



Engineering Minnesota's Future

2011 Annual Meeting Minutes

The 43rd MGEC annual meeting was held June 15, 2011, 5:00-8:00 p.m., at the MGEC office, 5874 Blackshire Path, Inver Grove Heights, MN. Approximately 61 attended.

I. **Call to Order**

President Linda Heath called the meeting to order at 6:10 p.m. She welcomed attendees and invited everyone to tour the new building and sign the attendance sheet. Linda introduced herself, other officers Mohammad Dehdashti (Vice President), John Siekmeier (current Past President), Marilyn Jordahl-Larson (Secretary), Jessica Forsberg (Treasurer); Directors Andrew Eller, Jerry Kotzenmacher, Mike Lownsbury; and staff Executive Director Dana Wheeler and Administrative Assistant Rhonda Bauer. Linda thanked Rhonda for organizing the dinner. The order of the agenda was changed to move awards and scholarships ahead of the president's report; motion to approve the new agenda passed. Linda acknowledged our MGEC contact persons. She also acknowledged the large number of emails from members recently. She stated that we do appreciate it and want to keep the lines of communication open. Linda also acknowledged MGEC's honorary life members.

II. **Awards and Scholarships**

P.E. Review Class Instructor Service Award: Paul Kattleson presented instructor service awards.

- Nicole Danielson-Bartelt – 5 years, Hydraulics instructor (MnDOT)
- Dave Sahli – 6 years, Environmental instructor, (MPCA) (not present)

Appreciation Award: Dana Wheeler presented a plaque to Past President Joe Pignato (2008) (MnDOT). Joe donated his time serving on the compensation study committee, a long bargaining year, filling in as president for a half-year, and helped to accomplish several other efforts for MGEC. He encouraged all members to please thank Joe for his work and dedication to MGEC.

Distinguished Citizenship Award: Chair Mike Lownsbury presented to the 2011 recipient Marcelo Alojado (MnDOT), for substantial contributions and participation in civic activities and community service. Some of the organizations Marcelo is active in include: Cultural Society of Filipino Americans, Inc.; Filipino Folk Dance Troupe; Philippine Center of Minnesota; and many sports including bowling, golf and basketball leagues.

Golden Slide Rule Award: Mike Lownsbury presented the 2011 Golden Slide Rule Award to Paul Kattleson (MnDOT), for his involvement in the MGEC P.E. Review Class, chairing the Education Committee, and recruiting new instructors for the past six years. Paul was thanked for his hard work.

Family Scholarship: Jessica Forsberg (Awards Committee), announced this year's scholarship winners. \$500 each was awarded to two children of members currently studying engineering. Award recipients are as follows:

- Paige Voigt, is a junior in biomedical engineering at the U of M Twin Cities, honors program, plans on a career in research and development or in academics. This summer she began a project that studies the effects of fibrotic lung tissue on the tissue mechanics of the lung. Paige is the daughter of Juanita Voigt, Engineering Specialist (MnDOT Bridge Office).
- Nathaniel Rowekamp, junior at the University of St. Thomas, is studying electrical engineering. Nathaniel works part-time in the UST engineering lab, has taught summer camp, participates in several on-campus engineering clubs, and also enjoys mechanical and automotive engineering. Nathaniel is the son of Paul Rowekamp, Administrative Engineer Professional (MnDOT Bridge Office).

Connie Minetor Memorial Scholarship: This year the scholarship was split between two applicants; current members who are seeking advanced education or training. Jessica introduced the recipients:

- John Chikkala, Senior Engineer at MPCA, is working on a business analysis certificate program with the U of M Continuing Education Program. Jessica stated that she was proud to present the award to someone whose work she is familiar with and that will advance the mission of the agency.
- Krysten Saatela, Senior Engineer, MnDOT, Duluth, is enrolled in the MBA program at the College of St. Scholastica. This program will complement her engineering knowledge with management skills. MGEC wished her the best.

