

2024-2025 Board of Directors Meeting #7 - Minutes

June 3, 2025 – 12:30pm to 2:30pm

Location: LaFonda on the Plaza, Santa Fe, New Mexico

Attendees Present:

Board Members: Mark Markosky (President), Mike Bougher (Immediate Past President/National Director), Mike Girman (President Elect), Rosanna Smithnosky (Vice President), Eric Meyer (Treasurer), Casey Moore (Secretary), Maggie Talarico, Colleen Meiswich, Mark Kinnee, Josh Wilson, Tony Dougherty, Damon Rhodes, Dan Laird, Joseph Riley (**Quorum satisfied**)

ACEC/PA Executive Director: Brent Sailhamer

ACEC/PA Staff: Sarah Babski

Not present: Jim Maloney, Scott Zeevaart, Matt Macey, Larry Bankert

Guests: Jeremiah Fritz, Jeff Roken, K.P. Chopra, Ann Leiner, Dave Loudermilk, Dave DiGioia, Jon Livingston

I. Call to Order - Mark Markosky

- Markosky called the meeting to order at 12:34pm.
- Markosky reminded attendees of the antitrust policy and to review.
- Attendees were informed the meeting would be recorded to prepare a summary of minutes.
- Roll call was conducted by Moore. (*Quorum satisfied. Attendees above.*)

II. Approval of Prior Meeting Minutes & Consent Agenda – Casey Moore

- **Minutes Reviewed:** April 8, 2025 (Board Meeting #6)
- **Corrections:** None noted.
- **Consent Agenda:** No items were pulled out for specific discussion during the meeting, and there were no comments or questions.
- *Motion to approve:*
 - *Motion by Mark Kinnee, seconded by Mike Girman, approved unanimously*
- **Prior Action Items:** Moore asked presenters that when providing reports for the board meeting to discuss updates on the action items contained in the approved meeting minutes from April 8, 2025.

III. Membership Report - Rosanna Smithnosky

- **Overview:**
 - Year-to-date summary given; 8 firms dropped (about half due to mergers/acquisitions—not negative feedback), 5 new firms added.
 - New member: GHD joined in May after a prolonged outreach (noted as a sizeable new member, staff count 137 in PA).

- Discussion around distinctions between affiliate and firm membership for prospective members.
- **Committee Activities:**
 - Ongoing outreach and tracking via a liaison-based spreadsheet.
 - Feedback is being collected from outreach, but there's a need to compile themes and share with the board regularly.
 - Recommendation to include a feedback/response section at each meeting from the board member liaison to the outside members/prospects.
- **Video Testimonial Initiative:**
 - Effort continues to produce member firm testimonials for web and social media, deferred due to ACC National communications director's schedule.

Action Items:

- Update the membership value proposition and any new marketing materials.
- B. Sailhamer to follow up with ACEC National; finalize and schedule member testimonial recordings.
- Provide a rotating report from board member liaisons at each board meeting highlighting key member feedback and responses taken.
- Compile outreach spreadsheet themes for next meeting's discussion.
- *Motion for approval of membership reports by Eric Meyer, seconded by Tony Dougherty, approved unanimously.*

IV. Financial Report - Eric Meyer

- Refer to Treasurer's memo provided in Board packet for meeting – budget vs. actuals Reporting Period through April 30, 2025.

Financial Highlights

- Organization \$12,600 ahead of budget.
- All members are paid except the ACEC Business Insurance Trust affiliate (pays fiscal year-end).
- Regional meetings exceeded anticipated budgets in revenue over expenses.
- **Current Net Operating:** \$62,000+ positive variance.
- Legislative Day financials to be finalized and included in the next (June 17th) board packet.
- **Budget Modifications:** Government affairs expenses increased by 25% (documented in minutes; no new vote needed as prior comment/approval gathered via email after April vote by board to approve).
- **Recognition:** Staff commended for strong revenue and expense management.
- **Noted:** Transition in treasurer position upcoming; arrangements for summary at the coming June 17, 2025 meeting and handover officially after fiscal year.

