

THE FIRST WORD

June/July, 2006

Stewart Installed as ACEC OKLAHOMA Chairman of the Board

Jim Stewart was installed on Saturday, June 3rd as the 52nd Chairman of the Board of ACEC OKLAHOMA, succeeding Jerry Farrar, EarthTech, Tulsa.

Stewart, has been with PSA Consulting Engineers for 35 years and manages a talented staff of four graduate, licensed mechanical engineers while serving as the firm's financial and business administrator. A 1970 graduate of Oklahoma State University with a Bachelor of Science degree in mechanical engineering, his expertise lies in energy conservation, value analysis, noise control, life cycle costing and cost estimating.

Stewart has performed energy conservation and life cycle analysis for the USDA, FAA, University of Oklahoma, Tinker AFB and many other facilities. The energy studies of the FAA included much of the Oklahoma City campus over several years. Mr. Stewart served as Principal-in-Charge for the Oklahoma City National Cowboy and Western Heritage Museum's \$32 million expansion and renovation and the \$7 mil Renovation/Expansion of the Memorial Student Union for the University of Oklahoma in Norman, Oklahoma.

For 35 years Stewart has been successfully designing large acoustically sensitive HVAC systems. Designs include large aircraft hangar facilities for American Airlines and the U.S. Marshalls Service, and one of only three active NBC Broadcast Studios (Chicago, Illinois) in the U.S. Mr. Stewart recently served as Principal-in-Charge of the \$54

mil renovation of the 1936 vintage Civic Center in Oklahoma City and the OKC Arts Museum (\$28 mil).

The Civic Center was gutted and rebuilt to current "state of the art" standards architecturally, mechanically, electrically, and acoustically to accommodate theatre and stage productions.

In 1993 and 1994 Stewart directed the firms redesign efforts at the Federal Transfer Center, a maximum security prison facility in Oklahoma City for the Federal Bureau of Prisons. A City of Oklahoma City Airport Trust project, this \$54 mil facility originally designed by others was identified by the General Contractor at the start of construction to have the

possibility of \$8 mil of mechanical/electrical change orders. PSA was hired to redesign while construction was ongoing. As a result of PSA efforts in Value Engineering and redesign, the total change order was reduced to less than \$1 mil.

Stewart is joined on the ACEC OKLAHOMA Board of Directors by **Chairman-Elect Darold Davis**, Garver Engineers, Tulsa; **Vice Chairman of Membership Steve Ford**, Zahl-Ford, Inc., Oklahoma City; **Treasurer Tom Hendrick**, Wallace Engineering, Tulsa; **Vice Chairman of Business Practice Jim Benson**, Poe & Associates, Oklahoma City; **Vice Chairman of Education/Public Relations Stacy Loeffler**, BKL, Inc., Tulsa; **ACEC National Director Mike Homan**, Terracon, Tulsa; and, **Immediate Past Chairman Jerry Farrar**, EarthTech, Tulsa.



(L to R) Vice Chair of Membership Steve Ford, ACEC National Director Mike Homan, Chairman of the Board Jim Stewart, and Chairman-Elect Darold Davis

ACEC OKLAHOMA Annual Convention Wrap-Up

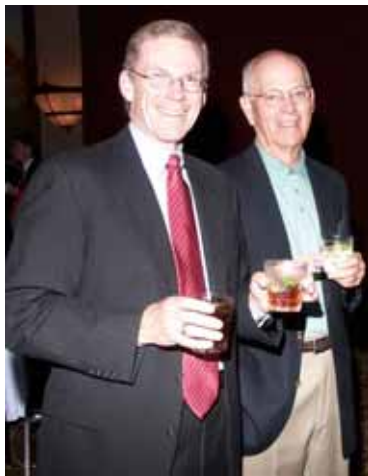
ACEC OKLAHOMA joined with our counterparts from Missouri, Arkansas, and Kansas in Branson June 1-3 for the Annual Convention of the respective organizations. Some 140 persons attended the Convention, which was highlighted by some outstanding educational opportunities and various social activities including a "Blast from the Past" at Dick Clark's American Bandstand Theater which featured Fabian, Bobby Vee, and others.

In addition to the general business meetings of each of the organizations, there were many roundtables and seminars during the convention which were well attended and well received.

