate in a Small Business Reserve Program procurement. Once a solicitation has been designated for a small business reserve, only bids or proposals from qualified small business will be accepted. Therefore, a business

will be in competition with only other qualified small business, guaranteeing that the contract will be awarded to a qualified small business.

**Can a nonprofit organization qualify as a small business?**

No, only for-profit businesses can apply to be qualified as a small business.

**Is a small business the same as a minority business?**

No, but a business can be both if it has been qualified as a small business and has been certified by the Maryland Department of Transportation's (MDOT) Minority Business Enterprise Program as a minority business. For more information about the Minority Business Enterprise Program visit:

[http://www.mdot.state.md.us/MBE\\_Program/index.html](http://www.mdot.state.md.us/MBE_Program/index.html).

ACEC/MD presented testimony during last year's hearings supporting the small business concept with amendments to the proposed legislation. During the committee hearing, concern was expressed by ACEC/MD representatives that the definition of a small business service firm did not accurately reflect professional service firms. Unfortunately, we were only partially successful in getting the legislature to increase the average gross sales to \$2,000,000 from the bill's original \$1,000,000 threshold.

It is unlikely that the legislature will agree to modifying the law in the first year that it is enacted, but we will continue to dialogue with legislators to explain the deficiencies with the law as it currently stands.

For more information, contact Jacqueline B. Jones at 410-865-1180 or 1-888-713-1414, extension 1180 or by email at [jjones2@mdot.state.md.us](mailto:jjones2@mdot.state.md.us).

## **QBS Primer**

The Maryland QBS Council is pleased to provide interested member firms a PowerPoint presentation for in-house education. This program takes about 30-minutes and is a perfect resource to educate your staff on the benefits of the Qualifications Based Selection (QBS) process.

Also, the Council has developed the following responses to frequently asked questions that could be posed by client representatives.

*If the short list is composed of three to five firms that are each capable of providing the services, why not ask for a price from each? If the top three ranked firms receive virtually the same score from the interview or technical proposal, why not ask for a price from each or just the top two? If all of the firms on the short list are quality firms with good reputations, why not ask for a price from each?*

*These are all the same question. It can be restated as “If qualifications are equal, why not use price as the determining factor in selection?”*

When firms compete on the basis of price, no matter what their qualifications, they will cut scope to get the work. Cutting scope simply means less services to the owner, which

results in more conservative designs, less innovations, higher potential for change orders, higher construction costs, delays, and more risk for the owner.

***As a Public servant with fiduciary responsibilities and not trained in architecture or engineering, how do I know that the AE is offering an appropriate fee for these services without a price comparison?***

There are several ways to determine that a proposed fee is fair and reasonable. Most of the larger public agencies employ experienced design professionals on their staff that can negotiate the scope and fees on their behalf. They will review the scope, man-hours, rates and other costs and compare them to similar projects. Those that do not employ staff AEs, might seek advice from other jurisdictions. Most importantly, however, is the frank discussion with the selected AE that is the hallmark of the QBS process. Second only to public safety dictated by the AE profession, the AE's business interests include building trust with clients to create future opportunities. Most firms do over 85% of their business with repeat clients. This means that overpricing work is contrary to a firm's business interests.

And finally, the client does not have to buy the number one ranked firm's services. The QBS process provides the opportunity to terminate negotiations with the first ranked AE and negotiate with the second ranked AE.

***Can an Owner negotiate with two AEs at the same time?***

This is price competition. When the AE knows or suspects that the firm is placed in a position of price competition, they will look for ways to reduce the scope and offer

minimum services. The client will then make the AE put his business interests before the client's interests. The best value from the AE is obtained when they are permitted to focus on a client's interests. The QBS process is the best mechanism for this to occur.

To obtain a copy of the PowerPoint presentation, please contact the ACEC/MD QBS Committee Chair Dick Berich at Dewberry, 410-265-9500. Also, if your firm encounters a jurisdiction that should be contacted by the QBS Council, please let us know.

## **SHA V8 CAD Standards Are Now Available**

The Maryland State Highway Administration (SHA) has made available through the ACEC/MD office a limited number of CDs outlining their Project Wise and VPN Program. Included within the CDs are:

- SHA V8 CAD Standards Manual
- SHA Workspace for Microstation V8
- Custom Tools and Menu Files
- Set-up Instructions
- Third Party Remote Access Request Form
- Understanding Project Wise Brochure
- Project Wise Quick Reference Sheet
- Project Wise Training Guide
- Project Wise 2004 Client
- Project Wise Installation Instructions

- VPN Client
- VPN Client Installation Instructions

For a copy of these complimentary disks, please contact the ACEC/MD office.

