

# September 24, 2004 Board Meeting Summary

## Meeting held at Hawthorn Suites @ Canal Park, Duluth MN

### By John Bolka, Secretary

#### **Attendance:**

**Executive Board:** Tim Hanley - President, Mark Klipstein – 1<sup>st</sup> Vice President, Larry Legro – 2<sup>nd</sup> Vice President, John Bolka – Secretary, Tom Miller - Treasurer

#### **Board Members:**

Michelle Elias, Madison President  
Dawn Marshall, Southeast Trustee  
Bob Schaefer, DNR Vice-President  
Jeff Olson, Superior President  
Robert Pavlik, Green Bay President  
John Lund, Rhinelander President

Mohamad Hayek, Eau Claire President  
Leroy Stublaski, State Agencies President  
Gary Snyder, La Crosse President  
Sharon Bremser, CO President  
Nichole Lysne, Wisconsin Rapids President

#### **Specialists:**

Mel Sensenbrenner, Health and Retirement  
Cara Carper, Communication Specialist

#### **Committee Leader:**

George Mickelson, Compensation Committee

#### **Guests:**

Linda Richardson, Wisconsin Rapids  
Dave Bohnsack, La Crosse

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#### **Meeting Begins:**

Tim Hanley called meeting to order at 4:20 pm. Introductions were made. Changes made to the agenda under the item of bargaining included; Email Correspondence, Compensation Committee Report, and Electronic Pink Sheets.

#### **Approvals:**

The July 31, 2004 Board Meeting minutes were reviewed. John Lund motioned to approve. Leroy Stublaski seconded. Motion carried.

The Correspondence Report was reviewed. There were no questions. Tim Hanley accepted the Correspondence Report.

#### **Bargaining:**

##### **Consultant Cost Report:**

Tim Hanley, Mark Klipstein, George Mickelson, and John Bolka met with DOT Secretary Frank Busalacchi on 9/22 to receive the Consultant Cost Report that SEA had requested. Tim reported Secretary Busalacchi said he was close to changing the trend (in the DOT) with regard to outsourcing, had secured support from key people in the industry, but asked for 30 days before turning the report over to SEA. He said the information contained in the report makes it a “No Brainer”. Tim Hanley continually laid the responsibility on Governor Doyle. President-Elect Mark Klipstein, scheduled a meeting with Secretary Busalacchi for November 1, to follow up on the report.

Mohamad Hayek made a motion for SEA to file an Open Records Request, at this time, to obtain the Consultant Cost Report. John Lund Seconded. Discussion ensued and many suggestions were offered. Bob Schaefer called the question and the motion failed (2 ayes).

##### **Email Correspondence:**

Tim asked Board Members to use discretion and review which emails are forwarded to both Section Board Members, and Section Members. We are trying to get information out to Boards and Members but sometimes the use of email to accomplish this is not appropriate.

##### **Compensation Committee:**

Several new salary increase surveys were recently released. A survey by WorldAtWork indicated that pay increases for next year will be about 3.7 percent on average. MercerHR Consulting's most recent survey was less optimistic, that survey suggested that pay increases in 2004 would average 3.3 percent and in 2005 the increases will average 3.5 percent. Hewitt released a survey and predicts that for 2004, salaried exempt employees will have an average increase of 3.4 percent and in 2005 that will rise to 3.6 percent. Hewitt predicted that salaried exempt employees will have a larger increase than non-

exempt employees in both years by 0.1 percent per year. George thought that the MercerHR and Hewitt surveys were the more credible surveys and expects that average pay increases for salaried exempt employees that do not work for the State of Wisconsin to average 3.5 to 3.6 percent in 2005.

The new federal overtime rules went into effect on August 23 with no noticeable impact on SEA employees. But, George heard from another bargaining unit that OSER was using the new overtime rules as a justification to cut employee benefits. Under the new rules, if you make less than \$455/week and if you had professional status (FLSA exempt), you automatically became a non-professional (non-exempt) employee on August 23. Since some bargaining units get an extra week of vacation for professional employees, part time professional employees that made less than \$455/week became non-professionals and lost that extra week of vacation. George said that he was shocked to learn that OSER was using new federal rules that are intended to aid poorly paid employees as the justification to cut benefits.

Today (9/24), the Milwaukee Journal Sentinel published an article stating the Doyle's office released a plan shaking up the way the state handles professional service contracts. George visited Doyle's office and obtained a copy of Doyle's policy/plan. Discussion of the plan followed. See your Section President for further information.

George said he had sent President-Elect Mark Klipstein an email resigning his position as Compensation Committee Chairman effective tonight.

*George was excused from the meeting and Mark stated he would like to re-appoint George to the position of Compensation Committee Chairman and will do so. Discussion ensued and Mark received the support of the Board in his decision to reappoint George.*

#### **Electronic Pink Sheets:**

Bob Schaefer stated DNR Representatives have asked about the possibility of discontinuing the use of posting vacancies (Pink Sheets) on bulletin boards to be replaced by electronic postings. It was the opinion of the Board that that the posting should continue per contract until changed in the bargaining process.

