

It's **All About** *our* **People**



You and the rest of our colleagues who make up the CH2M HILL global enterprise are special people.

You are the people who make our business run... You are the owners who fuel our financial success... You are the collective genius that delivers inspired projects and service to our clients... And you are the community with whom we share our hopes and ambitions; accomplishments and setbacks; work space and companionship; profits and rewards.

No company that I know of merges the fate and fortunes of employees and business in the way we do at CH2M HILL. And no company that I know of has been blessed with people of such great talents, hard working determination and genuine goodwill as has our company.

On the pages that follow, we pay tribute to the great people of CH2M HILL by sharing some poignant examples of contributions made by our colleagues, past and present. You may not be featured on these pages, but rest assured your contributions are greatly appreciated.

Thank you for all you do to make CH2M HILL the great company it is today and the even better company it will be tomorrow.

With deepest gratitude,

A handwritten signature in black ink that reads "Ralph R. Peterson".

Ralph R. Peterson
Chairman and CEO
CH2M HILL

CH2M HILL makes the List!

Fortune survey ranks CH2M HILL among a select group—the 100 best U.S. companies to work for.



Workforce diversity – a business imperative



Since its inception, CH2M HILL has emphasized the strategic importance of people. We've understood how our individual and collective talents contribute to the firm's success. As CH2M HILL Chief Executive Officer Ralph Peterson describes it, "Our people are the repository of the firm's knowledge and experience, which is our primary value."

Like most firms engaged in project delivery, we're challenged by a global demand for the best talent – a demand that is likely to increase over the next two decades at a greater rate than the supply. In addition, factors such as geopolitical shifts, technology advancements and workforce demographics are altering the manner and location in which business is conducted.

It's clear that we must effectively attract and retain a diverse workforce. The good news is that we are well on our way. Our history of celebrating differences, and our actions to date have been largely influenced by regulatory requirements and a sincere desire to "do the right thing." These actions have allowed us to increase the number of women and underrepresented minorities and create a more inviting workplace for all. And while CH2M HILL's commitment to gender and ethnic diversity is as genuine as you will find in any company, we must become an even more inclusive organization.

The most compelling reason to build truly diverse teams involves the changing demographics that will alter the complexion of the talent pool. Women, underrepresented minorities, and older workers will comprise a greater percentage of the general U.S. workforce. Also, CH2M HILL's growth outside North America will result in a larger non-U.S. population of employees. In other words, the global marketplace will redefine the social complexion of our workforce.

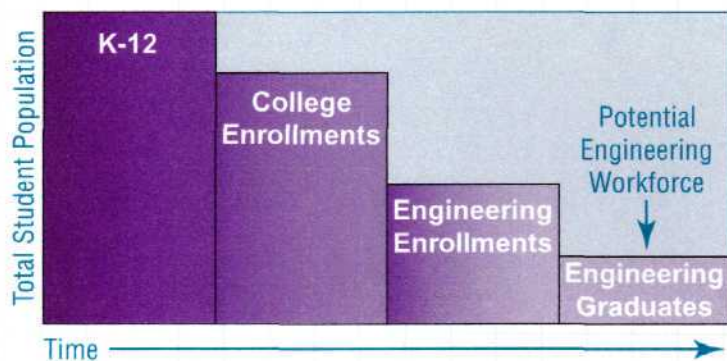
We must recognize that talent comes in all forms of experience and from many sources. We must shift our thinking to treat diversity as an inherent part of the talent pool, and we must consider the entire pool of available talent if we are to grow as an industry leader. However, this broader, business-driven perspective on diversity will not be limited just to current and prospective CH2M HILL employees. It also extends to the alliances and partnerships we build around the world.

Simply stated, our workplaces and work practices must be inviting, such that anyone would feel welcome and capable of contributing at their best level of performance. Because, ultimately, the best firms will be those that offer their clients diverse teams representing different cultures, racial backgrounds, genders, nationalities and ages. The organizations that are trapped in the homogeneous work teams of the past will be left behind.

Diversity by itself may not keep CH2M HILL in its position of industry leadership, but the leadership role we desire will never be fully realized without it.

Bob Allen

Vice President, Human Resources



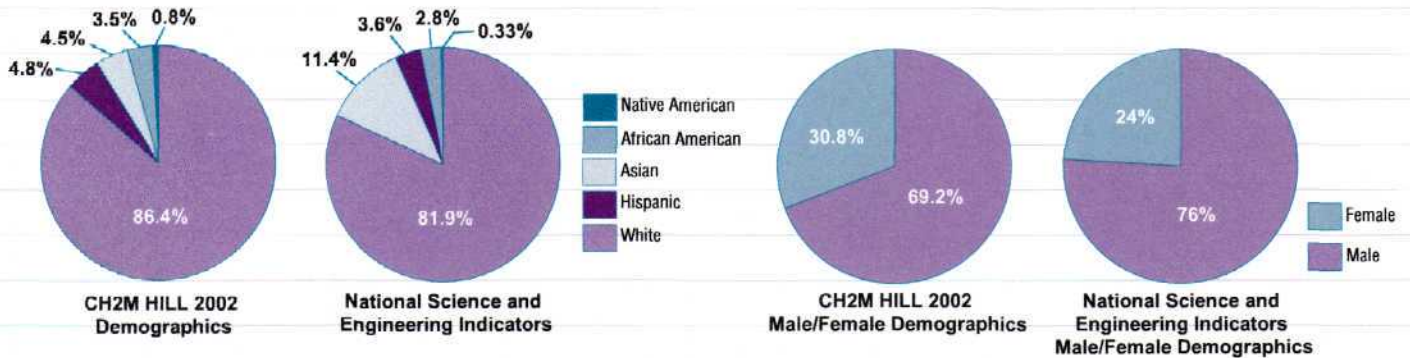
The pool of engineers

Over time, the pool of potential employees shrinks as fewer students enroll in, and graduate from, engineering programs. For this reason, diverse hiring is not just the right thing to do, it's also the necessary thing to do in order to attract and retain the best engineers in the business.



