

THE FIRST WORD

March, 2013

2013 Legislative Session Ends First Month and Passes First Major Deadline

The Legislature passed its first major deadline this week - hearing bills in their committee of origin - and now turns its attention to the next phase of the legislative process - hearings bills in their chamber of origin.

The Senate began reducing its bill count Feb. 18 when double-assigned bills had to be reported for their first committee. Single-assigned bills were due out from their only committee Feb. 25 and double-assigned bills were required to have been considered by their second committee by Thursday. That also was the deadline for House measures to be reported from House committee.

To-date, lawmakers have filed a total of 2,519 pieces of legislation, including simple and concurrent resolutions that are exempt from the deadlines. With the first set of committee deadlines passed, only 929 measures now remain, including 468 House bills and 416 Senate bills.

Those bills must be heard in their chamber of origin - House bills in the House and Senate bills in the Senate - if they are to continue through the legislative process. The appropriations bills that will be used to write the fiscal year 2014 budget are exempt from the various deadlines and likely will not be filed under legislative leaders, Gov. Mary Fallin and her budget negotiators are close to reaching an agreement.

Lawmakers will spend the bulk of their time the next two weeks on the House and Senate floor considering the measures that still remain alive. Bills that will make it to the next stage of the legislative process - consideration in a committee of the opposite chamber - must be approved by March 14.

ACEC OKLAHOMA had some 50 bills on the "tracking list" at the start of the session, and many have fallen off due to the passing of the first deadline. Of the bills being watched, there are 3 which we are keeping a close eye on:

SB 1009 by Sen. Bryce Marlatt, R-Woodward and Rep. Jason Murphy, R-Guthrie, addresses concerns of the construction and design professions with current practices of the Circuit Engineering Districts (CED). The bill limits the CED's ability to acquire and

hold property; to form Trusts to purchase equipment; and specifies that any CED which already owns a plant or facility may only provide that facility's product to counties within that CED.

Additionally, the bill limits the number of professional engineers which may be employed by a CED to a total of three. This was added to the bill to prevent a CED from forming an internal "mini-DOT" which would be able to provide engineering services readily available from the private sector as well as competing with the private sector for engineering projects. ACEC OKLAHOMA would like to see additional engineering restrictions added to the bill.

The bill is awaiting action on the Senate floor.

HB 1900 by Rep. David Brumbaugh, R-Broken Arrow, is a request bill which renames the Construction & Properties Division as the "Department of Real Estate Services" within the Office of Management & Enterprise Services, formerly known as the Department of Central Services. Additionally, the current "Administrator" would become the "State Facilities Director."

The bill centralizes the state procurement processes for state property, and grants oversight of most state property "vertical" construction to the Department and Director.

To make some of the changes, the bill opens up the State Consultants Act, which is Oklahoma's Qualifications Based Selection statute. While no changes to the QBS law are proposed, anytime the statute is opened for amendment, there is always the possibility of "bad things" happening. ACEC OKLAHOMA is closely monitoring this bill to assure that the state QBS law is kept unchanged and intact.

SB0784, by Sen. Dan Newberry, R-Tulsa and Rep. Fred Jordan, R-Jenks is a major rewrite of the state Architectural Act, and most of the changes are simply updates to the current Act.

As the session progresses, there may be other bills which immediately attract ACEC OKLAHOMA's interest. As always, we will keep a watchful eye, and keep you updates on issues which impact your business.

Ridley to Retire from ODOT & OTA Patterson and Stewart Named to Top Posts

After 44 years of service at the Oklahoma Department of Transportation, Director Gary Ridley will step down March 30th. Ridley was appointed Director in 2001 and has also served the Director of the Oklahoma Turnpike authority since 2009.

Ridley was appointed to Governor Brad Henry's cabinet as Secretary of Transportation in 2009, and will continue to serve Governor Mary Fallin as cabinet Secretary following his retirement from ODOT and OTA.



To fill the voids left by Ridley's retirement at both ODOT and OTA, the respective Commissions have named two longtime employees to lead the organizations.



Thirty-three year Oklahoma Department of Transportation employee J. Michael "Mike" Patterson was appointed director by members of the Oklahoma Transportation Commission on Monday, March 4. Patterson, who has served as the agency's Deputy Director and Chief Financial Officer since 2010, will officially begin as

ODOT director on April 1.

"I am delighted with the selection of Mike Patterson as director and thank the commission for their hard work," Fallin said. "The department has great leadership and this will be a smooth transition."