III. **President's Report (Linda Heath)**

Constitution: We recently had an electronic vote for a change to the constitution and the results are as follows:

- a. Article I – Name. The change was made to be more all-inclusive since MGEC represents not only engineers, but engineering specialists and land surveyors. This was overwhelmingly approved, so we are now known as the Minnesota Government Engineering Council.
- b. Items 4, 5 and 6 of Article IX – Election of Officers and Directors. The change recognizes that tellers do not count ballots in an electronic election, but may certify the results. This change also passed overwhelmingly.
- c. Article XI – Amendments, Item 3. This Article was modified so that the ballots be returned to the Executive Board by 4:30 p.m. on the date specified; passed.
- d. Item 4, By-Law 4 – Duties of Officers and Directors. The item was modified to say that treasurers shall monitor the income investment and expenditures. (It used to be that the treasurer held the income and expenditures. They don't physically hold them, but do monitor for audit purposes and checks and balances.) The amendment passed.
- e. Item 3 to be added to By-Law 5 – Duties of Executive Board and Executive Committee states: The Executive Board may create standing committees to assist in carrying out the work of the Executive Board and make recommendations to the Board for approval of actions to be considered. That also passed overwhelmingly, and as we get more involved with legislative activities and other things that are going on, these committees will be critical in helping us to be able to do our work.
- f. Item 5 added to By-Law 7 – Meetings: Committee meetings are open to all members and shall not include more than six (6) Executive Board members at any committee meeting; passed. (Our rationale was that we don't have a quorum of our Board at committee meetings. We're hoping for participation from more of our members.)

I. **New Business**

Membership Status During Layoff (Linda Heath): Linda stated that we're currently in discussions regarding shutdown. Our constitution says that when member is not in payroll status, has not paid dues and is one month in arrears, then MGEC membership will be terminated. We're looking at a shutdown that may be unprecedented. We'll be in payroll status July 1 and July 15, but come August you'll no longer be in payroll status. We'll be sending out a ballot asking members to vote on whether they would approve a change in the language to allow that membership status not be terminated due to layoff, furlough, shutdown, for a period of 60 days, to give us some time to keep our membership. That ballot will probably go out within the next day so we can get this back before the shutdown. She asked if there were any questions or concerns.

Q: Why just 60 days? New Jersey shut down for three months.

LH: This does give us three months total, since we're in payroll status for most of July.

DW: One other thing this change does is that if people choose to move on to other employment at some point, it says your membership opportunity has expired, those people who are active workers at that point will have the opportunity to be making decisions for the organization. Upon recall, anyone whose membership expired will be reinstated. It simply says that at some point there's a transition in people's lives and so it didn't make sense to go indefinitely. Thirty days plus the two months seemed like a reasonable period of time.

Q: Why not just make it for the period of the shutdown?

JS: There are other possible events in the future this [language] would cover.

Q: We're in a situation where if we ever needed a union representative it would be now.

DW: Thank you for bringing up that point. Your union representation doesn't stop once your employment ends. We continue to represent you for everything that occurred while you were employed and under the terms of this contract. If there were issues that arose under the current contract or potential memorandum of understanding, (and there are likely to be some having to do with recall, severance or vacation payout), it means you still have representation.

Q: I'm not clear on if you're not a member, how can you be represented?

DW: Because we have an obligation to represent anybody during the period of time which they served under the contract.

Q: Doesn't the contract expire at the end of this month?

DW: I had an issue with a retiree who retired multiple years ago, and just recently turned 62 and would have accrued between age and years of service potential for his service pay. Whether he gets it or not we still needed to represent him, because the terms of our language that he served under then, claimed that perhaps he was still eligible for severance. That's been our history and it's been MMB's expectation that if an employee wants to make a claim post-employment under a contract from a time they were employed, they have two routes to go. One is still bargaining unit representation from that period of time, the other of course is their own representation and hiring an attorney. That's just one example that came up recently—we met with him, the employer, and worked with MSRS.

Q: With all the uncertainty, and messages you've been sending that this might be an extended shutdown, at some point we might want to include people that are affected in this with the ability to vote. How can they vote if they're not members any longer?

