

Consultants Council

Minutes of 9/26/03 General Membership Meeting

Time: 9:00 AM

Meeting Place: Octavius Room / Caesar's Palace / Las Vegas, NV

Board Members Present: Charlie Davis, Lisa Harrison, Mark Bilyeu, Ray Armstrong, Wade Brown, Kerry Malone, Larre Sloan

Board Members Absent: Bill Miller and Michael Mitchell

Quorum: Yes

Guests: Howard Armstrong from IRWA

Members Present: Urban Group, Wilson Co., OR Colan, PBS&J, Associated R/W Services, Coates Field Services, Mustang Engineering, Universal Field Services, Cinnebar, Pinnacle, Epic Land Solutions, American Acquisition Group, Smith Roberts, Overland, Contract Land Staff, Paragon

I Introductions and overview by Charlie Davis

Charlie Davis went over the results of the meeting from Kansas City and gave overview of the history of the Council thus far.

II. IRWA IEC Position Regarding Council

Howard Armstrong from IRWA was present to state the IEC's position on the future of the Council. Mr. Armstrong defined IRWA's proper corporate identity as a 501C6 corporation and guidelines they must follow to adhere to the IRS code for such entity. This past February an audit raised question again about the Council and its conformity under the IRWA umbrella due to differences on how the Council operates i.e. votes its own board versus being appointed by the IEC, handles its own treasury, disbursement of funds, means of obtaining funds, etc. IRWA now requires copies of bank statements, checks and income received which Mark Bilyeu has complied. The new IEC is now concerned over this and desire knowing the Councils future direction. The options for decision would be:

1. ROW Council have to become a committee of IRWA. Money would have to be housed and under control of IRWA. Any decision by the council would have to be brought to the exec. Committee for final approval
2. Council to separate from IRWA and incorporate as own identity.

Mr. Armstrong confirmed IRWA is not seeking to severe the relationship. It is there desire, should the Council decide to become independent, that the Council and IRWA could still work together under such means as a Memorandum of Agreement or Understanding much like is done with other professional groups associated with IRWA. This would be beneficial to the Council as the IRWA could still provide things such as booth space at the annual conference, links to the Council, etc. based on the relationship that would exist.

Question from Coates on the difference between ad hoc committee and other IRWA committees. Mr. Armstrong responded that other committees come under control of IRWA and conform to their bylaws for such things as expenditures, raising money, appointing / approval of a governing board, etc. He pointed out that the Council differs in these areas and that IRWA has no control over the actions or goals of the group to the degree required under the IRS code for their corporation. Additionally, ad hoc implies that this is a temporary formation.

Another question came from Epic Land who wanted clarification on the potential Memorandum of Agreement / Understanding. Mr. Armstrong responded with examples, such as the Pipeline Committee, where desires of action by the group are precluded by IRWA yet have similar interests.

Coates Field Services advised the group, in comparison to the Pipeline Committee where means of action outside the organization could occur to address issues such as lobbying when the organization does not allow for such action.

Representatives from Mustang and Wilson wanted clarification on type of entity or corporation the Council should become. Charlie Davis responded that this issue would be looked into for presenting back to the membership at a later date for consideration

Wilson rep inquired if IRWA would be able to direct someone who has a concern that would require a lobbying effort to the Council, should the group separate. Howard Armstrong that they could advise of the group as long as they do not take a position.

Board member Larre Sloan asked Howard Armstrong if the IRWA's inability to take a position was due to political reasons or because of IRS code. Mr. Armstrong replied that due to the size of the organization it was improbable to get every member together and decide unanimously on a particular position, however, they did have the ability to take a position.

Mustang rep wanted to confirm that the Council does not require members be a member of IRWA. Howard Armstrong confirmed this. Lisa Harrison further stated this would always be the position of the Council because IRWA membership is for individuals where the Council members are corporate.

III Website Discussion

- Ray Armstrong gave a brief on modifications to the website discussed in the previous day's board meeting to be implemented regarding the weighting of search results. Current weighting is toward authorized to do work in a state versus experience. It was recommended that experience should be ranked as it was more substantial to both user and member.
- Ray Armstrong replied to question from the membership that there is no current account for how many hits the website has incurred but will look into having this capability for the future.

- Wilson rep advised there was no link from IRWA to the website. Ray Armstrong acknowledged request hasn't been made yet and that he is also working on having the website in internet search engines.
- Kerry Malone reminded the membership to make sure proper registration had been done.
- Epic rep requested this meeting be listed on the calendar events on the website.