- *Motion made by Casey Moore, seconded by Mike Girman, to accept the Finance Report, approved unanimously.*

Action Items:

- From a prior meeting,
 - Establish a process for late payment fees and cut-off dates for non-payment.
 - Discuss potential interest charges for late payments.
 - Establish and communicate the new dues collection process.

V. National Director Report - Mike Bougher

- **ACEC PAC Contributions:** Refer to ACEC PAC update in Board packet.
- **ACEC/PA PAC Contributions:** Refer to CEPA PAC update in Board packet.
- **Upcoming Advocacy Event:**
 - ACEC/PA "Fly-In" scheduled June 10–11, 2025 in Washington, D.C.; currently only 6 confirmed attendees, appeal for more participation.
 - Reception at ACEC Residence Tuesday evening (5:00–7:00 p.m.) followed by ACEC/PA attendee group dinner. Advocacy meetings with state legislators may also follow Wednesday morning. Schedules are TBD by ACEC National support.
 - Attendance from elected officials: last year nearly all attended; this year, as of today's board meeting, 7 of 18 confirmed.
- **PAC (Political Action Committee):**
 - CEPA and National PACs 50% to their 2025 fundraising goals; reminded directors of \$500 minimum support for both.
 - Goal expressed to show how PAC funds are spent—greater transparency and member education planned for coming year.
 - Suggestion offered to demystify PAC giving for small businesses and DBEs, including education campaigns addressing misunderstandings about political contributions and reporting.
 - Suggestion made to better plan for targeted PAC campaign tied to small business issues and a more inclusive engagement approach.
- **Fundraising Events:**
 - Delays by APC in scheduling a potential fundraiser with ACEC/PA with the Governor's (Shapiro) office; unlikely to occur in June as hoped. Will be monitored by Sailhamer for rescheduling.
- **Bylaw Changes & GAC (Government Affairs Committee):**
 - Proposing a change to eliminate the appointed ad hoc GAC chair's position; move responsibilities to the board roles for the President-Elect to chair and immediate Past President to be vice chair. Will update governance documents accordingly.
 - Rationale for change: Renew focus on legislative advocacy as the organization's primary mission; formalizing leadership role for government affairs the responsibility on the board.

- Governance Committee to draft bylaws amendments and disseminate for future board vote (planned for June 17 meeting).
- Inquiry from guests on need for full member vote of bylaws changes: Confirmed that bylaws changes can be enacted by board vote per current rules.
- *Motion was by Damon Rhodes, seconded by Mark Kinnee, and approved unanimously.*

Action Items:

- Bougher to bring proposed Government Affairs leadership and committee changes to the board in June for a board vote.
- Governance Committee (J. Wilson – chair) to finalize and circulate amendment for board vote at June 17, 2025, meeting.
- Board members to review proposed changes ahead of vote.
- Plan and rollout education for small business and DBE members about PAC contributions, addressing common concerns and transparency.
- Continue communication/information to members about the impact and use of PAC funds.

VI. Events Report - Sarah Babski

- Refer to the agenda packet for meeting summary of Events report.
- **Legislative Day (May 13, 2025):**
 - ~40 members participated; 24 legislative meetings held; less robust turnout for reception (4–5 legislators/staff), attributed partly to legislative retreat, multiple legislative events that evening, and possibly weather.
 - Reception sponsorship and attendance below target.
- **Annual Leadership Meeting (Current):**
 - 34 member attendees, 11 spouses, ~15 speakers; performance consistent with past years; sponsorship up by \$5,000.
- **Future Now Program:**
 - Launched for members with less than 15 years' experience; high demand and events (Pittsburgh water treatment plant, Beaver Stadium tour in August, others being planned in Harrisburg and Hershey Park).
 - Attendance limits to be considered to ensure broader member firm participation.
 - **Discussion:** Sponsorships for Future Now will be offered, potentially both per-event and program-wide, with unlimited opportunities for multiple firms to participate as sponsors. Diversity, inclusion and engagement emphasized.
- **Infrastructure Conference:**
 - Scheduled for Gettysburg, September 8–10, 2025; concern raised by guest about holding event during anniversary of 9/11 for attendees; was noted for future planning, but 2025 commitment on venue, etc. is set.
- **Golf Outing:**
 - Annual golf outing set for September 29, 2025 at Royal Manchester.