DW: They couldn't if they're not a member. They wouldn't have the right to vote or be elected. The other thing that would be awkward is dues collection, i.e., if you're a member and yet you're laid off.

Q: Couldn't that be worked out in the language, say, you don't have to pay dues if you're not getting a paycheck?

DW: We could do anything. Other thoughts?

Q: Are we solvent? Do we have enough reserves?

DW: It's about \$10,000 a pay period in income for the organization. The thought was to wait and see what the situation is—if it's a short layoff or a long layoff. July's dues will be deducted as usual. By-laws clearly would allow you to be a member in July. Beyond that we'll reassess. We don't want to get into a situation of invoicing everybody. We're sensitive to the issue if you're out of work and falling behind, and we're sensitive to MGEC also falling behind. We're making arrangements to leverage the equity on this building if we run into a cash flow issue during an extended shutdown. At a later point we'd have to answer the question, are we going to ask for dues for the period of the shutdown or not? Part of the rationale with 60 days plus the 30 is we're not going to not represent your rights; we believe that's our obligation, but at some point is there a natural point of not charging for dues, but also looking at the organization being viable and able to represent the employees when they come back.

JK: One thing we talked about was adding \$1.00 per pay period, spread over several pay periods depending on how long we were off, so that it would be a minimal expense to you, to gain back what MGEC lost for the time we were off.

DW: What would you say if you were advising us?

Q: What are our cash reserves after buying the building outright?

DW: We purchased the building for \$330,000. It initially came on the market for just under \$500,000. We think it was a good opportunity as income potential for us. We have more space than we need, and once we get it filled it will give us extra life that we haven't had in the past to have extra security in dollars available for member services. After paying it off we were left with roughly \$60,000 and deferred liabilities (amounts we would have to pay out in a worst case scenario) of about \$58,000. We don't need to pay those off today, so that gives us some cash flow cushion but I also don't advise bringing cash flow down to zero and ignoring your liabilities. If you ignore the deferred liabilities we've got about three months income.

Q: In my opinion, I would say we should keep our membership. That way we're guaranteed representation and the chance to vote if the shutdown goes longer.

JS: If it goes longer than this period [three months], this has protected our membership to that point and then we could do something else to extend that time period.

LH: Are you suggesting language pertaining only to shutdown and not regular layoff? There are some agencies that are doing layoffs not related to shutdown.

Reply: I would phrase it so that all employees on layoff because of government shutdown due to lack of funds remain members until the end of the shutdown.

JF: Our bylaws are meant to cover more things than just this, i.e., we can't change them for every situation. Does that make sense?

Q: Why can't it be two lines—first line says can't be terminated due to shutdown, second line shall not be for a period of 60 days for layoff?

DW: On the issue of layoff, we have people who are going to be taking voluntary layoff—out of order layoffs—and the concern is that if somebody doesn't maintain active membership and they're never coming back, they're not paying dues and yet they would be a member.

Q: What about involuntary layoff, can't we fashion the language in terms of that?

DW: This is good input, I'm not disagreeing. I'm concerned about the terminology. Before we put this [MOU] out we need to finalize it.

LH: And quickly, because we're running up against the July 1 shutdown date, so we need to get this out for a vote for a constitution change. So we don't have a lot of time.

C: Voluntary layoff signals a termination.

C: Focus on our employment status, i.e., furlough, layoff.

DW: Unless the Board were to reconvene, we need to use language similar to this concept in principle, otherwise the process for sending something out is: our Board needs to approve it, then it's 14 days for the

membership. So we either need to reconvene the board or send it out in this concept. I know I need to wordsmith the language.

LH: In our discussion to date we did say this was a concept and some wordsmithing was needed, yet we only had a day to talk about it amongst a lot of other things we're working with right now. We think if people agree with the concept we can try to wordsmith it a little and get it out for vote tomorrow, because we're going to hit the 14 day mark.

RK: Motion to change the wording that membership status should be not be terminated during a shutdown unless the member takes a voluntary layoff. Discussion on length of time. Layoff – termination of employment, it's not temporary. Leave of absence is temporary. Do they pay dues? Employment status for the MGEC membership could not be terminated due to the inability to pass a budget.