#### **Grievance Report:**

By Mark Klipstein

Note: P-xxx indicates personal grievance

A-xxx indicates an Association grievance

A-307 (filed 5/3/99) —Denied time to take PE exam – Arbitration pending with Bellman. (Date selection)  
A-351 (filed 7/19/01) – DOT D4 – RLS exam reimbursement. Consolidated with A-307.  
A-352 (filed 6/25/01) – DOT D3 – Initial PE licensing fee reimbursement. Consolidated with A-307.  
A-361 (filed 10/30/01) and A-362 (filed 10/31/01) – DOT D1 and D2 – Assignment of scheduled overtime. Arbitration pending.  
P-364 (filed 11/9/01) – DNR (Air) – Unfair treatment and use of sick leave. Arbitration pending.  
A-368 (filed 12/6/01) – DNR SER Air – Reestablish P-364. Arbitration pending.  
A-369 (filed 1/2/02) – DNR Water – Add-on as part of year-end leave cash out option. Arbitration pending.  
A-373 (filed 5/21/02) – DOT D3 – Rescind disciplinary action. Arbitration Pending.  
A-378 (filed 8/14/02) – DOT 1 - Not being paid appropriate mileage rate. Filed at Step 4.  
A-389 (filed 5/30/03) – DOT D3 – PE Licensing fee reimbursement. Consolidated with A-307.  
A-394 (filed 8/1/03) – DOT D1 – Discipline Reassignment. Filed at Step 4.  
A-395 (filed 5/3/03) – DNR NER – PE Exam Reimbursement. Consolidated with A-307.  
A-398 (filed 10/9/03) – DNR SER – Replace time worked back into leave balance. Waiting on Step 3 Decision.  
A-402 (filed 3/25/04) – DOT-DTID – Discipline without just cause. Filed at Step 4.  
A-403 (filed 3/25/04) – DNR SER Air – Assignment of OT based on seniority. Waiting on Step 3 Decision.  
A-404 (filed 4/2/04) – DOT D1 – Removal of letter of reprimand. Filed at Step 4.  
A-405 (filed 4/5/04) – DOT D5 – PE Exam and licensing fee reimbursement. Consolidated with A-307.  
A-406 (filed 6/7/04) – DOT D2 – assignment of OT based on Seniority. Waiting on Step 3 Meeting.  
A-407 (filed 6/25/04) – DOT D2 – Reassignment Process. Waiting on Step 3 Decision.  
A-408 (filed 7/9/04) – DNR SER – Discipline without just cause. Waiting on Step 3 Decision.  
A-409 (filed 7/14/04) – DOCOM D5 – Unhealthy and Un-Safe Workplace. Waiting on Step 1 Meeting.  
A-410 (filed 6/29/04) – DNR Water – Granting of Restoration Rights. Filed at Step 4.

A-404; Michelle gave the history behind this grievance. Mark Motioned to move it to Step 4. Nichole Lysne seconded. Discussion ensued. Motion carried.

Mark gave updates to A-408 & A-409.

A-410: Specifics and history were discussed. Mark Klipstein motioned to move to step 4, Bob Schaefer seconded. Motion carried.

### **Health and Retirement Report:**

By Mel Sensenbrenner

Mel reviewed handouts and news articles that have been forwarded to the Board over the last several weeks. Mel discussed a New York Times report suggesting employers will reduce or eliminate prescription drug benefits for 3.8 million retirees when Medicare offers such coverage in 2006.

Mel reviewed 2005 Health Plans by Tier and Rates on HMO's. He noted Dual Choice books should be out next week.

Mel reviewed the August 2004 SWIB report and included a list of current SWIB Board Members. The performance of the Fixed and Variable accounts for the end of August was as follows;

Fixed	Variable
+1.7%	-0.1%

Mel also made note the SMP benefits offered in 2005 are identical to those offered by HMO's

Stay involved a make sure to read Mel's report in this newsletter for more detailed info on this and other Health and Retirement Issues!

### **Legislative Report:**

By Larry Legro

Larry discussed the State's Cell phone usage and cost. He said the state is paying ~\$218,000/year for approximately 10,000 phones.

### **Section Reports:**

*Madison* — At risk for Layoff training was held on 9/23. Engineering Specialists and Senior Engineers are very concerned.

*Southeast* — Annual Meeting was held on 9/16. DNR members were told they could not have lunch (park state vehicle) at any establishment that serves alcoholic beverages. Karl Pierce was named Vice President to fill vacancy and will assume duties of President soon to be vacated by SEA Treasurer-Elect Nick Martin. Three (3) At-Risk training sessions will be held in October. CADD's and Surveyors very concerned about position review. The District looking to consolidate space and cubicles and is looking at which groups to move. PDS looking at another reorganization. Administration deducting pay from employees without authorization. Personal Vehicle Usage (District and Statewide policy) by maintenance coordinators being discussed. Stand-By pay issue (\$20/8hr period) is resurfacing.

