

THE FIRST WORD

March, 2010

2010 Legislative Session in Full Swing

With the first full month of the 2010 Legislative Session in the books, Committees have finished their first round of work and action now shifts to the House and Senate floor.

Last month we reported that there were approximately 5,000 bills either introduced for the 2010 session or carried over from the 2009 session. With the passing of the first major deadline last week, that number dropped to 1,562 active bills.

For ACEC OKLAHOMA, we had some 110 bills on our original tracking list. That number has now fallen to 14.

Balancing the current fiscal year budget has been a major focus during the first few weeks, as the Legislature had to deal with a \$1 billion shortfall for the current fiscal year. In negotiations between the House and Senate leadership and the Governor, an agreement was reached which included using part of the state's Rainy Day Fund and raising other revenue sources in addition to making some cuts in the current fiscal year budget.

As for bills which ACEC OKLAHOMA is watching, there are three issues which we are tracking:

WORKERS COMPENSATION -- There are a number of bills dealing with revamping Oklahoma's Worker's Compensation laws. While many deal with the Worker's Compensation Courts, possible sales of COMPSOURSE, and other broad issues, one area we are watching closely deals with Third-Party Liability.

Many years ago, ACEC OKLAHOMA was successful in being the first state in the nation to grant third-party liability protection to architects, engineers, and land surveyors from civil action for injuries otherwise covered by worker's comp. This stemmed from a workplace injury sustained by a contractor's employee on a worksite which was covered by that contractor's worker's compensation coverage. However, the injured employee, having exhausted his worker's comp remedies, brought a civil action against the A/E firm which

was doing on-site construction observation. While the court dismissed the suit in favor of the A/E firm, ACEC OKLAHOMA was successful in getting clarifying language in the statutes specifically protecting A/E/LS firms from liability in these instances.

Two of the current Worker's Compensation bills open up this section of law. To date, the changes being suggested do not adversely impact the exemption, but, we are watching these closely to make sure nothing changes. No member of the Legislature today was around when this exemption was placed into law, so they are not aware of the "history" of the exemption. ACEC OKLAHOMA will closely monitor these bills to protect the exemption which is very important to our industry.

EMINENT DOMAIN -- HB 3053 would require that property taken by eminent domain be used for a public purpose within 10 years, and if it was not used for that purpose, sold back to the person from which it was originally purchased. This bill is causing a great deal of concern by schools, colleges, cities, counties, and state agencies who purchase land for future use, but may not use it for many years. ODOT, for example, purchases land to protect future transportation corridors but with no plans to immediately, or even within 10 years, build a new road, while schools purchase land in anticipation of future growth.

BUDGET - TRANSPORTATION -- While the Legislature is dealing with the shortfall in the current budget, they also face seriously lower revenues for the next fiscal year. During the past few "good" years, major enhancements to transportation funding have been made which may now, in part, be in jeopardy. ACEC OKLAHOMA and a large transportation coalition are keeping close watch to assure that all transportation funding obligations are fully met as the budgeting process moves forward.

As the session continues, ACEC OKLAHOMA will keep a watchful eye on the Capitol and keep you informed.

ACEC National Annual Convention Takes On Economic, Business Challenges Facing Firms

Across the board, ACEC's 2010 Annual Convention and Legislative Summit will address current business conditions and opportunities. The Convention will be held in Washington, D.C., April 25-28, and will feature more than two dozen top-tier business sessions tackling pressing management concerns, including how to restore firm growth and win projects in a changing and highly competitive marketplace.

In addition to the business sessions, the annual Consulting Congress Day activities will take place where consultants from around the country will converge on Capitol Hill to carry the ACEC message to Congress. ACEC OKLAHOMA will be arranging meetings with the entire Oklahoma Congressional Delegation, and ACEC OKLAHOMA members are encouraged to attend both the Convention as well as the Congressional visits.

Procurement officers from key federal agencies—including NASA, U.S. Army Corps of Engineers, General Services Administration, State Department, Department of Veteran's Affairs, and Department of Energy—will describe new contracting opportunities.