Q: Let's go at it a little differently, but dovetailing off this thought over here. As employees of the state and members of MGEC, there's only a couple ways we're going to leave employment and lose our membership in MGEC. In my opinion it has to focus on how we're going to lose employment, and we have to use those words. Shutdown is not one of them.

DW: Call for a show of hands:

- a. How many prefer limiting the duration of membership status during shutdown? 23 yeas
 - b. How many prefer for the duration of layoff provided you pay your dues? 11 yeas
- We will leave as discussed--extending the time period for 60 days before membership expires.

LH: Next we'll review the handout of the draft MOU. We have worked together with the other unions on the MOU.

#2 and #3 still being reviewed by MMB.

#4: Discussion on who is the most senior and qualified to fill positions deemed critical. This will be seniority and also "job ready." Employer has the right to determine qualifications. We could grieve after the fact.

#5: This is to recognize that people need cash flow, keeps your comp time in your bank. No payouts for vacation, comp time or severance. There are no funds for 2011, no authority for 2012, no one to cut checks. Could delay ability to collect UI. Only applies to shutdown. Judicial branch has no authority to order them to pay severance, only for critical functions.

#6: Make sure you pay your optionals if you are required to do so or you may lose them.

- Benny card will be active during July
- MMB and DOA still trying to work out bus and parking passes to not have to pay if you're not there.
- Try to incur health deductions now and submit incurred expenses.
- HRA keeps active what you have in.
- Dependent care—not sure of the solution for those that still have a lot in it. We're working on it; have to live by IRS rules.
- HCS participants—normally when you stop employment you can no longer use it, but we're working on it.

#8: All employees will be recalled. If on FMLA when recalled contact your HR office.

#9: No break in service. Stay in touch with MSRS regarding your highs, more than one month count against high 5. Buying back retirement; hasn't been discussed.

#14: Agencies might be recalled at different times.

Discussion on applying for UI: UI has approved the language but still some disagreement with the Governor's office. Keep in mind possible conflict of interest when looking for employment – i.e., if it involves work you do at the state. Inform your employer upon return.

Discussion on work hours until June 30: Time management makes employee responsible; however "normal" work hours must prevail. If supervisor approves you may work 80 hours in fewer days. The July 4 holiday will be unpaid.

LH: It's now past eight and we still have more agenda to get to so we'll need to end the shutdown questions for now.

IV. Secretary's Report (Marilyn Jordahl Larson)

Correction to #3, should be "2009" not "2010 Annual Meeting." Motion passed to dispense with the reading of the minutes.

V. Treasurer's Report (Jessica Forsberg)

The proposed budget was reviewed. The Board has approved to add ¼ time person. Dues will possibly be raised if costs increase due to the shutdown but that would be a later decision. A motion to approve the budget subject to audit, was seconded and passed.

VI. Past President's Report (John Siekmeier)

Collaboration: John reported that input and cooperation with other units and professional organizations (such as MSES and ASCE) has improved much in the past year; there's been some progress made on this idea of cooperation.

Political Action Committee (PAC): Tonight I just want to put out a call to people who would be interested in creating a PAC as a side organization to MGEC. About 10-15 percent of the membership has indicated interest in a PAC. For that group who wants to contribute to something like this, we're going to potentially provide this opportunity. So if any of you here are interested in furthering that idea then we're looking for volunteers to help. We don't expect to do a lot with this unless we have people to help out because it is a volunteer organization. This is an opportunity we'd like to pursue if there's interest. MAPE has a PAC firewall to keep it separate from the organization.

MD: Do we want to sit on the sidelines or be more proactive? When we sent out the MGEC questionnaire about 10-15 percent of folks said yes they would be interested in putting money into a PAC. We can do it, come up with the vehicle to do it, we just need some help, some volunteers. We're talking a small amount, like \$25-50 a year, to build some political horsepower. JS: We'd like to have it set up for automatic payroll deduction.