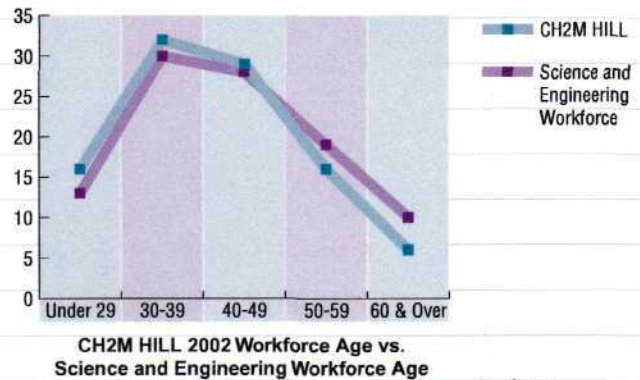
CH2M HILL vs. the Industry

In 2002, CH2M HILL's gender and ethnic makeup was similar to that of the science and engineering industry as a whole. Future diversity efforts will help CH2M HILL meet or exceed industry averages.



Years of experience

An age-diverse population helps CH2M HILL provide clients with a diverse knowledge base that includes a variety of experiences and perspectives.



CH2M HILL recognized for its commitment to employees

Fortune magazine's annual rankings of the top U.S. employers now includes CH2M HILL.

"We are proud to be the only engineering, construction, operations management or project delivery firm on the list," said Mike Kennedy, president of regional operations, who led the effort to have CH2M HILL nominated. "This speaks highly of our standing in the industry and our continuous development of programs focused on

meeting all employees' needs today and in the future."

Ranked 96th by Fortune and the Great Places to Work Institute, the nonprofit organization that conducts the survey, CH2M HILL was noted as a firm that has "given a lot of responsibility" to its employees. Company-wide programs like employee ownership, diversity, safety, learning and development opportunities, and work-life balance were considered, while two-thirds of the score was based on

how randomly selected employees responded to the Great Place to Work Trust Index, a survey instrument measuring the quality of workplace culture.

Only firms in business for seven or more years and with more than 1,000 employees are eligible; in 2002, over 1,000 companies were nominated. More information is available on the Fortune Web site at www.Fortune.com and at www.greatplacetowork.com.



MORE ONLINE

<http://projects.ch2m.com/unlimited/>

Listen to a voicemail from CEO Ralph Peterson.



CH2M HILL is a place!



It is only after you retire and start to adapt to new daily routines that you begin to realize the extent of the metamorphosis that has taken place in your accustomed environment. The impact of that realization is to see your prior life as a place that has been left behind, and that you now find yourself existing in a new locale with

totally different rules, friends, surroundings, and responsibilities! In most cases this characterization of a changed lifestyle as a different world is slow to develop and comes on gradually without prompting other than as a reaction to the changes in daily routines.

Regional offices were regarded as "Cities" within a country called CH2M HILL. As an employee, it was common to ask visitors to your City where they were from, or where they were headed after leaving your locale. Frequently it was possible to guess where people were from, by their manner and the terms of speech they used when they discussed their technical or other issues they were concerned with. There was "Corporate Speak", there was "Seattle Speak", "Portland Speak", "Boise Speak", and so on, which, to the practiced ear was recognizable as an accent giving the listener clues as to the speaker's "home town". Loyalty to one's home town was clearly evident, but generally did not interfere with staff migrating from City to City as workloads or special assignments required. Most of the familiar customs of each home town were easily and quickly adaptable from one City to the next. That is, until Retirement!

Retirement meant a shift of loyalty from a City to the country called CH2M HILL. We retirees now view our past as a life in the larger environment of the firm as a whole. We take great pride in what the firm represents to the world at large and speak with varying measures of reverence of our past as "citizens" of that wonderful place called CH2M HILL. We are proud of what it has become and do not hesitate to become a bit boastful of our individual contribution to what the world now sees. We are proud of the citizens who now populate this place called CH2M HILL and, in a way, envy their achievements which rival all the miracles we claim to have performed during our residence in their country. Yes, CH2M HILL is a wonderful place to be from.

C. J. (Gus) Pantazi, on behalf of the entire Retiree Community.

It's a family affair

As a CH2M HILL employee, you are walking in their footsteps. They are family and helped forge our great company.

This handsome group of folks gathered in a small town in eastern Oregon a few months ago for the 2002 CH2M HILL Retiree Retreat.

These former employees and their spouses met in the historic mining and logging town of Baker City to rekindle old friendships, reminisce about days gone by, catch up on current happenings and have

a heck of a good time. Former employees from the ranks of IDC and the two companies that merged in 1971, CH2M and Clair A. Hill & Associates, made up this celebrated group.



All aboard! A ride on the Sumpter narrow-gauge train was one of several outings during the 2002 Retiree Retreat.

This year's retreat was graciously hosted by the Arlen Borgen family. Activities included a trip to nearby Sumpter,

including a narrow-gauge train ride, a visit to the Oregon Interpretive Center and Hell's Canyon, a scrumptious barbecue in the Elk Horn Mountains and much more.



Globetrotters. Myrna and Les Wierson with John and Genny Filbert. Les' efforts in developing some of the firm's first international projects took the two far from their home in Portland, Ore. The Filberts, too, have had their share of long-distance travel. In recent years, John was instrumental in the firm securing Singapore's Deep Tunnel and Changi wastewater projects.