- Suggestion for more regional social and fundraising events (e.g., local golf outings, clay shoots, happy hours) to serve statewide membership and support PAC — acknowledged as desirable but can be resource intensive.
- **Annual Calendar:**
 - All key event and board dates for the year provided in written materials; additional sponsorship and calendar materials to be circulated in coming weeks.
- **Annual ACEC/PA meeting during APC:**
 - Guest KP Chopra asked about going back to holding a Transportation Committee meeting and subcommittee report outs the afternoon leading up to the first day of the November APC conference in Hershey. Fall Day for ACEC/PA was noted as the replacement for this in a different format. Girman noted we wanted to separate ACEC/PA event from APC event but connect them nearby. Bougher remarked that surveys report that having a three-day commitment for both ACEC/PA and APC has been too much.

Action Items:

- Finalize Future Now sponsorship structure; communicate limitations for per-firm registrations as needed.
- Circulate comprehensive event calendar, sponsorship and dues materials.
- Evaluate feedback for further regional event options, especially for fundraising that supports the PAC.

VII. Government Affairs Report – Brent Sailhamer (for Jim Ritzman)

- **Legislative Day:** Held May 13, 2025. Largely a successful day of meetings and advocating on the issues prioritized for the day by ACEC/PA.
- **Legislative Day follow-up:** Debrief session completed by Ritzman as a follow-up to legislative day with the attendees and notes taken for improvements to be considered for 2026.

Action Items:

- Continue to encourage ACEC/PA members and especially board and committee members to engage with their local legislators proactively.
- Utilize feedback from 2025 Legislative Day to help with future advocacy days to be successful and meaningful to attending ACEC/PA members.

VIII. Committee Reports – Jeff Roken and Todd Morris

A. PennDOT Administration Committee – Jeremiah Fritz

- Met six times over the year, scheduling meetings in advance of PennDOT task force.

- Main achievement: Addressed outdated PennDOT Standard Consulting Agreement. Most firms already modifying agreements independently; after survey and discussion, decided to keep document online with disclaimer rather than retire it outright.
- Intent to broaden scope beyond PennDOT (SEPTA and other agencies).
- Communications and sharing: Use of Teams for committee interaction and document posting; all committee members granted access.
- Call for greater transparency and dissemination of committee minutes and summaries to board/membership noted as ongoing issue.
- Discussion on burdensome subconsultant agreements within the industry; concern registered at both local and national level.
- Ongoing issues: Execution of agreements, “time is of the essence” clauses, health and safety requirements in subcontracts.

B. PA Turnpike Committee – David DiGioia

- Five meetings held since last report.
- Focused on quality improvements; specific inroads on error/omission reviews, quality audits, training.
- Productive, collaborative relationship with Turnpike officials; recent success in updating indemnification language.
- Committee operations and records well maintained in Teams.

Other Committee/Operational Topics:

- Microsoft Teams platform praised for committee collaboration and information access.
- Suggestions to streamline and regularize communications with board and broader membership.

Action Items:

- Ensure ongoing, regular summaries of committee activities are presented to the board.
- Share Teams access process/membership guidelines with all engaged members.

IX. Executive Director’s Report - Brent Sailhamer

- **Transition of Leadership Meeting:** June 17, 2025 the ACEC/PA board of directors and officers will transition with Mark Compton, PA Turnpike CEO, swearing in the new board and officers.
- **Member Firm Votes:** The required number of votes for the ACEC/PA ballot of board members and officers has not yet been reached but are close. Will be affirmed before the June 17, 2025 meeting.
- **Insurance Law Issue for Small Businesses**
 - Ongoing challenge: Pennsylvania law prohibits small business access to certain health insurance pooling arrangements (stop-loss claims pool set at \$100,000 since 1998).