VII. Executive Director's Report (Dana Wheeler)

Contract Negotiations: We've not yet begun negotiating a successor agreement. That means that the current contract stays in effect. Neither party has indicated interest in cancelling the current contract. So until we reach an agreement you still live under the current contract. Good news is a lot of your protections are there. Additionally, steps are there for those who haven't gotten them yet. Bad news is there are no wage increases. I assume that after the shutdown we'll begin contract bargaining but we don't have a date for that yet. At some point at least for insurance there will be more pressure to take a look at the insurance plan. Again if we don't negotiate a new plan you'll still have the same insurance plan. The only difference is the employer has the ability to change the premium if they deem it necessary. Based on their projections we were looking at 6-8 percent increase in 2012. The legislature has been told that the reserves balance is planned for premium increases to be spent down to zero, so it makes sense not to use them now for general fund needs because you'll just be increasing premium needs later.

Board Members: I want to acknowledge the hard work of the Board. Rhonda and I are staff but the Board members really could all be on staff in terms of the direction they give, the work they do, and the way they fill in. Please don't hesitate to let them know your appreciation, the ability for us to stay online and answer questions. They're tackling new issues. It takes courage to invest in a venture not only of a building, but the concept behind the building--to bring in tenants who are involved in our state's infrastructure to enhance coalitions to do work better and smarter and examine different affiliations.

We are hoping progress was made today regarding unemployment at the Governor's office. Ideally by tomorrow we'll have the final documents on the website concerning the constitution change vote, a tentative agreement, and Q&A.

The Capwiz software is a one-year experiment. It will track how many will send letters to your legislator, track how much activity can be generated and if we are spending our money wisely in these efforts. We set it up with your work email but please change it to your home email for two reasons: 1) we do not want letters to your legislators to ever be forwarded from your work email, and 2) when the shutdown occurs we can't reach you at your work email, so Capwiz will be our primary means of communication with you during the shutdown. We hope to increase our efforts in terms of messages members need to be sending to key legislators to help us get the shutdown averted, or to the media, as well as a tool for you. Some members have experienced problems changing state email to home email. In our testing it has worked for us, though it isn't intuitive. Please contact us for assistance.

Media Events: We want to do media events without paying \$60,000. There's been some coalition of bargaining units for media campaigns. One of them is currently running and in some districts is going to run 2,000 times! Big dollars are being contributed and the message of that campaign is twofold. We work for the state of Minnesota and this is what we do. The other part of the message is you need to balance the budget by increasing your revenues on those who can afford it. Another way you get that message across without spending-- \$325,000 I think--is events like July 6, where they hold these events and 500-1,000 state workers show up. At some point we need to show up at these events, and if you don't like the little snippets of interviews you've seen from the past rallies well that's because we haven't been there to give our snippet. We need to show up and give them an engineer's perspective of how you're being affected, for example losing \$13M in federal matching funds on projects delayed from the shutdown. The public thinks we're only concerned about our jobs, and we need to tell them that we're concerned about all this money we're burning that's being shipped back to the feds, etc. So when we have anything definite we'll be telling you about the event using Capwiz, or to your state email. We try to be sensitive in not crossing the lines in content. No doubt the public is going to miss you and there's going to be a ripple effect of other people that are going to miss you when your services aren't available, so that their services can continue. Something we're all counting on right? But the other part of this is we can't be silent--we need to be seen. Even if it's in your community and you let them know, for example, you have to stop child care for July because you're laid off. Or you say, I can't buy your services to cut my grass. Let the public know you're a public employee, so that store is affected also by what's affecting you. I'm sure there's a whole lot more but we're over our time already.

VIII. Adjourn (Linda Heath)

Linda thanked everyone for being willing to stay late tonight with all that we have going on. (The shutdown meeting last night went past 3:00 a.m.) Attendees thanked Dana, Linda and Mohammad for their work on the MOU and other shutdown-related details. A motion was made to adjourn; it was seconded and passed. The meeting was adjourned at 8:52 p.m.

Respectfully submitted,

Marilyn Jordahl Larson
Secretary

Rhonda Bauer
Administrative Assistant