

## MGEC Meet and Confer July 12, 2010

**Present:** Jodi Mathiason, John Siekmeier, Julie Skallman, Karin van Dyck (co-chair), Khani Sahebjam, Linda Heath, Mary Stohr, Michael Barnes, Mohammad Dehdashti, Sue Mulvihill, Theresa Johnson  
**Absent:** Andrew Eller, Bernie Arseneau, Dana Wheeler (co-chair), Eric Davis, Marilyn Jordahl Larson, Mary Skarda, Pam Tschida, Peter Buchen, Sue Brenner, Tim Henkel, Tom Sorel

**Guests:** Linda Davis Johnson (for Pam Tschida and Tim Henkel), Scott Peterson, Tom Halverson

Agenda Item	Discussion / Information	Action / Information	Responsible Person(s)	Follow-up / Due Date
<b>FHWA / Mn/DOT Communications (contracting / outsourcing policies) - MGEC</b>	John Siekmeier asked if Mn/DOT and FHWA had plans to resurrect monthly meetings. He also asked if there was any guidance coming out of the US Department of Transportation regarding contracting and outsourcing. Julie stated the agency is not doing anything differently at this point.	Information		Issue to be revisited at next MGEC Meet & Confer
<b>Legislative Session Wrap-up - Scott Peterson</b>	A handout was distributed which contained a June 1, 2010 memo from Scott Peterson to Department Managers, Public Affair Coordinators, and Planning Directors, regarding a summary of laws enacted during the 2010 legislative session. Also included with the memo were copies of three specific laws (attached). <b>Chapter 350</b> - this bill was the result of the 35W Bridge collapse. Scott highlighted specific sections of the bill: <u>Sect 4, Line 7</u> ; <u>Sect 6</u> ; <u>Sect 7, Line 3</u> ; <u>Sect 7, Line 6</u> ; <u>Sect 7, Line 8</u> ; and <u>Sect 9, Line 4</u> . John Siekmeier stated ASCE has encouraged its members to get involved with the legislators. He asked about Mn/DOT's future plans at this point. Julie stated fiscal planning for 2013 is in process. The department is gathering information from stakeholders. She added the Highway Systems Operations Plan (HSOP) only has so much money and needs to budget it wisely. Sue added that preservation is important but the legislature also wants "new" projects undertaken, (i.e., interchanges built, 2-lane roads widened into 4-lane roads, etc.). John stated MGEC can, and is very willing to, help advocate for new resources with the legislature and governor. <b>Chapter 351</b> - expands thinking about the goals of transportation away from highways and more on services, modes, etc. Highlighted areas include <u>Sect 39, Line 2</u> ; <u>Line 4</u> ; <u>Line 7</u> ; <u>Line 9</u> ; <u>Line 13</u> ; and <u>Line 14</u> ; <u>Sect 40, Line 3</u> .	Information		

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<p><b>Legislative Session Wrap-up (continued)</b> - Scott Peterson</p>	<p><b>HF 3646</b> - Scott stated this bill was introduced but has not been passed. <u>Section 1 - Indefinite Delivery/Indefinite Quantity Contracting: Authority</u>. The commission may undertake construction utilizing indefinite delivery/quantity contracting for contracts that do not exceed a construction cost of \$1,000,000." John asked what was the scope/breadth of this bill. Scott stated contracts would be for very specific purposes. <u>Section 2 - Construction Manager at Risk Contracts: Definitions</u>. Mike Barnes added the price of the contracts would get capped and items could be removed to reduce costs. The union asked for the agency's definition of public/private partnerships. Management stated this is an effort to get the private sector involved and to use private source funds for construction projects. Mn/DOT would be able to accept private donations and/or financing for these projects. This is an ongoing plan and there are additional details which need to be discussed by the agency.</p>			
<p><b>Taxpayers Transportation Accountability Act (TTAA) - MGEC Response</b> - Linda Heath</p>	<p>Linda distributed the June 2010 <b>Response to the Taxpayer Transportation Accountability Act - Mn/DOT Report - September 2009</b> (attached). This information was sent to MGEC / Mn/DOT Meet and Confer members earlier for review. Linda stated the union was requesting a response from this group regarding the MGEC analysis. One of the topics in this report is <u>MGEC disputes the adding of a "New Employee Additive."</u> Sue stated Mn/DOT is not adding this to new employees and the agency is trying to hold back. She added that approximately 40-50 projects a year are analyzed. Overtime is being used to analyze programs and internal/external projects. AFSCME is working with this now. Sue added Mn/DOT is trying to figure out the average level of staff for programming and what kinds of projects make more sense to outsource. Operating dollars are limited. The agency is studying projects to get a much better idea of cost estimates.</p> <p>Mohammed brought up the issue of making sure employee hours are being identified and charged correctly so information and comparisons between outsourcing and in-house projects are more accurate. Mike Barnes and Sue Mulvihill stated Mn/DOT outsources about 25%-33% of projects; the remaining projects are done in-house. Sue suggested putting together a meeting between reps from management and MGEC to discuss TTAA issues.</p>	<p>Information</p>	<p>Linda will provide names of MGEC members who will attend the meeting</p>	<p>TTAA issues meeting to be set up as soon as possible. <b>Follow-up:</b> Appointment set for Aug 13</p>

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<b>Mn/DOT Finances - FY2012-2015 -</b> Tom Halverson	Tom Halverson stated the agency is looking at 2017 before hitting 20% of exceeding debt. Consultation with MMB is necessary regarding mitigating efforts to consider in order to get below 20%. Tom added there are still a significant number of funds to be spent and Mn/DOT is in a good position. In 2013, \$206M in reserves is being set aside for interest rate exposure for bonds that haven't been issued. Tom also discussed the effect of pavement conditions on Minnesota's bond rating. He stated the PQI index is well within the "good" range but numbers still need to be balanced. Mike added there are lots of needs regarding pavement and the agency must figure out ways to help advocate for monies. Sue mentioned lighting, roadside signs, culverts, and overhead signs also need to be considered.	Information		
<b>March 2010 Flash Report -</b> Theresa Johnson	MGEC expressed a concern regarding the increase in "limited appointments" hiring at CO between March 2009 (115) and March 2010 (151). Theresa explained that the greatest increase was due to student worker appointments. She added that limited appointments also include the following: temporary class, emergency class, temporary unclassified, Grad Engineer trainees, statutorily unclassified, and PRO appointments. Linda Davis-Johnson added the governor's hiring restriction has also affected hiring.	Information		
<b>Professional Development Opportunities</b>		Tabled		
<b>2009 Mn/DOT Transportation Performance Report</b>		Tabled		

**Next Meeting Date: October 11, 2010  
Meeting Time / Location: 2:00 - 3:30 p.m. / Conf Rm CO G22**