Additionally, we were honored to have ACEC Chairman of the Board Jeff Daggett, Chairman-Elect Mac MacMurray, Immediate Past Chairman Ed Mulcahy, and ACEC President David Raymond attend the convention, and provide members with updates and overviews of ACEC's activities at the national level.



Darold Davis, Ginger & Mike Homan



Vice Chair of Membership Steve Ford
and Past President Jerry Shepherd



ACEC Chairman of the Board Jeff Daggett



Past Chairman Don Vick & wife Betty;
Tammy & D. Don Vick



Lynne Stewart, John & Lisa Joyce

ACEC OKLAHOMA Scores Wins As Legislative Session Ends

Highway Finance, "Engineer", and QBS Victories Highlight Session for ACEC OKLAHOMA

The 2006 Oklahoma Legislative Session finally came to completion on Friday, June 23rd as the House and Senate completed the FY 2007 Budget to conclude the Special Session. As you know, the Legislature was unable to agree to a Budget by the constitutionally mandated May 26th adjournment date, which necessitated Governor Brad Henry calling the Legislature back for a Special Session.

After three weeks of negotiations, House and Senate leaders were finally able to agree to a record budget of just over \$7 Billion.

The bulk of the budget appropriates \$6.563 billion for state agency operations. Education will receive \$3.573 billion, \$1.053 billion will go to health and social services, \$729.8 million to public safety, \$672.7 million to human services, \$448.1 million to general government and transportation, \$146 million to natural resources and \$15.5 million to Rural Economic Action Program (REAP). The appropriation includes an across-the-board \$3,000 pay raise for public school teachers and a funding increase of \$130 million for higher education.

The surplus funds of \$457 million over and above that which was placed in the Constitutional Reserve Fund for various purposes. Included among the bill's allocations are: \$85 million to the State Regents Revolving Fund; \$45 million for a newly created Oklahoma Opportunity Fund; \$7 million to the Oklahoma Department of Veterans Affairs Revolving Fund; \$5 million for rural fire fighting equipment; \$8 million for the Tourism Equipment Revolving Fund; \$15 million for the state's emergency fund; \$10.5 million for the Oklahoma Diabetes Center, and \$35 million for the Oklahoma firefighters' pension system.

The third major component of the Legislature's budget compromise was various tax relief provisions including a gradual three-year repeal of the estate/death tax and a lowering of the state income tax. As for the income tax cut, the bill decreases the tax rate from the current 6.25 percent to 5.65 percent for the 2007 tax year for single individuals and married individuals filing separately. In 2008, the tax rate decreases to 5.55 percent, to 5.5 percent for 2009 and to 5.25 percent for 2010. Also in 2007, a standard deduction of \$5,500 is allowed for married people filing jointly, \$4,125 for head of household and \$2,750 for single individuals or married people filing separately. The deduction increases in 2008 to \$6,500, \$4,875 and \$3,250 and, in 2009, to \$8,500, \$6,375 and \$4,250, respectively. The bill contains language making the tax cuts contingent on revenue growth in the General Revenue Fund. The total fiscal impact of all tax provisions once fully implemented is estimated to be \$623 million.

Overall, it was a very good year for ACEC OKLAHOMA. Transportation funding was increased dramatically, QBS was expanded and strengthened, and we were successful in fighting off an attack on the profession. Below is a wrap-up of the session:

HIGHWAY FINANCE – A major victory for the transportation sector was achieved during the special session when the Legislature added new funding for the Department of Transportation which will grow to \$470 million per year within a 10 year period. Specifically, the \$35 million per year increase approved last session was increased to \$50 million per year; the \$70 million per year debt service on previously issued bonds was annualized; and a portion of the title and tax fees were reallocated to county roads and bridges. Funding totaling \$6 billion will accumulate over the next 10 years to fix the state's crumbling infrastructure with ODOT's allocations raising from \$200 million to \$470 million per year and county road & bridge funding increasing from \$85 million to \$170 million per year.

Additionally, revolving funds were authorized for ODOT and the County programs which means that the road funds will be taken out of the annual appropriations process. Instead, funds will be deposited by the Tax Commission directly into the revolving funds without the Legislature having to appropriate the funds.

Finally, the Leadership and Legislature should also be congratulated for taking "politics" out of the road and bridge program. For the first time that most can remember, the Legislature allocated the funds to ODOT without any "strings" attached, thereby allowing the professionals at ODOT to determine the critical needs which should be addressed first without Legislative intervention.