*Green Bay* — 2 retirees within last 30 days. Positions will not be filled. District back under 1 roof. Repaving underway for free parking lot.

*Wisconsin Rapids* — Dave Larsen was named new PDS supervisor in D4. TEAL coming online this week. Management sent out email for TEAL training 2 days prior. Shuffling continues to cover vacancies for people leaving the District. Utility Coordinator position being filled by ETTA-2. Lynn Judd coming to town in October. 7 members made the trip to Annual Meeting in Duluth.

*La Crosse* — At-Risk meetings held last week in District. Staff very concerned about layoffs and would like SEA to move forward on open records request regarding consultant cost report..

*Eau Claire* — OSER held 2 At-Risk Sessions (1 for staff, 1 for management). Session had a very negative effect on D6 morale. Survey Coordinator position has been filled by ex-IT Supervisor. PS&E coordinator position is still vacant. Members would like SEA to get copy of Consultant Cost Study which shows consultants are more (16%) expensive. Members still having problems with Navitus.

*Rhineland* — CADD, Surveyors still concerned about review process.

*Superior* — Jeff gave update on Annual Meeting weekend's activities.

*Central Office* — A meeting was held on Monday. Members continue to express concern over the future of CADD and Surveyor positions. Members would like SEA to get more public with contracting out issues. Elections will be held on 11/2 to fill President and Vice President Offices. Another reallocated specialist was returned to the SEA Bargaining Unit. Still no word on timing of DOT Reorganization.

*DNR* — DNR announced they would have to layoff a ½ time person to compensate for having to reverse the successful arbitration decision. The grievant successfully transferred to a ½ time position in Air Management (Grievant retains a ½ time position in Waste Management) so no layoff became necessary. Association Management meeting will be held on 10/24. Topics will include additional layoffs and contracting out. Air Management is coming up with a plan for contracting out. We have a current situation with layoffs, restorations, etc, don't want contracting out while people are on layoffs.

*State Agencies* — Annual Meeting was held on 8/23. The Section offered to pay the state rate for mileage for any members who attended the meeting from outside the Madison area, in addition to the normal cost of refreshments and dinner. 37 members attended which is twice the number that normally attends (included members from La Crosse, Waukesha, Green Bay in addition to members located in Madison area). Mel Sensenbrenner and Sandy Henke were also invited and attended the meeting.

Section elections were also held for the Office of Vice President (Duane Hubeler) and Trustees (Randy Dahman, Monte Ewing). There were so many candidates for Trustee that runoff elections were held.

At DOCOM La Crosse, air quality issues continue and management has put DOA on notice that a new office location needs to be explored and rent is being paid on a month to month basis rather than the typical 5-year lease. There have also been some new hires at the UW.

Commerce management is traveling around the state and meeting with all staff to talk about what is the "plan" for the next 2 years. They stressed that primarily because of the age of the staff they are not anticipating any layoffs for Commerce. (For example: In the Safety and Building Division of Commerce, 7 of 142 employees are under the age of 40, with 80% over the age of 50).

#### **SEA Office Website:**

Bob Spoerl will take over website duties so Sharon can concentrate on 1<sup>st</sup> VP duties.

Check out the website at [www.wisea.org](http://www.wisea.org) or contact SEA at [wisea@wisea.org](mailto:wisea@wisea.org)

#### **Communication Manager:**

Cara Carper visited and attended the Southeast Annual Meeting last week.

Everyone was challenged to get as many Letters to the Editor (regarding fleet issues) as possible printed in local papers. To date it is not known if any were printed. Discussed need to issue a press release regarding Doyle's continued plan to get rid of 10,000 cost effective State Employees. Comments will be needed.

#### **Financial & Membership Reports:**

Tom Miller submitted the August Membership Report for review. Tom Miller motioned to accept the August Membership Report. Bob Schaefer seconded. Motion carried.

Tom Miller submitted the September Membership Report for review. Tom Miller motioned to accept the September Membership Report. Mohamad Hayek seconded. Motion carried.

Tom Miller submitted the August Treasurers' Report for review. Tom Miller motioned to accept the August Treasurers' Report. Bob Schaefer seconded. Motion carried.

The budget status was handed out for review. The report was accepted by Tim Hanley.

Tom Miller reviewed the vouchers submitted for payment at this Board Meeting.

Board Meeting Vouchers

04-006 => 04-020

04-038, 04-039               \$2504.52

M-001 => M-012               \$1950.00

\$4454.52

Annual Meeting Vouchers

04-021 => 04-033

04-040, 04-041               \$2115.15

Tom Miller motioned to accept Board Meeting and Annual Meeting Vouchers. Nichole Lysne seconded. Motion carried.

Tom Miller reviewed Special Meeting & Miscellaneous Vouchers

Misc.

04-034, 04-042               \$348.56

Special Mtg.

04-035 => 04-037               \$270.18

SM-001 => SM-003               \$733.57

\$1003.75

Tom Miller motioned to pay the Miscellaneous and Special Meeting Vouchers. Mohamad Hayek seconded. Motion carried.

Tim adjourned the meeting at 7:35 pm.