Convention speakers include Pat Buchanan, analyst for MSNBC, and Eleanor Clift, contributing editor of *Newsweek*, who will provide a spirited debate on the political climate. Greg Ip, economics editor for *The Economist*, will analyze

where the economy is headed, and CEOs from Member Firms will discuss challenges for the industry.

Other Convention highlights include the Opening Reception and Dinner featuring the Capitol Steps comedy troupe; and the 44th Annual Engineering Excellence Awards Gala—the "Academy Awards" of engineering—which will celebrate major engineering achievements from throughout the nation and the world.

Leaders of three of the nation's largest engineering firms will discuss current and future industry challenges. The group includes Robert Uhler, chairman and CEO of MWH Global; Leonard Rodman, chairman, president and CEO of Black & Veatch; and George Pierson, CEO of Parsons Brinckerhoff.

A Bentley Systems-sponsored panel on cyber-engineering will feature CIOs from AECOM, Jacobs Engineering, Malcolm Pirnie, and WSP Flack & Kurtz.

Visit www.acec.org for complete Convention registration information. Make your hotel reservations early at ACEC's specially negotiated discounted rates. Contact the Grand Hyatt Hotel directly at 202-582-1234 and reference ACEC.

For more information, e-mail meetings@acec.org or call 202-347-7474.

IRS Issues New Mileage Rates for 2010

The Internal Revenue Service has issued the 2010 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on Jan. 1, 2010, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 50 cents per mile for business miles driven

The new rates are slightly lower than last year's. The mileage rates for 2010 reflect generally lower transportation costs compared to a year ago.

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile.

ODOT / ACEC OKLAHOMA Partnering Conference in April

The 9th Annual ODOT / ACEC OKLAHOMA Partnering Conference will be held Thursday, April 22nd at the Clarion Meridian Hotel and Conference Center in Oklahoma City.

Registration information is being finalized and will be sent to all ACEC OKLAHOMA members in the near future.

Please mark your calendars now for April 22nd, and watch your e-mail for further details.

Made Your ACEC/PAC Contribution Yet?

Member Firm Principals were e-mailed a letter from Chairman Tom Hendrick a couple of weeks ago asking for your support, and ACEC OKLAHOMA Board members are following up with phone calls. To see Chairman Hendrick's letter, go to our website at: www.acecok.org

ACEC OKLAHOMA's "Leadership For Engineers" Class Begins

The inaugural "*Leadership for Engineers*" class held their first two-day session on Thursday and Friday, February 11-12 in Tulsa. Sessions included programs on Strategic Planning, Leadership, Human Resources, and Government Affairs, plus an Orientation session where class members did some team-building as well as had the opportunity to get to know a little more about their classmates.



Barbara Carswell kicks-off the Leadership For Engineers two-day session

developing their leadership and management skills and abilities, and identified by firms as a "future leader" of their business. The program imparts specific skills and competencies identified as critical for leadership success. These highly interactive sessions are taught by experts in the field of business administration and people management in professional services firms.

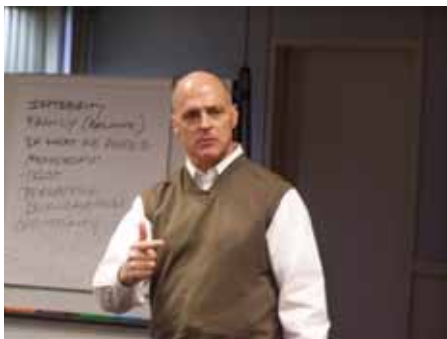
The inaugural class of 15 individuals includes: **Mike Kohn**, Poe & Associates; **Brent Schniers**, Garver, LLC; **John Bocox**, Zahl-Ford; **David Zuk**, Wallace Engineering; **Steve Harris**, BWR; **Jason Cobb**, C.H. Guernsey & Company; **Steven Johnson**, Cobb Engineering; **Robbie Williams**, Triad Design Group; **Conrad Koehler**, Terracon; **Chad Grinsteiner**, White Engineering; **Doug Klassen**, MKEC; **Gene Crabtree**, The Benham Companies; **Bret Cabbiness**, Cabbiness Engineering; **Jonathan Heusel**, Tetra Tech; and, **Chris Gray**, Crafton Tull Sparks.

