I hope everyone had a good Christmas and New Year’s Holiday with family and friends and things are starting out strong in 2017.

Our meeting in November was at the RESPEC Office Building in Rapid City. I want to thank Todd Kenner for his hospitality and allowing us to hold the Emerging Leaders Program and the membership meeting at the RESPEC office. The Emerging Leaders program, presented by J. Craig McNulty with Hub International Mountain States Ltd., Minneapolis, and Jason Smiley and Katelyn Cook, with Gunderson, Palmer, Nelson & Ashmore, Rapid City, focused on professional liability and contract law. ACEC members joined on the second day for the contract law session. Jason Smiley and Katelyn Cook presented very good information to all that attended and really put our thinking hats on when it comes to contracts and what some owners will try to slip into a contract.

At the meeting, we were able to make the last minute fund raising push to meet the PAC goal this year. Thanks to all the members that stepped up to help meet the goal and support of this very important aspect of ACEC.

I hope to see you at the January 26 meeting in Pierre. This will be an interesting one as we are meeting with the SDDOT leadership on the Overhead Study Results the day before our membership meeting. We will have an update at the meeting on the items of discussion with their leadership.

Best regards,
Kim L. McLaury, PE, PLS
ACEC/SD REACHES ITS NATIONAL PAC GOAL

In past years, South Dakota had always been a mainstay with regards to meeting our fundraising goal for ACEC/PAC as established by the National ACEC PAC committee. Last year, 2015, was our first time in a long time where we did not make our goal. Due to this, we looked for a way to reinvigorate our membership to meet our fundraising goal. A big thank-you to all that participated as the raffle to raise funds to meet South Dakota’s PAC goal was successful and we met our $5,000 goal for 2016. We sold 83 tickets and raised $4,150. An additional $918 was contributed without purchasing raffle tickets to bring us to a total of $5,068. Congratulations to Pete Rausch with RESPEC whose name was drawn for the raffle.

Due to the success, we do intend to conduct another raffle for 2017, so be watching for the announcement sometime in early 2017.

Thank-you again for your contributions.

Steve Hoff, PE

ACEC/SD members had the honor of visiting with Senator John Thune and Representative Kristi Noem earlier this fall to present them with contributions from the ACEC PAC. Please think about attending the April 23-26, 2017, ACEC Annual Convention and Legislative Summit in Washington, DC, where we will schedule our next meetings with the leadership. With infrastructure initiatives, energy issues and tax reform on the short list for legislative action in the 115th Congress, we hope you will stay committed in your support for the 2017 ACEC/PAC program.

CITY OF RAPID CITY SELECTED FOR NATIONAL QBS MERIT AWARD

Rapid City received national recognition as one of three cities to receive the 2016 Qualifications-Based Selection Merit Award by the American Council of Engineering Companies and the National Society of Professional Engineers.

The QBS Merit Award recognized the City for effectively using and promoting qualifications-based selection methods to procure professional services of consulting engineers at the federal, state, and local levels.

The purpose of the QBS Awards Program is to recognize public and private entities that make exemplary use of the QBS selection process.
Becky Baker is an environmental planner at KLJ Engineering with a background in environmental documentation and permitting. She has over 12 years of experience in providing environmental compliance services mainly within the Dakotas and Wyoming. She is located in Sioux Falls, SD.

She has previous experience in:

- Developing NEPA documents that meet the following federal agencies requirements: Federal Highway Administration (FHWA), Federal Emergency Management (FEMA), National Park Service (NPS), US Forest Service (Forest Service), and Department of Energy (DOE).
- Managing projects through open, honest communication with clients.
- Coordinating with agencies to help clients to navigate the regulations in an effective, efficient manner and ensuring all environmental compliance requirements are met.
- Provide opportunities for public involvement on projects through public meetings, presentations, websites, newsletters, landowner meetings, etc.
- Completion of wetland delineations, wetland mitigation, and Section 404 permitting.