- Shift in carrier enforcement has resulted in loss of access for some small firms; organization has lost several members as a result.
- Potential: Legislative remedy required to lower the claims pool threshold; feedback needed on industry consensus around a new figure.
- ACEC/PA staff's insurance also affected; accentuated the urgency.
- **Next step:** Organize support, identify legislative champions, consider collaboration with other industry organizations.
- **Indemnification Legislation**
 - Two legislative efforts in play:
 1. **Broad Bill:** Would ban broad form indemnification on all A/E/C contracts; previously stalled in PA due to trial lawyer and contractor resistance.
 2. **Narrower Alternative (Rep. Briggs):** Would ban it only on contracts using state funds (thus including agencies like SEPTA, Turnpike, local authority districts, etc., but not private-to-private contracts). Expect then greater likelihood of progress.
 - Board and members to monitor legislative language for subconsultant “flow down” protections.
 - Process for organizational commentary and support to be clarified as bill texts are developed. Sailhamer to share with board.
- **DBE Program Legal Considerations & Proactive Planning**
 - Background:**
 - **Federal court case (Mid-America Milling):** Suit challenged the constitutionality of DBE requirements under the 14th Amendment Equal Protection Clause.
 - **Recent developments:**
 - The U.S. DOT agreed with the plaintiffs that the DBE rule is unconstitutional and is signaling a willingness to strike all federal DBE goals.
 - Projects in PA potentially affected, particularly if plaintiff contractors bid or show intent to bid; courts could rapidly broaden the ruling.
 - Awaiting judge's consent; opportunity presently given for minority contractor input.
 - **Federal guidance:** U.S. DOT has formally instructed all state DOTs to cease engaging in discriminatory (race/gender specific) contracting. The letter is clear, but implementation/response timelines are uncertain.

State/Organizational Response:

- **DEIB Committee Action:**
 - Developed concepts to produce a proactive white paper for PennDOT and Governor's office, proposing rapid replacement of DBE goals with small business/size-based participation goals, referencing existing federal SBA or DGS small/diverse business criteria.
 - Emphasis on being ready before a court-enforced halt, rather than reacting after-the-fact.

- Proposal is intentionally non-race, non-gender specific to withstand constitutional challenges.
- Coordination with ACEC National (who are reluctant to lead due to member division) and potential for member townhall(s) to educate, collect business impact anecdotes, and build consensus.
- Want to gain broad board consensus to support the concept, by providing a white paper to be circulated by email for board review, discussion and concurrence of the concept before external dissemination to ACEC National and PA state agencies.
- Noted that existing contracts' DBE goals may/will be enforceable until legal directive to the contrary.
- Organizational stance: Essential to advocate for a continuity of participation goals (via small business criteria), representing the majority of PA's ACEC membership.
- Open question about magnitude of support among large member firms; possible differences in priorities acknowledged.
- **Concerns:**
 - Impact on backlog and current contracts if DBE ends suddenly.
 - Risk of inaction if APC and other stakeholders move first or oppose the plan.
 - Need to monitor sub-tier issues (e.g., DBE contract assignability if programs end abruptly).
- **Immediate Steps:**
 - DEIB Committee to finalize/edit the white paper to reflect urgency and evolving facts, circulate draft for board input, and prepare for potential rapid advocacy.

Action Items:

- Contact member firms who have yet to vote for ACEC/PA board candidates to get their votes back.
- Identify legislative champions for insurance law claims pool threshold, seek consensus figure, consider collaboration with other industry organizations.
- DEIB Committee to revise draft with urgency and specificity; circulate to board for quick review. Upon board go-ahead and addressing any comments, finalize and deliver to PennDOT, Governor's office, and relevant legislators/agencies.
- Organize ACEC/PA member townhall/information session pending board approval of white paper.

X. President's Report - Mark Markosky

- **Strategic Plan:** New three-year strategic plan circulated to all board members for final review prior to this board meeting. Pre-final strategic planning documents sent as "informational" to industry advisory committee concurrent with full Board review of same.

- Entertained further comments/edits from board. No comments or edits received.
- *Motion for approval of 2025-2028 Strategic Plan by Mike Bougher, seconded by Colleen Meiswich, approved unanimously.*
- M. Markosky, as outgoing President, thanked all participating members and staff for support and successful year. Next steps were outlined for transition to new officers and committee leadership.
- M. Bougher presented M. Markosky with a President's Recognition Plaque for his service and leadership to ACEC/PA.