Partner. Bob Adams began his career with the firm in 1949 and was made a partner in 1961. Well known for his skills in client relations, Bob held a variety of leadership positions, including vice president of CH2M HILL Inc.

Sharing a moment with Lyle and June Ann Hassebroek (below). Lyle held a variety of leadership positions during his long tenure, including president of CH2M HILL Inc. Many of the firm's leaders today benefited from Lyle's tutelage.



"CH2M HILL COUNTRY"



All smiles. From left is Ken and Julie Bielman with Earl Reynolds. Ken opened the Denver office and led projects in several countries. During his career, he and Julie lived in Egypt, Jordan, Cyprus, Dubai and Germany. Reynolds joined the firm in 1948 and opened the Boise, Idaho, office two years later. During his 35-year career, Reynolds worked his way up through the ranks to become chairman of the board in 1980.



Joe and Jean Worth at Hell's Canyon. Joe had a key role in the Oregon management team during the 1970s and 1980s. Along with his engineering skills, he also brought to the firm expertise in construction law.



One and all. While on a sightseeing tour, the group stopped for a mid-morning breakfast at the Anthony Lakes Mountain Resort in Oregon's high country.



Priceless. Meisy and Jim Howland are regulars at the retiree events. Jim, who helped build CH2M HILL from the ground up, is on the planning committee that organizes the retreats.



After all these years. Mary and Dick Morgan along with dear friends Shirley and Ken Wengler. Dick and Ken began working together at Clair A. Hill & Associates in the surveying and mapping discipline.

Shoulder to shoulder. Fred Harem, one of the CH2M partners during the early years of the firm, was a leader in the water discipline. Next to him is Gus Pantazi. Pantazi was administrative manager in Portland, Ore., and also helped create CH2M HILL's international corporation.



Laughing it up. Mary Adams and Dorrie Harem exemplify employee-spouses who over the years have kept the home fires burning while their counterparts worked overtime and traveled to far-flung project sites.



On the waterfront. Don Daly (left) hailed from IDC. Arlen Borgen launched his career at CH2M and later moved to IDC. Leroy Taylor worked in Corvallis, Ore., and Boise, Idaho.



Taking a break. After his career with CH2M HILL, John Eggers enjoys a moment's rest on the shore of Lake Anthony.

Hallmark holiday



The town of Taos, N.M., recently recognized OMI's Luella Kramer for her outstanding contributions to the community by naming Oct. 9 Luella Kramer Day. Kramer has become a cornerstone of the town's public life. Here's what she had to say about her special day and her contributions to Taos public life:

This day came as a major surprise. I didn't expect it at all. But it's nice to be acknowledged by my peers.

In 1976, I moved to Taos with my family. When I came to Taos, I didn't know anybody. I didn't work and had two small children at home, so I knew that the only way to meet people was to get out and do things in the community.

I joined the Holy Cross Hospital Auxiliary 25 years ago, and was named president of Auxiliary and Volunteer Services of the New Mexico Hospitals and Health Systems Association on Sept. 12. In 1999, Holy Cross selected me as auxiliary of the year. In addition to volunteering for the hospital, I volunteer at the public library and Taos Municipal Schools. I am also very involved with the Girl Scouts and coordinate all Girl Scout activities for troops in Taos, Penasco, Questa, and Red River.

My mother gets the credit for starting me out volunteering. My mother was always a big volunteer. She was a teacher and knew the importance of helping children and others in the community, so I guess that's where I got it from.

I was so honored that the town recognized me with a special day. My daughter said that she wanted to send me a Hallmark card for my day, but the card industry hasn't caught on to Luella Kramer Day, yet.

Luella Kramer

Luella Kramer
Office Specialist

The giant bowl of soup took over 3,000 cans of food to construct.

The CANstruct team: (top left to right) Hsi Chi, Drew Desher, Dinshaw Kanga, Don Grandy, Michael Longland, Jason DaSilva; (bottom left to right) Darryle Tang, Sophia Wong, Katherine Hong. Members not pictured, Wayne Wagner, Joseph Eratostene, Barbara Kolis-Hupa, Yanhong Du.



Helping hands

Armed with more than 3,000 cans of food, a team of 13 CH2M HILL employees in Toronto, Canada, set out to help battle hunger in the 2002 CANstruct competition.

The CANstruct event, which benefits the Daily Bread Food Bank, increases community awareness of homelessness and hunger. Entrants build, or "canstruct," creative and artistic renditions made solely of nonperishable foods.

With a can-do attitude, the CH2M HILL team designed and built a giant bowl of chicken vegetable soup supported by a pair of helping hands. And, while it took six hours to construct the giant display, prior to the event the team volunteered many more hours during lunch and after work relentlessly working on the design.

"Everyone who participated in the event walked away with a smile in their hearts, as well as on their faces. Not only for the great job we did, but also for the effort put forth to helping those in need," said Jason DaSilva, team captain. "It makes

me proud to be part of a company composed of people who are willing to offer this kind of support to their community."

What were the building blocks of the team's intricate design? The back wall of the display was created from chicken and tomato soup cans. The bowl is supported by apple juice cans and shaped with cereal boxes. The content of the soup was created with juice bottles placed upside down and accented by noodles made of salad dressing bottles. The floating vegetables are made from ketchup, peanut butter and Gatorade bottles. The hands holding the bowl were sculpted from bags of rice.

The food, valued over \$3,330 (CDN), was purchased by CH2M HILL and donated to the Daily Bread Food Bank.

Out of 11 entries, the CH2M HILL team walked away with an Honorable Mention award. Barely able to "cantain" their post-competition excitement, the team has already started planning for next year's competition.