IV Licensing

- Darrell Knobbe from OR Colan updated the membership on the licensing issue being undertaken by his firm. He outlined the idea they are researching to have a mandate for a non-licensure requirement on Federal aid projects or input into upcoming law that would assist States to change the licensure requirement.
- Howard Armstrong clarified that this would probably not be able to get on the current highway bill due to the time and that historically this issue has been a difficult one to get before Congress.
- Mark Bilyeu stated he has found through conversations with many that absent any other certification, licensing is seen as the best means of an industry standard.
- Universal stated that getting FHWA to revise the Uniform Act or any such legislation would be difficult as it would be seen as a State issue.
- Howard Armstrong advised his knowledge that the FHWA have reviewed this issue before and have no position.
- Discussion from the group suggested ideas of approaching individual states for the possibility of creating a different category of licensure for right of way acquisition that would possibly promote reciprocity and ease the requirements for obtaining licenses in different states. The general consensus was that the licensing issue was a financial one with the individual real estate commissions and one of regulating knowledge for that particular state.
- After further discussion, a motion was made by Charlie Davis and seconded by Wade Brown to have Darrell Knobbe research the license issue further by obtaining information on individual state requirements and membership views for an update at the next meeting. This was approved unanimously.
- Prior to beginning the next session, Ben Ward from PBSJ asked for a straw poll from the group on separating from IRWA. It was a consensus by the membership to separate at some point in the future.

V Afternoon Session

- Charlie Davis advised that the meeting was moving along and wanted to finish the afternoon session so that the meeting could adjourn before the proposed lunch break. Mr. Davis briefed the membership on New Success Areas discussed in the previous day's board meeting, of which insurance issues was one the board felt could be undertaken with substantial results in the near future.
- Ray Armstrong reiterated that the Council should seek an insurance agent / underwriter to look into the right of way industry considering the amount of

business that could be received from this large organization, which would hopefully lead to better premiums for the membership.

- Mark Bilyeu suggested having insurance representatives address the membership at a future meeting for a presentation to the group.
- Upon further discussion, it was a general consensus to focus on Errors & Omissions Insurance at first versus trying to address general and professional liability and health all at once. Each member was asked to inquire with their respective insurance agent for their interest in addressing such an idea. Information is to be compiled from each member on prospective insurance agents/underwriters who may be interested and would be tallied by Clark at Universal for presenting to Charlie Davis prior to the next meeting.
- The next topic centered on marketing. Kerry Malone explained the board discussion from the previous day about creating an information letter that would be sent out under each individual member's letterhead to their list of clients, supporting the Council.
- Universal questioned if such a letter would actually be sent due to the fact it would be promoting the competition. In depth discussion then centered on the basis for the letter being to promote the Council and not individual firms. Lisa Harrison confirmed this notion and stated the purpose of the letter was to promote the standards of the group and that a member could be selective in who received the letter in the event there was that list of clients a particular member had exclusively, as was the suggestion by Coates rep. Universal reps agreed with that possibility and did not support sending such a letter. Charlie Davis intervened in this group discussion to say it was not the intent of the organization at this point to enter in to controversial arena and if so, then it should be tabled. He asked for a straw poll on this issue which was split amongst the membership. Therefore, Charlie said the Council would not undertake this item but would create a letter to be put on the website for any one who did wish to send it to their client list.
- Charlie Davis announced his intention to create an introductory letter on Council letterhead to send to all DOT's inviting usage of the website and other advertising plans the Council intends to undertake.
- Mark Bilyeu read the treasurer's report to date at \$1,347.71, less the \$942 fee for the meeting room for this meeting.
- Lisa Harrison reminded the membership to review for any possible sub consultants being used for possible membership to the Council.
- Discussion over the type of corporation or entity the Council should become if it does separate from IRWA. Charlie Davis named Larre Sloan, Joe Coates and Ben Ward to research this for presenting their findings at the next meeting.
- Final comments from Coates that the organization should be careful in certain areas to ensure cooperation and harmony in the group and not create competitive animosity. Universal supported the marketing effort of the Council but to be careful that it's not a marketing tool for individual companies. Kerry Malone acknowledged the membership response regarding the information letter when creating a template. Ray Armstrong reminded the membership to utilize the website for forum discussion.

- Charlie Davis advised the group that the action items discussed today will be addressed after the first of the year for a response to the group in May's meeting. Charlie Davis will also look into formulating a meeting at the FAA conference in Ft. Worth, Texas in December of this year.

Adjournment at 12:25 pm.

Board meeting convened at 12:30pm.

- Motion made by Ray Armstrong and seconded by Wade Brown to start a white paper on separating from the IRWA for a vote in November. This was approved unanimously by the board. Charlie Davis is to create such a paper by October 15 for board approval which would be to the membership by the 3rd week of October with voting being completed by the end of November.
- Adjournment