Josh Larson, PE

Josh Larson grew up on a farm near Vermillion, SD. He left coyote country to attend South Dakota State University where he earned a BS in Civil Engineering in 2000. He then joined McLaury Engineering, Inc. and works in the Sioux Falls office where he serves as the Engineering Manager of four office locations. Josh enjoys the opportunity to work with a variety of clients including local developers and communities in southeastern South Dakota, to the South Dakota Department of Transportation and other government agencies, all providing unique challenges and the opportunity to interact with many great people.

Josh and his wife Katie currently reside in Sioux Falls, SD, with their two daughters, Stella and Hayva.
ACEC/SD and SD DOT Meeting News

In April 2015, ACEC Member Organizations were invited to participate in a nationwide academic study that compared the costs of performing engineering work by in-house DOT staff versus contracting it out to private engineering firms. Twenty-nine states, with South Dakota (six ACEC/SD firms) as one of the states, participated in the study. The results of the final study, which was conducted by New York University, were recently released to the ACEC/SD board of directors. The results indicated a demonstrable savings by contracting out to the private sector. “Average salaries in the private sector were shown to be higher than those in the DOTs, confirming commonly held assumptions that existed prior to the study. However, the bigger costs paid for by taxpayers relate to overhead expenses, and in this category the study highlighted very pronounced differences between agency overhead rates and those of private engineering firms.”

The board invited SD DOT Secretary Bergquist to meet to review the outcome of the study and, on December 1, 2016, Terry Helms, Gail Boddicker and Gregg Spagnolo, ACEC Vice Chair met with Secretary Bergquist and his team members—Joel Jundt, Mike Behm, and Greg Fuller to provide them with the details of the study.

The DOT asked for time to absorb the data and requested a possible future meeting to discuss the report in greater depth.

Other issues discussed included:
- Rail + Aviation commissions may have some questions regarding the difference in costs of projects that use federal funds;
- Joel asked if ACEC would be available to attend the airport conference scheduled for March to educate constituents on complying with regulatory requirements on public sector projects;
- ACEC needs to engage with DOT on the QBS changes;
- FTEs at the DOT are capped and the DOT will be needing the private industry’s expertise;
- 100% of the BIG projects will be contracted out;
- ACEC members are committed to partnering with DOT on the TRAC, TAC and STIP programs.

ACEC/SD and Agreed Upon Procedures

Ketel Thorstenson, LLP, Certified Public Accountants in Rapid City, were recently contracted with by the ACEC/SD board of directors to assist the association in respect to the financial records for the year ending June 2016.

The final report was presented to the membership at their December 1, 2016, meeting. Nina Braun, CPA, CFE, Partner at Ketel Thorstenson, LLP, presented the following Findings:

1. Review of Internal Controls
   We recommend the Treasurer continue to review the bank statement each month. This should include a review of cancelled checks for appropriate vendors, amounts, and signature. The deposits included on the bank statement should be reviewed and agreed to deposit summaries outlining the details of each deposit. This will assist in preventing misappropriations of Council assets and identifying any possible accounting related errors.

2. Insurance
   We recommend that the board be involved annually in the review of insurance coverages. The board should be aware of the levels of coverage over the Council’s operations.

3. Payroll
   We recommend that the board review and agree to an updated contract with the Executive Director. The Council should maintain a signed copy of the contract to agree to future invoices.

No Findings were noted on the following:
- Selected two months during the year ended June 30, 2016, and verified cash balances on the general ledger agreed to bank statements and reconciliations.
- Selected 20 disbursements from the general ledger detail for the year ended June 30, 2016, and agreed to supporting documentation and cancelled check images.
- We walked through the cash receipt process for 10 deposits made during the year ended June 30, 2016, and agreed cash received per QuickBooks to the respective bank statements.

Nina reported that the report is very positive and that the organization is doing a nice job with the financial controls.