Action Items:

- M. Girman and B. Sailhamer to determine who will lead the strategic plan initiatives and execution in the coming year.

XI. New Business

- None

XII. Member Feedback

- None

XIII. Executive Session

- Not Needed

XIV. Adjournment

- *Motion to adjourn at 2:35pm was made by Casey Moore, seconded by Eric Meyer, approved unanimously.*

Next Board Meetings:

- **Meeting of the Membership/Election of Officers:** Tuesday, June 17, 2025, from 1:00 PM to 1:30 PM at 800 N. 3rd St., Harrisburg PA in the APC Boardroom. (M. Markosky presiding)
- **2025-2026 Board of Directors Meeting #1** - Tuesday, June 17, 2025, from 1:30 PM to 2:30 PM at 800 N. 3rd St., Harrisburg PA in the APC Boardroom. (M. Girman presiding)

Action Items:

1. Minutes (C. Moore):

- a. Finalize and distribute approved 4/8/2025 meeting minutes to Sailhamer.

2. Membership Committee (R. Smithnosky):

- a. Update Membership Value Proposition: Revise and enhance marketing materials.
- b. Follow-up on Video Testimonials: B. Sailhamer to coordinate with ACEC National to finalize and schedule member testimonial recordings.
- c. Rotating Report: Provide a rotating report from board member liaisons at each board meeting highlighting key member feedback and responses taken.
- d. Compile Outreach Themes: Compile outreach spreadsheet themes for discussion at the next meeting.

3. Treasurer (E. Meyer):

- a. Late Payment Process: Establish a process for late payment fees and cut-off dates for non-payment.
- b. Interest Charges: Discuss potential interest charges for late payments.
- c. Dues Collection Process: Establish and communicate the new dues collection process.

4. National Director (M. Bougher):

- a. Government Affairs Leadership Changes: Bring proposed governance materials changes to the board in June for a vote.
- b. Bylaws Amendment: Governance Committee (J. Wilson) to finalize and circulate amendment for board vote at June 17, 2025 meeting.
- c. PAC Education Campaign: Plan and rollout education for small business and DBE members about PAC contributions, addressing common concerns and transparency.
- d. PAC Fund Communication: Continue communication/information to members about the impact and use of PAC funds.

5. Events (S. Babski):

- a. Future Now Sponsorship: Finalize Future Now sponsorship structure; communicate limitations for per-firm registrations as needed.
- b. Event Calendar: Circulate comprehensive event calendar, sponsorship, and dues materials.
- c. Regional Event Options: Evaluate feedback for further regional event options, especially for fundraising that supports the PAC.

6. Government Affairs (J. Ritzman/future chair):

- a. Legislator Engagement: Encourage ACEC/PA members, especially board and committee members, to engage with their local legislators proactively.
- b. Legislative Day Feedback: Utilize feedback from 2025 Legislative Day to improve future advocacy days.

7. Committee Communications (ACEC/PA Committee Chairs/B. Sailhamer):

- a. Committee Summaries: Ensure ongoing, regular summaries of committee activities are presented to the board.
- b. Teams Access: Share Teams access process/membership guidelines with all engaged members.

8. Executive Director (B. Sailhamer):

- a. Board Election for 2025-2026: Contact member firms who have yet to vote for ACEC/PA board candidates to get their votes back.

- b. Insurance Law Advocacy: Identify legislative champions for insurance law claims pool threshold, seek consensus figure, consider collaboration with other industry organizations.
 - c. DBE White Paper: DEIB Committee (Crystalann Deardorff and Ann Leiner) to revise draft with urgency and specificity; circulate to board for quick review. Upon board go-ahead, finalize and deliver to PennDOT, Governor's office, and relevant legislators/agencies.
 - d. Member Townhall: Organize ACEC/PA member townhall/information session pending board approval of white paper.
- 9. Incoming President & Strategic Plan (M. Girman and B. Sailhamer):**
- a. Transition new leadership and recruit/appoint new committee chairs as needed.
 - b. M. Girman and B. Sailhamer to determine who will lead the strategic plan initiatives and execution in the coming year.
 - c. Begin implementation work per newly approved strategic plan.

Future Meetings

- **Other Board Meetings:** TBD