*Longtime ACEC/MD supporter Senator Robert Kittleman has lost his bout with Leukemia at the age of 78. A native of Iowa, Senator Kittleman lived in Howard County and worked as an engineer for Westinghouse for 26 years prior to his election to the Maryland House of Delegates in 1982. Always an advocate for the Republican Party, Senator Kittleman rose through the ranks achieving the stature of House Minority Leader from 1995 to 2001. In 2002 he was elected to the Senate.*

*A friend of the transportation industry and a civil rights advocate, Senator Kittleman was respected by members of both parties for his hard work and ethical approach to being a legislator.*

*He is survived by his wife, MDOT Deputy Secretary Trent Kittleman, three children and ten grandchildren. Memorial donations are being accepted at:*

*Bob Kittleman Scholarship Fund*

*c/o The Columbia Foundation*

*12227 Wincopin Circle, Suite G15*

*Columbia, MD 21044*

## **New Member**

Fred Wagner, ACEC/MD President, has announced the election of the following firms to membership in the Council.

### **REGULAR:**

**Associated Engineering Sciences, Inc.**

**34 West Franklin Street**

**Hagerstown, MD 21740**

**Rep.: Richard Reichenbaugh**

**Telephone: 301-797-9160; FAX 301-797-9163**

**Website: [www.aesi-mdusa.com](http://www.aesi-mdusa.com)**

*Brief History and Activities of the Firm: Founded in 1971, Associated Engineering Sciences, Inc. has helped to shape Maryland's infrastructure from bridges and highways to water and wastewater systems. AESI has designed sites for residential communities, industrial parks and commercial ventures, including regional malls. The firm's experience includes numerous contracts in the fields of Structural Design, Highway Engineering Design, Surveying (topographical and metes & bounds), and Hydrologic studies. The field of operation is civil engineering and structural engineering, complete surveying services, landscape architectural services; highways, bridges, parking garages, residential*

*development projects, municipal engineering, utilities design. Services include land planning and rezoning; land surveying; civil engineering and design services; structural design and inspection; construction stakeout and permitting; feasibility studies; construction observation; forest conservation; landscape architecture design services. Associated Engineering Services, Inc. is a licensed surveying and engineering company in PA, MD, WV, IL, and OH. AESI is a Certified MBE/DBE firm in MD, PA, and WV.*

**General Engineering Geophysics, LLC**

**221 South Monroe Street**

**Oxford, MD 21654**

**Rep.: Richard Steeg**

**Telephone: 410-226-5069; FAX 410-226-5732**

**Website: [www.gel.com](http://www.gel.com)**

*Brief History and Activities of the Firm: Founded in 2003, General Engineering Geophysics, LLC is a subsidiary of General Engineering Laboratories (GEL). The GEL Group, Inc. consists of three companies started in 1981 as a woman owned business. General Engineering Laboratories provided “bundled” technical services to the environmental industry including analytical laboratory services, environmental engineering services, and geophysics & subsurface utility engineering. In 2003, the company re-organized into three subsidiaries. General Engineering Geophysics, LLC expanded to the mid-Atlantic region in June 2003 to provide subsurface utility engineering and investigation capability (geophysics) to the civil engineering, public works, and development community. Primary services provided by the firm include the accurate location, identification, and mapping of subsurface utilities, obstructions, or conditions including voids and karst formations. GEG deploys a variety of advanced subsurface technology including 3-D ground penetrating radar. GEG is likewise involved in other advanced technologies including borehole radar and sewer radar.*

*Activities of the firm include accurate location, identification, and mapping of subsurface infrastructure and/or conditions using advanced technologies to assess underground conflicts associated with utilities, abandoned structures, and or other anomalies at the time of project planning, preliminary engineering, or design. Findings are depicted in autocad, microstation, or comparable platforms in accordance with ASCE Standard 38-02 and FHWA requirements for subsurface utility engineering (SUE). Findings are subsequently integrated into the design process (by others) to optimize subsequent construction activities by eliminating or reducing change orders, delay claims, and schedule impacts associated with unknown or unanticipated conditions.*

**Straughan Environmental Services, Inc.**

**9135 Guilford Road, Suite 100**

**Columbia, MD 21046**

**Rep.: Eileen K. Straughan**

**Telephone: 301-362-9200; FAX 301-362-9245**

**Website: [www.sesenviron.com](http://www.sesenviron.com)**

*Brief History and Activities of the Firm: Eileen K. Straughan founded Straughan Environmental Services, Inc. (SES) in 1995. Ms. Straughan was one of the first scientists certified by the US Army Corps of Engineers in performing wetland delineations, and is extensively experienced in conducting environmental studies and preparing documentation. The firm's experience includes stream restoration according to natural channel design using both science and engineering. The capabilities of SES include wetland delineation, assessment, and mitigation; forest conservation planning; natural resource planning; environmental permit preparation and construction inspection for compliance; NEPA documents and other environmental reports; civil engineering; acoustics/noise analysis; and public involvement/environmental communication. The firm provides services to*