Commission Chairman Greg Love said of the commission's decision, "After much deliberation, the commissioners decided based on where the agency is at today that Mike Patterson was the right person for the job given his experience with the department and vision for the future."

Ridley praised Patterson's ability to work with state leaders and his commitment to moving the department forward.

"In his three decades with ODOT, Mike has been instrumental in working with the state legislature and governor to ensure that transportation is a top priority in Oklahoma," Ridley said. "I am confident that under Mike's leadership, ODOT will continue to make great strides in improving our state's transportation system."

Patterson first worked for ODOT as a summer employee in 1970. He returned in 1980 as Deputy Comptroller and was promoted to Comptroller in 1984. In 1999, he was named Assistant Director of Finance and Administration and served in that capacity for 10 years.

An Oklahoma City native, Patterson holds a bachelor's degree in Accounting and a master's degree in Finance from the University of Central Oklahoma. Patterson and his wife, Joy, live in Edmond and have two daughters and five granddaughters. He continues a tradition of family service to ODOT. His father, Joe, worked in the Planning Division from 1961 to 1987.



The Oklahoma Turnpike Authority named Tim Stewart, a 28 year veteran of the agency, to head the agency that oversees the state's 10 turnpikes. Since 2005 he has been the agency's deputy director and chief operating officer.

Stewart will also begin his new duties on April 1st.

Stewart is a graduated from Oklahoma State University-Oklahoma City with a degree in civil engineering technology and started out as a maintenance worker on the H.E. Bailey Turnpike and worked his way up through the organization.

Gov. Mary Fallin, an ex-officio member of the turnpike authority's board, says Stewart's years of experience in the construction, engineering and maintenance industry and that he will be an enormous asset in efforts to maintain and improve Oklahoma's turnpike system.

"I don't think we could have a finer selection," said Albert C. Kelly, Turnpike Authority chairman. "He's the best person for this job in the country, period."

The Turnpike Authority and the Transportation Department, the 15th largest transportation agency in the country, will have separate directors, which is typical.

"It's important that a director can focus on the full attention of the agency, and this will allow that to happen," Ridley said.

ACEC OKLAHOMA congratulates both Mike and Tim on their appointments, and Gary on his retirement! Oklahoma has made great strides forward under Gary's leadership, and we are confident that will continue with Mike and Tim.

In Memory Billy C. Knowles

We are saddened to report the passing of Billy Knowles, 79, February 5th. Knowles was a former partner and chief architect of BKL, Inc., Tulsa. While he had sold his interest in the firm in 1999, he remained a full-time employee, mentor, and sounding board for the firm.

Involved in various kinds of projects through BKL, it was in building a better jail that he made his reputation. He did his first corrections facilities in the early 1970s with projects in Hominy and Lexington and was involved soon after in improvements at the Oklahoma State Penitentiary in McAlester in the wake of riots there in 1973. With the city and county jails that followed, Knowles often was designing state-of-the-art replacements for old facilities, many of which dated to the first three decades after statehood.

The \$72 million Tulsa Jail, officially the David L. Moss Criminal Justice Center, was completed in 1999 and received multiple architecture awards and mention in magazine articles.

A native of McKinney, Texas, Billy grew up in Muskogee. He graduated from Oklahoma State University with an architecture degree and worked for 11 years with Honn & Associates in Tulsa before joining what is now BKL in 1969. He became a partner in 1971.

He is survived by his wife, Marcy Knowles; two daughters, Nancy Olson and Susan Smith; two stepchildren; two siblings; and eight grandchildren.

ACEC Convention and Legislative Summit

The 2013 ACEC Annual Convention and Legislative Summit will be held at the Hyatt Regency in Washington, DC, April 21-24....<http://www.acec.org/conferences/annual-13/>

In addition to great speakers and educational programs, ACEC members will be carrying ACEC's 2013 Legislative Agenda to the Hill.



We hope you can join us for this great Convention. Click the link above for complete details.

Annual ACEC Midwest States Convention Set for St. Thomas, USVI, June 5-12

Every four years, the ACEC Midwest States Convention (Missouri, Oklahoma, Kansas, Arkansas), is held in the U.S. Virgin Islands. Four years ago we were in St. Croix, and this year we are headed back to the beautiful island of St. Thomas.

This year's meeting will be held at the Sugar Bay Resort: <http://www.sugarbayresortandspa.com>

The final program is not complete but here are some details:



◆ Wednesday, June 5 and Wednesday, June 12 are travel days. Roundtrip airfare from OKC or Tulsa to St. Thomas is running in the \$630 range depending on airline and schedule.