Howland awards spotlight community enrichment

“Let’s everybody be generous. It is especially important that those at or near the top of the heap be willing to spread the returns in dollars and recognition around” — *Excerpt from Jim Howland’s Little Yellow Book.*

Since 1989, CH2M HILL has partnered with the National League of Cities to provide the James C. Howland Awards for Urban Enrichment. These awards are presented annually to U.S. cities for excellence in preserving or enriching the environmental quality of life for their residents.

Howland, often cited as providing the heart and soul of CH2M HILL, wanted something to recognize cities that take care of their people. He came up with the idea after completing a community beautification program in his hometown of Corvallis, Ore.



Jim Howland presents the award to representatives from the City of Las Vegas whose youth program provides teens with an opportunity to lead community improvement projects.

“After the original partners retired, the next management group decided to sponsor some sort of a national competition in the name of each original partner. When my turn came, I had two thoughts. First, that it would

be good to do something that connected the firm to clients and potential clients. Second, my wife, Meisy, and I had been working on a project to make a Corvallis street more of an attractive people place, and we felt something rewarding improvements such as this would be good.”

The awards recognize two winners in four population categories, and each award comes with a financial donation to the city’s charity of choice. To date, more than 100 awards have been presented and \$130,000 in contributions made. Funding

for the awards comes from the CH2M HILL Foundation.

Recently, the National League of Cities announced that it is making the Howland Awards for Urban Enrichment its flagship awards program beginning in 2003.

For more information about the Howland Awards, visit www.nlc.org, or contact Joanna Monahan, 720-286-2260 or jmonahan@ch2m.com.

MORE ONLINE
<http://projects.ch2m.com/unlimited/>
 Visit e-Unlimited for information about the 2002 Howland Award Winners.

Designing in memory

As a large set of drawings is spread out on the table, the chatter starts to dwindle among the 14 employees gathered around them in Corvallis, Ore. They begin to focus on the task at hand. Are these CH2M HILL employees reviewing the latest water treatment plant or bridge design?

Actually, they’re using their lunch breaks and after-work hours to volunteer on a project close to their hearts. In memory of Bob Wehnert and Mike Popken, two colleagues who recently succumbed to cancer, the team is donating design services to build a guesthouse at the Good Samaritan Regional Medical Center in Corvallis. When complete, the 12-room home away from home will



Team members review drawings of a 12-room guesthouse they are helping to design.

provide families a place to stay while loved ones receive medical treatment.

“At CH2M HILL, we feel a real sense of community among employees. We were very aware of what Bob’s and Mike’s families were going through and how stressful it became for them,”

said Ed Barlow-Pieterick, project manager. “Helping to build this guesthouse seemed an appropriate way to express our concern for families who have to deal with such devastating illnesses. We hope that our small tribute to our friends will help make it easier for others

to deal with the stress of treatment.”

The guesthouse project began as a generous private donation and donated architectural plans from a local family. The CH2M HILL team is currently working on modifying the plans to meet the needs of the medical center and requirements of the community. Final pre-design will be finished in January, with final design completed in March 2003. When construction begins in the summer, the CH2M HILL team members will also volunteer their time for services during construction.

MORE ONLINE
<http://projects.ch2m.com/unlimited/>
 View the team roster on e-Unlimited.

IDC designs hope



It was almost 30 years ago in 1974 that I knocked on my new neighbor's door at his invitation to go for a day of target shooting at his relatives' farm in southeastern Ohio. We had met a few weeks before and found we had this common interest, which culminated in our outing on this crisp and clear October morning.

Bill was a big athletic guy over 6 feet tall and 250 pounds. However, I had noticed during our neighborhood's welcoming party for Bill's family that his four-year-old daughter was thin and seemed somewhat sickly. But I was not prepared for what I was about to see when Bill said, "come on in."

Bill was sitting with the rag doll figure of his daughter draped over his knees and was striking her on the back with great force, using a hand nearly twice as wide as her small frame. Bill could see from my facial expression that I was nearly horrified. He said, sadly, "It is not what you think—cystic fibrosis. If I do not do this to clear her lungs each and every day, she will be dead in less than a week."

Fast forward to 2001, as IDC's Pharmaceutical Life Technologies Business Unit was ramping up. I called on Targeted Genetics, a Seattle-based biotechnology company. Targeted was developing a clinical trials manufacturing facility for a therapeutic, based on gene delivery, for the treatment of cystic fibrosis.

That long ago encounter in Ohio came flooding back, and the opportunity to design Targeted's new facility took on new meaning. The project didn't represent just a growth curve or revenue stream anymore. We went on to win the project with the client commenting that IDC was chosen in part for our enthusiasm and sincerity related to helping Targeted succeed in combating this dreaded disease.

The Targeted story continues to develop, as do other projects that IDC has subsequently won with clients that are similarly seeking to cure dreaded diseases. The path to conquering these illnesses is often a long one, but we believe future fathers and mothers can have hope that their children will be spared the daily ritual that my neighbor Bill was faced with.

Gary Phillips

Gary Phillips, Marketing Specialist and Manager, IDC's Life Sciences Business Group



Believe it or not

Creating winning proposals requires a staff of professionals who possess an acute attention to detail, timing, and commitment. CH2M HILL's Global Business Development Services provides writing, editing, graphic design and document production services in support of the firm's strategic pursuits. But none of their hard work matters if the proposal doesn't make it to the client on time. So if a proposal delivery is in jeopardy, the team's commitment often drives them to go the extra mile to get it there. These are a few of the "urban legends" from BDS. You decide if they are fact or fiction.