*federal, state, and county agencies, and the private sector. SES is a women-owned Small Disadvantaged Business (SDB) and Minority Business Enterprise (MBE) with certifications from the US Small Business Administration and the Maryland Department of Transportation along with other state, county, and municipal agencies.*

**AFFILIATE:**

**ATX Communications**

**809 Gleneagles Court**

**Towson, MD 21286**

**Rep.: Jay Montgomery**

**Telephone: 410-821-2900; FAX: 410-825-5379**

**Website: [www.atx.com](http://www.atx.com)**

*Brief History and Activities of the Firm: ATX Communications was founded in 1985 and is among the top 10 largest ICP/CELECs and one of the top 10 largest ISP's in the U.S. As one of the top integrated communications provider we have established partnerships with other technology leads such as Cisco, Citrix, Microsoft, Lucent and Nortel Networks. The executive team we have in place today is the same team that founded the company. We have 400,000 customers and our customer retention rate is 99%. ATX Communications specializes in providing bill consolidation with one easy to understand invoice and a single point of contact for all our services. **-Coreconnect:** our flagship product offers you local, long distance, toll, and internet all over broadband connectivity. This product is scalable to grow with your business.*

We welcome these firms as a member of ACEC/MD. Be sure to add their information to your roster. The next time you see one of their representatives, please take the time to let them know we're glad they have joined the Council!

## **Member News**

**DANIEL CONSULTANTS, INC.** President *Mammen Daniel* hosted a senior level delegation from the Central Transportation Technology Center of China as his guest. They were shown the various operations at SHA including the CHART operations center. The delegation later met with MDOT Deputy Secretary Ms. Trent Kittleman. Mr. Daniel has been invited by the Chinese Government to study the opportunities for design cooperation between consulting engineering firms of various specialties in Maryland with the Central Transportation Technology Center in Zian, China.

**DMJM+HARRIS, INC.** is proud to announce that *Lisa Turnbaugh, PE* has joined the firm as a member of the company's national program and construction management practice and as an Associate Vice President.

**EBL ENGINEERS, LLC**, has announced that in EBL Fire Engineering, a subsidiary of EBL Engineers, LLC, *Brian T. Schlosser* has joined the staff as a Fire Protection Engineer.

**JOHNSON, MIRMIRAN & THOMPSON** announced that *Kenneth A. McDonald, Jr.* has joined the firm as a Project Manager in the firm's Maryland office.

**TEC ICON INFRASTRUCTURE CONSULTANTS** has relocated to: 619 Severn Avenue, Suite 202, Annapolis, MD 21403. The firm's telephone and fax numbers remain as 410-990-0299 (office) and 410-990-0455 (fax).

### **Professional Development**

**October 5-6, 2004** *Professional Roof Consulting* (Chicago, IL)

**October 7-8, 2004** *Wind and Drainage* (Chicago, IL)

**October 8, 2004** *RCI Region I Meeting* (Cleveland, OH)

Presented by the Roof Consultants Institute (RCI). For more information 1-800-828-1902.

**October 9-16, 2004** *Baltimore Architecture Week*

AIA's first annual spotlight on architecture is co-sponsored by member firm Century Engineering. For more information or tickets to events, go to [architectureweek.com](http://architectureweek.com) or call 410-628-2585.

**October 13, 2004** *Managing Utility Cuts*

**November 1, 2004** *Intro to Temporary Traffic Control*

**November 2-4, 2004** *Work Zone Design*

College Park, MD. Presented by MD T2 Center. For more information, go to [www.ence.umd.edu/Mdt2Center](http://www.ence.umd.edu/Mdt2Center).

**October 19-20, 2004** *Maryland Chamber of Commerce Annual Business Policy*

*Conference*

Cambridge, MD. For details go to [www.md.chamber.org/bpc](http://www.md.chamber.org/bpc) or call 410-269-0642.

**October 20-23, 2004** *American Society of Civil Engineers (ASCE) 2004 Conference & Exposition “Charting the Future – Baltimore 2004”*

Baltimore Convention Center, Baltimore, MD. For details, or to register for the conference, go to [www.asce.org](http://www.asce.org).

**November 15, 2004** *Governor’s Workforce Conference: Business-Driven Decisions for Today and Tomorrow*

Columbia, MD. For more information go to [www.conference-edge.us/gwc](http://www.conference-edge.us/gwc).

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