ACEC OKLAHOMA's *Leadership for Engineers* program is targeted to all rising industry professionals who are committed to



Brent Schniers, Conrad Koehler & Bret Cabbiness

Two more sessions of *Leadership for Engineers* program will be held in mid-March and mid-April. The March program will feature sessions on Economics of Private Practice, Business Development, and Ethics. April's session will focus on Risk Management/Contract Language and Communications, Public Relations, and Community Involvement. The April program will conclude with a Senior Leaders Roundtable discussion by four Past Presidents of ACEC OKLAHOMA and a luncheon honoring the inaugural graduating class.



Kelly Riggs discussed Leadership skills.

The inaugural program is off to a great start, and if the initial evaluations are any indicator, the momentum will continue to build. While this year's class is full, we urge member firms to start thinking now about a candidate for next year's class. There will be only 15 available slots, and we anticipate those to fill rapidly once the registration material comes out in September.



Larry Atchley conducts the session on Human Resource and Managing People



Kevin Viet leads a program on the importance of Strategic Planning to a firm's success.

PRESIDENT'S MONTHLY UPDATE

David Raymond, ACEC President

March 1, 2010

General

- Senate passed ACEC-supported jobs bill that extends highway and transit funding through 2010, and extends the Build America Bonds program that helps states move ahead with major projects.
- The Executive Committee at its winter meeting approved ACEC's 2010 legislative agenda focusing on passage of transportation, water, and energy legislation as well as regulatory and tax reforms.
- ACEC/WI became the first state to meet its 2010 ACEC/PAC fundraising goal, while other states are showing significant progress include ACEC/Hawaii (40%), ACEC/Indiana (40%), and ACEC/New York (25%).
- ACEC was recognized at the Annual Association Trends convention in Washington, D.C. for winning the most communications awards of any association in the organization's history.
- Engineering Excellence Awards judges this past week reviewed 163 projects, from which 24 will receive top awards at the upcoming EEA Gala at the Annual Convention.

Government Affairs

- Lobbying Congress on highways, water and energy appropriations bills, including provisions to move beyond short term "shovel ready" maintenance work and to allow greater flexibility for states.
- ACEC grassroots efforts on the Senate-passed "jobs bill" (that extends highway and transit programs through December 31, and puts an additional \$19.5 billion into the Trust Fund to maintain timely payments to state DOTs) are now directed toward achieving passage in the House.
- At the request of the U.S. Agency for International Development, ACEC provided an initial list of over three dozen member firms that have volunteered their services to help with the recovery and reconstruction efforts in Haiti.
- Gotten off to a quick start on ACEC/PAC fundraising in 2010 with conference calls with newly-appointed PAC champions, major donor renewal initiatives and coordination with state leadership to urge early focus on fundraising efforts.
- Successfully defended QBS against Kansas National Guard efforts to implement cost competition; Guard reversed itself and will work with ACEC on education programs for its procurement officials.
- Met with World Bank to help Mexico implement QBS program.

Institute for Business Management

- Hosted two popular online seminars: Engineering the Smart Grid: New Opportunities for Engineering Companies with Richard Zambuni and John A. Moore, and Why Should M/E/P Design Firms Be Using BIM? featuring Robert Bell, Sparling.
- Held ACEC's highly regarded Green Infrastructure and Sustainable Communities course, Feb. 23-26, in New Orleans, which included four days of intensive learning, plus tours of the U.S. Army Corps of Engineers' \$1.3 billion Inner Harbor Navigation Canal Lake Borgne Storm Surge Barrier project and the 9th Ward's 'Field of Dreams' athletic fields rebuilding project.