1 A business group employee was to deliver a proposal by hand, when he suddenly developed appendicitis and required emergency surgery. BDS staff stepped in and delivered the proposal for him.

2 When a proposal didn't arrive on time, staff read the entire piece over the phone to the review committee.



3 A proposal, weighing in at a hefty 1,000 pounds, was too large to ship. So staff loaded it into a Ford Expedition and started their journey across the Rocky Mountains to deliver it, only just avoiding a blizzard.

4 In the weeks following September 11, 2001, with no sure way to send a proposal by air, two employees left Denver at 6 a.m. to deliver it to Boston. They drove across nine states in two days, relying only on truck stop food to keep them going.



5 Upon hearing a proposal was lost during shipping, BDS purchased a plane ticket and loaded the back-up copies into suitcases so it could be hand-delivered on time.

The first two are fiction; the rest are true and exemplify staff that possess a CH2M HILL "ownership" attitude. Our hats off to each of you!!



Safety stars

Among the firm's many recent environmental project highlights is the work at the former Mare Island Naval Shipyard, 25 miles northeast of San Francisco. With CH2M HILL leading cleanup, redevelopment is five years ahead of schedule and under budget—providing significant returns for a community in need.

In addition to the challenge of cleaning up this historical Navy yard, CH2M HILL has successfully kept staff, subcontractors and the public out of harm's way during completion of field work. To date, the team has logged more than 82,000 work hours without an Occupational Safety and Health Administration (OSHA) recordable incident.

The project team accomplished this feat by not only embracing the company's Health, Safety and Environmental processes and tools but by taking safe work practices to a new level through implementing CH2M HILL's new Behavior-Based Loss Prevention System. This program focuses on partnering with subcontractors to evaluate project hazards on a real-time basis to identify issues that could cause potential problems and fix them before someone gets hurt or something goes wrong.

These key members of the project team have contributed greatly to the successful implementation of HS&E programs on the project.

CH2M HILL is creatively implementing safety into the cleanup and redevelopment of the former Mare Island Naval Shipyard.



THE MARE ISLAND NAVAL SHIPYARD TEAM

Team member	Project role	Critical contribution	How a team member describes him or her
Jim Maniord	Construction Program Manager	Has ensured that HS&E is actively implemented in all aspects of the field program at Mare Island.	An active supporter of the safety program as evident through his actions at Mare Island.
Jim Robbins	Construction/Project Manager	Makes sure that day-to-day field operations subcontractors specifically are following our policies as well as their own.	Always places safety first.
Carey von Williams	Project Health & Safety Manager	Integrates HS&E practices on all aspects of the project. Provides the interface between operations and safety management.	Always looking at how we perform our work and strives to make safety a part of the program in a manner that is easy to implement.
Trish Danby	HS&E Regional Manager	Provides oversight and guidance for the Mare Island Program.	Is always available to resolve issues and support the team as questions arise.
Jeff Morris	Technical Program Manager	Has made sure that HS&E is woven into technical documents such as workplans.	Always conscious of HS&E regarding how work is being accomplished both in the office and in the field.

Caring service



As I thought about writing a tribute to our people, and "how CH2M HILL people make a difference," there are two things that struck me. First, that the outstanding quality of our people has been one of few things that have been constant and consistent over time. At the risk of sounding like a fossil at the ripe old age of 44, much of how we manage and deliver projects has changed in my 22 years with CH2M HILL. In 1980 there were about 2,000 of us, reports were prepared on typewriters, the only computer in my office was a hand-held HP-33C, there were no cell phones, and I only had one mail box! It's reassuring to see that we can evolve to keep up with the changing world and market, but not lose sight of the fact that our ability to deliver projects and service to our clients is and always will be only as good as our people.

The other observation I'd like to share is what I personally value most about all of you, and is an attribute that I believe sets the average CH2M HILL person apart from the rest of the pack—we care.

We care about:

- health, safety and the environment around us
- the satisfaction of our clients, professionally and personally
- meeting the needs of others
- the quality of our work and how we deliver
- ourselves as individuals and the contribution we make to our families, our firm and our communities

When you have a group of people who really care, and let that care guide their actions, you have a team that can deliver anything, anywhere. These are the qualities that keep our clients coming back, and that make our employees such vital parts of their communities and families.

CH2M HILL has been the ultimate team sport for me. The best parts of my workdays have always, and still do, center on providing service to our clients and delivering work with CH2M HILL project teams. I'm grateful for this opportunity to say a heartfelt "Thank You" for the difference you've made to me. The integrity, capability, passion, consideration, humanity and work ethic demonstrated by you all continues to earn my admiration, respect and appreciation.

For those of you who were just starting school (please tell me you were all at least born by 1980) when I started work, this was a long way of saying...YOU ROCK!!

Lauri Gorton, Senior Project Manager

Galveston Port Group

Two huge, gleaming white cruise ships were tied to their respective docks when, on the morning of Nov. 11, the Port of Galveston entered a new phase of its cruise port business thanks to the heroic efforts of a CH2M HILL project delivery team.

On that day, the Royal Caribbean "Splendour of the Seas" docked at Cruise Terminal No. 2, also known as the Texas Cruise



An existing warehouse was transformed over eight weeks into a passenger check-in facility.



Royal Caribbean International's "Splendour of the Seas" arrived in Galveston, Texas on November 11.