USE OF THE TERM "ENGINEER" BY NON-LICENSED ENTITIES – Oklahoma's engineers are to be congratulated for answering the call when late in the legislative session a last-ditch, back-door attempt was made to allow non-engineers/companies to use the word "engineer/engineering" in their company name.

ACEC OKLAHOMA opposed any dilution in the protection of the use of the term "engineer" all session believing that only properly licensed individuals and companies should be able to use the terminology.

While the original bill (SB 1881) died in April, in mid-May Senator Laster and Rep. Chris Steele (R-Shawnee) attempted

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2006 Legislative Session Wrap-Up

(Cont. from Page 3)

to add the language into another bill in a House/Senate Conference Committee. The State Board of Licensure and ACEC OKLAHOMA, with the assistance of engineers from across the state, were able to keep the language from being added.

THIS WAS A MAJOR VICTORY and all ACEC OKLAHOMA members and Oklahoma engineers are to be congratulated for calling the State Representative and Senators opposing this ill-conceived bill.

QUALIFICATIONS-BASED SELECTION – SB0558, by Sen. Frank Shurden, D-Henryetta and Rep. Mark Liotta, R-Tulsa, was requested by the Department of Central Service's Construction and Properties Division to make changes in both the State Consultants Act (QBS) and the Competitive Bidding Act.

This ACEC OKLAHOMA supported bill was a MAJOR VOTE OF CONFIDENCE for Qualifications-Based Selection in that it expanded the state's use of QBS from architects, engineers, and land surveyors to "...other individuals or legal entities possessing specialized credentials and qualifications as may be needed"... for public works projects.

The Department of Central Services (DCS) asked for this change in the State Consultants Act so that they would EXPAND the use of QBS to other professionals such as aerial survey firms, appraisers, right-of-way acquisition firms, and planners, to name a few. DCS was so firmly committed to QBS being the preferred procurement process for professional services that they wanted to use it not just for A/E/LS services, but for a variety of other professional services.

ARCHITECT'S ACT – SB1991, by Sen. Mike Morgan, D-Stillwater and Rep. Mike Wilt, R-Bartlesville. This bill addresses two long-standing issues concerning the State Architectural Act as well as with the licensure of Interior Designers. The bill passed both the House and Senate, and ends a long running dispute between the architectural community and the building designers/interior designers. In essence, the archaic definition of a "building" was removed from the statutes, and replaced with "occupancy" standards to determine when and/or if an architect is required on specific projects.

TORT REFORM - Prompted by Senate Democrats rejection of comprehensive lawsuit reform earlier in the session,

House leaders passed a renewed reform proposal late in the session which would have capped non-economic damages at \$300,000 while also allowing full recovery of actual damages, such as medical expenses and lost income. The bill also included reforms to "**joint and several liability**" so defendants are liable only for their share of harm – if someone is found to be 10 percent liable, they will pay 10 percent of the plaintiff's award.

Again, the Senate failed to act on the House proposal, thereby solidifying Tort Reform is one of the "lightning rod" issues for the upcoming General Election in November.

That's a wrap on the 2006 Legislative session. Next up is the July Primary and November General Elections where all House and half of the Senate seats are up for election, along with all of the state-wide offices including the Governor.

As always, if you have any questions, please don't hesitate to contact ACEC OKLAHOMA.

ACEC OKLAHOMA PAC

With the July and November General Election looming on the horizon, your state political action committee, ACEC OKLAHOMA PAC is about to begin a major fundraising drive so that Oklahoma's consulting engineering community can become actively engaged in the election process.

This will be the first full election cycle since ACEC OKLAHOMA PAC's formation, and it is critical that we help to elect decision-makers who understand the concerns and issues important to the engineering business and profession, and who will be open-minded to our views.

For more information on how to let your voice be heard and how to contribute to ACEC OKLAHOMA PAC, go to our website at www.acecok.org.

Project Managers Bootcamp Returns in October

PSMJ and ACEC OKLAHOMA have partnered to bring PSMJ's critically acclaimed Project Managers Bootcamp back to Oklahoma City on October 26-27.

Registration information will be e-mailed to all members in the near future. For now, mark your calendars for October 27-28, and watch your e-mail closely for details and registration information.