◆ Business meetings will be held each day (Thursday-Tuesday) during the mornings. Additional business meetings may be held Thursday and/or Saturday afternoon. Approximately 15 Professional Development Hours (PDHs) will be available.

◆ Room rates will range from \$180 per night for Resort View to \$240 per night for Ocean View



◆ Social Functions will include an Opening Reception, Closing Banquet, and a "Local" Color evening event. Additionally, a day-trip, possibly to the British Virgin Islands, will be held.

" PASSPORT - Passports are NOT required as St. Thomas is a United States Territory. HOWEVER, if the group takes a day-trip, or if you go "on your own," to the British Virgin Islands, a Passport WILL BE REQUIRED!

Registration, Reservation, and Program information will be coming in the next 30-45 days.

It's going to be a great meeting in a GREAT location, and we look forward to having you there!

President's Report

March, 2013

David Raymond, ACEC President

As Congress continues to struggle over solutions to the nation's long term debt and budget deficit, we continue to work with Members of Congress on both sides of the aisle on key issues where we can have productive results for our industry in the coming months such as water infrastructure funding and energy (two of our likely focus issues at our upcoming annual convention April 21-24). Bill Shuster, the new Chairman of the House Transportation and Infrastructure Committee, will be a special guest at the convention, which will also feature NBC White House correspondent Chuck Todd, Fortune Magazine senior editor Geoff Colvin, and CEOs from leading firms. Visit <http://www.acec.org/conferences/annual-13/> for info.

General

- Met with FHWA Administrator Victor Mendez re: FHWA's proposed pilot project on indirect cost rates, the next phase of Every Day Counts, and other issues.
- Signed partnership agreement with National Highway Institute (arm of FHWA) to carry out an industry-wide training program on FAR-based audit and procurement practices to begin this Spring.
- Hosted Rep. Tom Petri (R-WI), Chairman of the House Transit and Highways Subcommittee, Rep. Elizabeth Esty (D-CT) and Rep. Sean Maloney (D-NY), both members of the House Transportation and Infrastructure Committee; and House Democratic Whip Steny Hoyer (D-MD), and T&I members Rep. Trey Radel (R-FL) and Rep. Daniel Webster (R-FL).
- ACEC's Design Professionals Coalition (DPC) celebrated its 30th anniversary with renewed commitment to addressing key industry issues such as contracting out, P3s and liability concerns.
- Provided comments to congressional staff on draft WRDA legislation, underscoring the importance of the private sector in WRDA programs.
- Submitted comments to the Municipal Securities Rulemaking Board on its proposed rules for municipal advisors, urging the agency to (a) remove fiduciary duty language that could conflict with an engineer's ethical obligation to protect public safety, and (b) revise the Board's proposed pay-to-play rule so that engineers are not excluded from the political process.
- Senator Lisa Murkowski (R-AK), the ranking Republican on the Senate Energy and Natural Resources Committee, released an ACEC-backed "energy blueprint" which advocates a broad range of energy initiatives that could serve as the basis for bipartisan energy legislation.

Business Resources

Government Advocacy

- Working with House committee staff on new water legislation that creates new funding mechanisms for water projects and requires the use of QBS.
- International Committee members briefed the Office of the U.S. Trade Representative (USTR) on industry concerns pertaining to a new international agreement in services that is currently being negotiated.
- Urged the World Bank to maintain strong procurement standards and warned against devolving to in-country systems and rules, in comments to the Bank as part of its ongoing review of procurement policies and practices.
- Valuable business webinars coming in March: *ESOPs and Why Engineering Firms Love Them*; *2012 Year in Review – Legal Issues for Engineers*; *Nothing Happens Till Somebody Sells Something*; *Risk Management Essentials for Engineers*; *Calling a Ceasefire in the Certificate of Insurance Wars*; *Integrated LEAN Delivery*; *Betting the Firm: Managing the Risks of Indemnity Clauses in Professional Services Agreements*; *Negotiating Better Engineering Contracts*.
- The EJCDC E-Series, comprised of nine professional services agreements, now includes a new summary document on the use of the E-series agreements entitled the *Commentary on Engineering Services* (E-001), available at www.acec.org/bookstore.
- New ACEC coalition products available at www.acec.org/bookstore: Land Development Coalition's *Bid Review Document*, *Construction Contract Administration Checklist*, *Design Changes During Construction Checklist*, *Record Drawing Review Checklist*.