Team member	Project role
Roger Brady/Houston, Texas	Senior Field Engineer
Mike Brown/Denver/CAPCO	Project Development Consultant
Ray Cox /West Palm Beach, Fla.	Design Project Manager and Senior Ports Engineer
John Dudasch/Denver/CCI	Construction Engineer
Ron Goff/Denver/CCI	Project Manager
Chuck Hendrick/Tampa, Fla.	Cruise Port Planning and Ports Business Development
Lee Lendig/Denver	Cost Estimator
Andrew Pedrick/West Palm Beach, Fla.	Architectural Design
Bill Tolbert/Denver/DEVCO	Senior Project Development Manager



Ship Terminal at Pier 27/28, largely because CH2M HILL's design-build efforts delivered a quality cruise ship dock and terminal renovation in a record eight weeks—start-to-finish.

A Gee & Jenson (division of CH2M HILL) cruise port design team had been working on the plans for a few months (and with the Port for three years), but project delays

threw a fastball at the CH2M HILL Constructors Inc., design-build group, with the cry often heard in the port business, "It must be ready, the ship is coming!"

Now, having demonstrated its cost-saving, on-schedule abilities, the project team has been asked to deliver the next phases of cruise line facilities expansions at Terminals 1 and 2, that will help to further establish Galveston as one

of the fastest growing cruise ports in North America.

Because CH2M HILL could package a unique set of skills and working relationships, the Port of Galveston can enjoy operating two cruise terminals for Carnival and Royal Caribbean cruises that show great operating efficiencies and look terrific. Here's a mosaic of the project team that's making it happen.

THE GALVESTON PORT TEAM

Special insights	Critical contribution	How a team member describes him
Project schedule and cost tracking	Rapid resolution of change order requests and day-by-day project updates, without which a compressed schedule could not have been accomplished.	All around professional engineer.
Project development and project financing	Established a conceptual framework that enabled the Port to finance the project and see how CH2M HILL could deliver an entire suite of development, design and construction services. Also consulted with the client on how a nonprofit corporation could be structured to obtain project financing.	First rate. Knows the financing game, banking relationships and how they can be applied in project development.
Gee & Jenson's historic working relationship with the client. A wide array of cruise line experience that includes cruise line design throughout the U.S. and the Caribbean. A firm grasp of what all stakeholders required.	Designed Terminal 1 for cruise line and port.	Thinks through design implications from start to finish.
In-depth understanding of accounting and schedule value processes along with an ability to clearly convey that knowledge to the rest of the team.	His ability to establish an up-front working rapport with the client and general contractor led to successful project kickoff.	Trustworthy. A client confidence builder.
Clear understanding of the scope of work and the critical challenges faced in the construction schedule. Applying that understanding in a flexible way that met client demands without encroaching on project costs or schedule.	Seeing to it that construction stayed on schedule despite 20 inches of rain in two days. Also, delivering nearly \$200,000 in added items without sacrificing project contingencies.	Diligent. Operates on an even keel with an uncanny ability to juggle sometimes incompatible demands of subcontractors, owners and the principal tenant.
Insider understanding of symbiotic working relationship among ports and cruise line businesses. Very familiar with cruise line business in the Gulf of Mexico and especially Texas and New Orleans.	Three years of experience working with the Port. Originally broached concept of design-build approach with Port of Galveston, matching Gee & Jenson relationships with the new CH2M HILL "toolbox."	An enthusiastic go-getter who's not afraid to get involved at any level, and understands the big picture in cruise port opportunities. He commands the professional respect of the project team, as well as port and cruise line industry leaders.
From a simple scope of work and sketchy design drawings, was able to clearly picture what was needed and accurately price construction that the client could accept.	Without keeping costs within the client's target, CH2M HILL would not have earned the job.	A consummate professional. Knowledgeable and willing to work with the design team from day one.
Full understanding and appreciation for aesthetic and functional needs of port and cruise lines stakeholders.	Developed design that built consensus among all stakeholders. Accommodated design to meet cost considerations without sacrificing conceptual integrity.	A real team player. Pleasant to work with.
Project financing and contracting.	Contract negotiations that established lasting trust among key stakeholders.	Exudes the kind of professional competence and expertise that builds team and client trust.

Opportunity + ownership = career satisfaction



After 36 years, it comes time to hang up my shoes and close out my e-mail at CH2M HILL. It's been an incredible experience watching the company grow from about 150 people in Corvallis, Boise and Seattle to the international giant of today. This successful growth has been the result of employing top-notch people and giving them opportunities to excel. The foresight of the founders to selectively hire the right people and to give the staff the opportunity to share in the success of the company has been key. Challenging the young staff to take responsibilities early and providing an open-door policy for mentoring has worked well. It has been a pleasure to work in a firm where policies favor the fulfillment of the staff.

Starting in Corvallis, I was afforded opportunities in mechanical engineering design, department management, and discipline group director for CH2M HILL and project manager, chief engineer, and operations manager for IDC. At each step of my career, there was always a mentor available to provide support. Although looking forward to time to pursue other interests, I will miss the day-to-day interaction with my Colleagues.

Rick Reid, IDC "Living Legend" and Project Operations Manager

Chris Archer from Redding, Calif., is shown making a fantastic Ultimate Frisbee defensive play. While Archer was on assignment in Kaiserslautern, Germany, he played for the German team Feldrenner. His team was undefeated during the two-day German National Ultimate Frisbee Championship. Archer has been playing Ultimate Frisbee for 15 years, and his U.S. team finished fifth at the world championships last summer in Hawaii.



Chris Archer goes all-out for championship Ultimate Frisbee in Germany.

part of this project. You are one of the brightest engineers that I know, and I know a lot of very bright engineers. I appreciate your honesty and ethics... It is an honor to work with someone of your caliber. It is an honor to not only call you a trusted and admired colleague, but also a friend."

Alfonso Diez, an aviation engineer in Madrid, Spain, recently competed in Spain's national airplane gliding championship, where he placed fifth. He made his first solo flight in 1985, and five years ago began to fly a sail plane on a regular basis.

