

**MGEC 40<sup>th</sup> ANNUAL MEETING MINUTES**  
**September 8, 2008**

**I. Call to Order & President's Remarks – President Joe Pignato (MnDOT)**

MGEC's 40th Annual Meeting & Dinner was held at the StoneRidge Golf Club in Stillwater, Minnesota, on Monday, September 8, 2008. There were 194 members and guests attending the dinner and 157 participants in the golf tournament held earlier that day. President Pignato called the annual meeting to order at 7:20 p.m. He thanked board members for their assistance this year.

There are three items which I would like to highlight, first, the compensation study which is currently underway. We're working with the Dept. of Finance and Employee Relations (DFER) and a team of MGEC members. The survey was finalized last week, and we'll be sending it to 29 private firms, 35 cities, 15 counties, 6 states, and 7 other (including federal) agencies. This is a very thorough survey so that we can have an agreed upon starting point at negotiations comparing our compensation to others.

Next, we're working on updating the legislative brochure. Joe called on Legislative Committee Chair John Siekmeier (MnDOT) to describe the project. John said the updated brochure will contain stories that demonstrate what employees do every day that are important to the citizens of Minnesota. A consultant has been hired to do interviews and put together the brochure. Our goal is to have this project completed going into the next legislative session. The brochure will develop talking points for members when they're speaking with their elected representatives and senators. What we really need to have from our members are ideas for stories which we can follow up with, so please contact Dana, myself, or Joe with your ideas.

John also wanted to call attention to another topic, that is promoting more interaction by our members with professional societies (MSPE, ASCE, and similar groups) that are currently very active at the legislature. We're trying to raise our visibility at the legislature by encouraging our members to become members of those types of professional organizations. The State may reimburse you up to \$225 per year for professional membership; an opportunity we should take advantage of, because what's happening at the legislature is consultants are doing a good deal of lobbying there that is not helpful to the public sector engineer. By becoming members of these organizations, the public sector engineer would have a voice at the meetings and become part of the agenda. Right now we really aren't part of the agenda, and in many cases the private sector agenda is totally opposed to our own. So consider becoming a member, and keep in mind that the State will provide some reimbursement for the membership fees. There are links to those organizations on the MGEC website.

Joe noted that last year we worked together with MSPE and ACEC on language for making sure that MnDOT has a licensed chief engineer. Though it wasn't passed this year we'll continue to work on that and, as John points out, on other issues in cooperation with these other professional agencies.

The last item is the research being done on health insurance which has to do with projecting out how much we're paying. You may have heard that there's a large balance in SEGIP (State Employee Group Insurance Program), roughly \$28M. Next year everyone in SEGIP will get \$250 put into a health savings reimbursement account which will help bring our deductible down. Additionally, next year's premium increase - rather than going up 10% will go up only 3.5%. The remaining balance will be used for deficit spending so, going into the next round of negotiations we're looking at a 9% increase instead of 6%. The reason we have to be very careful when we have a large balance is because it's a general fund account. Six years ago when we had a \$20M balance, our money was used for the budget deficit. It's a good thing that this year DFER is looking at keeping our costs down. However, what we and the other unions are researching is, what are the reasons for this large balance? For example, are people not going to the doctor when they're sick due to higher co-pays and deductibles? We would like some insight into this, so please give Dana or I a call with your comments. Thank you.

**II. Secretary's Report – Len Leitner (MnDOT)**

A motion was approved to dispense with the reading of the 2007 Annual Meeting minutes.

### **III. Awards Committee Report – Chair Len Leitner**

Secretary Leitner presented the 2008 Golden Slide Rule Award to Dave Dahlberg (MnDOT) for technical achievement. Ben Jilk (MnDOT) was awarded the \$1,000 Minetor Memorial Scholarship. Cody Beckes and Justin Scott were this year's recipients of the two \$500 Family Member Scholarships.