"It's really magic that you can make a 500-, 750-, 1000-km flight, stay aloft 10 or 11 hours and (usually) come back home to the airfield to share experiences with friends. Flying is one of the greatest pleasures that you can experience—and this is something that only people that fly can understand," Diez said. He also said you can get rid of any kind of terrestrial worries, including those related to work!

Kevin Clancy of Parsippany, N.J., recently retired after more than 31 years of service. At his retirement party, his employee number was retired, and his friends and colleagues gave him a gigantic pocket protector. The following excerpt attests to the high regard this client has for Clancy.

"Dear Kevin: Just before you started as project manager on the Stamford plant design, both Cliff Bowers and Tom Sadick told me you were one of the best project managers in CH2M HILL. They were both wrong. In my opinion, you are not one of the best, but the best. I feel so lucky that you were and are such an important



Kevin Clancy accepts a giant pocket protector as a retirement gift.



Alfonso Diez left earthbound worries behind and soared to fifth place in Spain's national airplane gliding championship.

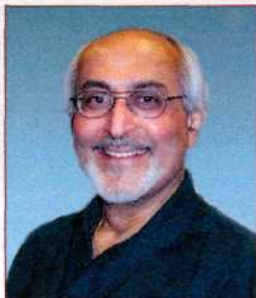


"I thought I would be a lot smarter after 30 years, but I discovered that there is more to engineering than I can ever learn. I wonder what new things I will learn today," Mike Doleac of Bellevue, Wash., said on his 30th anniversary with the company.



Even after 30 years with CH2M HILL, Mike Doleac looks forward to learning new things every day.

Dinshaw Kanga of Toronto, Ontario, recently celebrated his 35th year with CH2M HILL (including his years with Gore and Storrie) and also celebrated his 67th birthday. He retired at age 65, but because he was vital to operation as the staffing manager for Design & Construction Northeast and Canada, he was rehired the next day as a full-time contract employee. On Jan. 1, 2003, he retired for real, at which time he planned to spend time with family and friends. Kanga is legendary in the Toronto office because of his amiable personality, the empathy and caring attitude he shows to all, and his always upbeat attitude about life and work.



Dinshaw Kanga has amassed 35 years as an employee and consultant with CH2M HILL.

John Ross of Richland, Wash., began his 25-year career with CH2M HILL in the Corvallis office, where he was hired as the assistant corporate controller. His next assignments were in Alexandria, Egypt; Milwaukee, Wis.; Kingwood, Texas; and finally Richland, where he was the controller for CH2M HILL Hanford, Inc., supporting the Environmental Restoration Contract. The people in Richland know Ross as someone with a wonderful sense of humor and with an incredible commitment to meeting project financial goals. He plans to keep working on a part-time status with smaller companies, will do some volunteer work with a hospice, and find time



John Ross may be retiring, but he'll be busier than ever volunteering, gardening, and driving his dream car.

for gardening. Ross has his heart set on fulfilling a lifelong dream when he retires—buying a red Corvette convertible.

Jeff Grover, president and general manager of CH2M HILL Hanford, Inc., said, "I can always count on two things from John Ross: meticulous attention to detail and heartfelt infectious laughter."

Rich Walker, Sacramento, Calif., said on the occasion of his 22nd anniversary with the company, reports: "*What a surprise!! It was special for my day to be on a weekend. I look forward to my workweek, as well as weekends. For my day, this morning I rode a horse, weather in Meadow Vista was gorgeous, and I moved furniture in the afternoon for a therapeutic horseback riding center for handicapped riders, of which I'm a board member.*"



Rich Walker has crossed paths with quite a bunch of CH2M HILL folks in lots of offices in his 22 years with the company.

Gina Wammock of Atlanta, Ga., sings with a blues band called Delta Moon. The band is very well known in Atlanta and the Southeast. They issued a debut CD this year; this fall, they won a blues band competition in Charlotte, N.C. They'll be going to Memphis, Tenn., in February for the International Blues Band Challenge. Last month, they were awarded Best Blues Band in Atlanta from *Creative Loafing*, a local entertainment newspaper. For more information, check out www.deltamoon.com.



Gina Wammock (center, in bunny slippers) and the band Delta Moon are pursuing fame and fortune in Atlanta and the Southeast.



Lovin' every minute of it



In the corporate world today, personal integrity is under a great deal of scrutiny. When I considered coming to work for OMI many years ago, one of the things that impressed me most about the company was the high level of ethics with everyone I met. Through the years, my respect for OMI and CH2M HILL have

only grown with the amazing opportunities I've had to meet Jim Howland and to work with Don Evans and others like them.

OMI's values have always been clear on ethics. One of the guiding principles of our purpose statement says it best: "We obey the laws and demand of ourselves the highest ethical standards. As a good corporate citizen, we commit our resources to improving public health and the environment." OMI uses the E3 motto to summarize our purpose:

- Exceed our customers' expectations
- Empower our people
- Enhance the environment

Leaders of OMI have decided to renew and enhance our values through the E3 corporate values process. The E3 corporate values process includes 3 parts:

- Communicating our corporate values and re-emphasizing the importance of ethics and integrity in today's business climate.
- Providing training for every associate so that expectations for conduct and environmental compliance are straightforward and clear.
- Establishing a toll-free OMI E3 Helpline as a resource for associates to resolve challenges with environmental compliance, personnel matters and customer concerns.

Don Evans has a vision of creating a workplace where associates can't wait to get to work every day. By living up to our heritage and expectations from Jim Howland's little yellow book through OMI's E3 Corporate Values Process, we are continuing to make OMI a company where people are proud and delighted to be.

I have to go now ... I can't wait to get back to work!

Roger Quayle

Roger Quayle
Executive Vice President of Quality and Technology

Alaska's quiet, determined transportation force

Ten years ago a quiet, determined force joined the firm from the Alaska Department of Transportation and Public Facilities (ADOT&PF), bringing with him the respect and trust of former colleagues.

Dan Sterley is not an extravert. He is extraordinary. As project manager of the Whittier Access Project, a 2.5 mile rail/auto tunnel, Sterley led his team to an unprecedented seven-month completion, despite mountainous terrain and difficult topographical challenges. The fast-track project contained the first elements of design-build for the firm in Alaska—an achievement Sterley began positioning the firm for several years ago. The project has won seven awards, including a top national award from the American Society of Civil Engineers.

Sterley worked for ADOT&PF for nearly 18 years. During his first years with CH2M HILL, ADOT&PF sent a healthy percentage of its work to him. "They wanted to work with Dan because he tells

it like it is, and he's an excellent project manager," said Linda Cyra Korsgaard, his group leader. "They wanted to give us more, but Dan was too busy."

To help grow the business Sterley recruited additional ADOT&PF staff and created a pamphlet with the names of new hires. "Our transportation business in Alaska was built around Dan," Cyra Korsgaard said.

Last June, CH2M HILL teamed with Kiewit and won the \$44 million Glenn-Parks Interchange design-build project near

Anchorage. "We weren't the low bid on this one. We won on our technical score," said Rick Luebbers, senior transportation engineer. "Dan has a talent of bringing together the right resources for the job."

Sterley added, "We're lucky enough to have geotechnical expertise second to none. Kelly Merrill, for example, sells well and is a high performer. Innovative technical solutions improved on the client's baseline conceptual design."



When not delivering fast-track transportation projects, Sterley is on the fast track downhill.





Gwinnett County grand vision

Every year for the past 20 years, at least 20,000 new residents have been added to Gwinnett County, Georgia's, population tally. Until recently, water and wastewater treatment plants were constructed "as needed" to accommodate growth. Now this metro Atlanta county has a new approach, assisted by the vision and intricate groundwork laid by CH2M HILL.

A key player is Jim Hawkey, who joined the firm nearly 30 years ago and set out consulting with and building the trust of county officials. He was CH2M HILL's first "Triple D" (District Discipline Director) charged with technology transfer

and business development assistance along the East Coast. Over time, he engaged interest in developing a comprehensive water and wastewater master plan, which the county awarded the firm for \$1.5 million in 1989. "The typical cost is a few hundred thousand dollars. Our plan demonstrated the need for a countywide plan that meets state and regional requirements, with long-term benefits to taxpayers," Hawkey said.

A major component of the master plan, managed by Kip Duchon, was construction of a 20-million-gallon-per-day wastewater treatment plant. Hawkey led the winning proposal

and became CH2M HILL's project manager for the plant, named the "F. Wayne Hill Water Resource Center" in 2002. Before Phase 1 was complete, CH2M HILL was selected to expand the plant to 60 mgd. "Clearing the way for effluent discharge

permitting was the major challenge. This is one of six plants in the U.S. that meets the very stringent effluent requirements," Hawkey said. "We were able to design a 21-mile pipeline that paralleled the Chattahoochee River, where the effluent is combined with the effluent from another county treatment plant prior to discharging to the river. Hence 'no additional discharge' was created."

The Georgia chapter of the American Council of Engineering Companies recently awarded the plant a Grand Award, the top state-level honor. It's now entered in the national ACEC competition in Washington, D.C.



Using his skills as a designer and love of carpentry, Hawkey created holiday cut-outs to display in his yard.

The award goes to...

OMI's associates demonstrated their commitment to excellence in 2002 by earning 14 awards for personal achievement from the national to the local level. Individual associates were awarded four Operator of the Year awards, five Laboratory Person of the Year/Laboratory Excellence awards, and five awards for outstanding collections, pretreatment, and supervisory work. The winners are as follows:

- Bill Bicknell of Fulton County, Ga.—District 1 Wastewater Operator of the Year from Georgia Water and Pollution Control Association (GW&PCA)
- John Bowman of Prescott Valley, Ariz.—Supervisor of the Year from Arizona Water Pollution Control Association
- Britt Chesnutt of Farmington, N.M.—Industrial Pretreatment Award from Rocky Mountain Water Environment Association (RMWEA)
- Mark Dannells of Fort Lupton, Colo.—Plant Maintenance Merit Award and Collection System Award from RMWEA
- Denise Georgiou of Fayetteville—Pretreatment Coordinator of the Year from Arkansas Water Environment Association (AWEA)
- Sahar Golshani of Auburn, Calif.—Laboratory Person of the Year from CWEA Sacramento Area Section
- Gary Hengst of Auburn, Calif.—Operator of the Year award from California Water Environment Federation (CWEA), Sacramento Area Section
- Sharon Kelly of Vienna, Ga.—District 7 Wastewater Operator of the Year from GW&PCA
- Donna McChristian of Fayetteville, Ark.—Laboratory Analyst Excellence Award from AWEA
- Dominique O'Shia of Rialto, Calif.—Laboratory
- Person of the Year from CWEA
- Peggy Pearman of Dodge City, Kan.—Laboratory Analyst Excellence Award from Water Environment Federation
- Mary Peck of Biddeford, Maine—Laboratory Analyst Excellence Award from New England Water Environment Association
- Dean Vermeulen of Lehigh County, Pa.—Operator of the Year from Eastern Pennsylvania Operators Water Pollution Control Association

Thanks to these associates' performance, 25 percent of OMI's total awards won in 2002 were won by individuals.