Executive Director Wheeler said he would like to also give some long overdue recognition to our instructors. As you know, MGEC in cooperation with other agencies offers the PE Review Class. I recently learned that national figures are, the first time a person attempts the exam, the pass rate is 57%. On the second attempt the pass rate drops to 27%, and drops more with each subsequent attempt. The only thing that makes a difference is if they get some additional help through tutoring, mentoring, or from a class such as ours. So we have the full support of the State. Also I spoke with Doreen Frost, Executive Director of the Board of Licensure, and she spoke very highly of the class we offer. Our class costs all of \$100 (no charge for members); other classes in this state are running about \$1200. We would like to start tracking and looking back historically to get a sense of our pass/fail rate. The ones who deserve the most credit here are the instructors who volunteer their time and work very hard to make sure they are current. They have to figure out what questions were asked most recently, what direction future questions are going, and how to prepare people for an exam they haven't taken themselves for a long time, and we get positive evaluations from the students. I would like to mention some of the instructors who are here tonight and present certificates to those who have been instructors for more than five years, ten years, and two instructors who have been teaching since the class began in 1993. Finally I want to especially thank current instructor Paul Kettleon, for serving as our Education Committee chair and for taking on both the surveys/construction and the structures topics, for which new instructors are needed, during the current fall session. Paul mentioned the current instructors and thanked them for their time and dedication. He noted which topics need assistants and/or instructors, and the recent changes in the exam format.

President Pignato presented to Past President Jim Sellner (DNR) a portrait of John Wayne as an appreciation gift for service to MGEC, and also service to country. Jim was deployed to Iraq for 11 months in 2006.

### **IV. Treasurer's Report – Joe Pignato**

President Pignato reviewed the FY 2009 budget and FY 2008 professional audit report. Our balance has remained positive for the last eight years, and our funds and investments are doing well. He thanked staff for keeping expenses down. The proposed budget projects a decrease in income due to lower membership numbers, however we remain fiscally sound and no dues increase will be needed this year. A motion was passed unanimously to accept the audit report, and a motion was passed unanimously to approve the budget. Past President Cary Efta (MnDOT) thanked Executive Director Wheeler for keeping an eye on expenses thus postponing the time when dues have to be raised.

### **V. Nominating Committee Report – Chair Patrick Ferrin (Administration Dept.)**

Director Ferrin announced current nominees for the 2008 Board elections: Vice President - current Director John Siekmeier (MnDOT); Secretary – incumbent Len Leitner (MnDOT); Directorships – Alan Rindels (MnDOT), incumbent Paul Kettleon (MnDOT), incumbent Michael Lownsbury (MnDOT), Rachel Guan (MnDOT), and Linda Taylor (MnDOT). Director Ferrin accepted one nomination from the floor - former Director Jessica Forsberg (MPCA) for a Directorship position. Additional nominations will continue to be accepted until the end of this month. The next board term begins January 1, 2009.

### **VI. Executive Director's Remarks - Dana Wheeler**

It's been a busier than usual year. We finished up a round of contract negotiations and continue to meet regularly on health insurance issues. As Joe mentioned, our concern is that we're bringing in a surplus and we need to figure out why. Are we charging too much, or have we reached a threshold where the out-of-pocket costs have become too high. These are possibilities, but the best way to know, besides analyzing all the statistics we'll be getting over the next couple of months, is still the anecdotal evidence we get from members.

Also this year there have been more arbitrations and grievances than in past years. Budgets are tight, asking people to do more with the same number or less people...until we reach a breaking point. Suddenly the demand is to accomplish all these things on less time, and now you also need to have

receipts for everything you do, account for every minute, and the stress level is getting higher. Some of you receive questions or concerns from members, which sometimes may be very personal. Remember that we can help solve the majority of these issues. Too often problems go unresolved because they weren't raised at the union level, so please have concerns directed to the MGEC office so we can work on them or at least direct them to the place where they can be resolved.

Director Ferrin expressed frustration with staffing difficulties, creating positions with no license requirement, and cited examples of inadequate oversight where public safety is concerned. Dana responded that these are the kinds of topics that fit right into the brochure, making the public and the legislature aware of what we do, where most often folks don't even think about it and have just come to expect it in their daily lives. For example, Senator Klobuchar said, "Bridges are not supposed to fall down." Obviously that is true, and the point is we've come to take for granted the people who see to the safety of electric power plants, dams, bridges, hospitals, air and water quality, and so on that we all take for granted. We really want to highlight these things. This brochure will tell the story that both MGEC and the State want the citizens to know about. So feel free to perhaps bring up at staff meetings and such.

I'm here after the meeting to answer any questions. Other than that, we will continue to work hard. I want to mention Rhonda and everyone on the Board. Being on the Board means meeting time every month, extra meetings, and sometimes sitting across the table with agency leadership - not always sharing their view but being recognized, and we appreciate the guidance they give us.

**VII. Adjournment – President Pignato**

A motion to adjourn was approved at 8:07 p.m.

Respectfully submitted,

Len Leitner, Secretary  
Rhonda Bauer, Administrative Secretary