

**STATE HIGHWAY AND TRANSPORTATION EMPLOYEES ASSOCIATION OF MISSOURI
SECOND QUARTERLY MEETING
HAMPTON INN
JEFFERSON CITY, MISSOURI
JANUARY 19, 2004**

APPROVED MINUTES

President Steve Cox called the meeting to order at 9:00 a.m. A list of those in attendance is attached. Introductions and announcements were made. Pens and 2004 pocket calendars were distributed to those who had not previously received them.

Chapter Reports

- Chapter 1 – 253 members; \$6666 in cash account, \$23,650 in needy family account.
- Chapter 2 – 277 members; \$80 in checking and \$5145.18 in share account; sponsored two families at Christmas.
- Chapter 3 – 255-260 members; \$2000± in account; scheduled activities include a golf tournament on May 7, annual picnic on June 5, and sporting clay shoot in the fall.
- Chapter 4 – 399 members; \$14,000+ in CD.
- Chapter 5 – 580 members, down from 600; \$780 in cash account, \$8330 in share account, \$5122 in CD.
- Chapter 6 – 380 members, 36 new members in November! \$8000± in accounts; 80 attended the Christmas party; President is visiting facilities/offices monthly.
- Chapter 7 – No report.
- Chapter 8 – Holding steady.
- Chapter 9 – No report.
- Chapter 10 – No report.

General Business'

The minutes of the last meeting were presented. A motion was made and seconded to receive the minutes as presented; motion carried. The treasurer's report was presented. Wayne reported the benefits fund has reached nearly \$15,000, and we will let the interest accumulate to reach that amount. No more will be taken from the chapters for this until there is a need. A motion was made and seconded to receive the treasurer's report; motion carried.

Old Business

Mark reported the legislative committee had met one time; the meeting was short and sweet – only three members of the committee attended. Larry Thompson will report later in the meeting.

It was reported the Central Chapter got area businesses to give discounts to Association members, noting this is something that might help other chapters increase membership.

There was a question about chapter elections. All chapters, except Chapter 4, are holding elections every other year. Elections should be held near the time of General Assembly, which is held the first Friday in August.

Special Speaker – Mickie Knudson, Human Resource Director

Ms. Knudson stated with the resignation of Mr. Hungerbeeler effective June 1, 2004, her department is now working on the search for a new director. Four commissioners and HR support staff make up the search committee. The Association will be one of the groups asked for input on what we would like to see in a new director. The Blue Ribbon Panel and the legislature will also be asked for input. HR is in the process of selecting an outside firm for the search process. HR is accepting internal applications for the position.

The report on the OPS survey was given to the Commission last Friday. An employee satisfaction survey went out to all employees and a business style survey went to management teams. The response rate was 51% and overall response was similar across the districts. The next step will be to form employee focus groups, probably in February. There must be at least one meeting of the focus group, but may have at least two per district. Ten percent of the total employees will be involved. Most felt employees and supervisors should not be in the same focus group to enhance freer discussion. Employees who are chosen to participate on a focus group should be encouraged to attend. Sessions will be made as comfortable as possible. In an effort to increase objectivity, BHC, the vendor who did the survey, will help with the focus groups. The plan is to conduct these surveys annually in order to measure progress.

The survey comments were viewed by the consultant to see if they supported the results of the survey. Because of the confidential nature of the comments, they will not be distributed, except to the Director and Chief Engineer, in order to protect that confidentiality. The technical report (100 pages) will be made available on the MoDOT intranet tomorrow and contains examples of comments.

The first step in quantifying employee issues is to determine what is affecting employee satisfaction and moral. The next step will be to determine what to do about it. Although the Commission has authority to give MoDOT employees a pay increase, there are other factors to consider with the pay issue, e.g., the legislature and financial constraints.

There was discussion on Personnel Policy 1022. It has been rewritten to combine the policy on internal and external hires, and has gone to the policy committee. The new policy will give HR the ability to balance promotions and retention within the department while allowing fresh input from outside the department. Second interviews are recommended in situations where there are both internal and external applicants for a position. Certain jobs must be advertised externally, and more jobs are being posted on the internet to see if we get a more diverse pool of applicants. This is also less expensive than putting ads in newspapers.

There was discussion on the spreadsheet process. Ms. Knudson stated we have come a long way in the interview process, but we need to keep getting better. She is trying to get HR more involved, but this requires more staff time.

There was discussion on how to get Association information out to the districts. They are working on an electronic bulletin board, but due to the many viruses and stability issues, the link has not yet been turned on. Members were asked not to do mass distribution via the department email system; rather information should be mailed to one person for posting on the bulletin board.

There was discussion on the career ladder promotion pool for more equal distribution of funds. The interview process must still be followed in order to justify the promotion. If a supervisor does not follow the interview process, district management should be contacted. The Career Ladder Promotions Team tried to identify all the issues and problems that need to be addressed; their has submitted their report.

There was discussion regarding the fear that one past accident could make an employee ineligible for a promotion. This question was in reference to a memo sent by Pat Goff in July. Ms. Knudson stated the recommendation had been made to change past accidents to "accident history".

Special Speaker –Jay Wunderlick, Director of Governmental Affairs

Mr. Wunderlick stated he works with the legislature to educate them as to what will help and/or hurt MoDOT. He feels the legislature will be sympathetic to the needs of the department with regard to transportation funding. There are four big issues this year. (1) Toll roads – 5 specific projects have been suggested. (2) Open Container Issue – If this law is not passed, Missouri will lose Federal funds for construction. These funds must then be used for safety. (3) Primary Seat Belt Enforcement – We have a

secondary law at present. If not passed, we will again lose construction dollars. (4) Tort Reform – Trial attorneys have found some loopholes in some of our torts that are costing millions of dollars.

Missouri is one of eight states with a transportation commission. This structure works well, and other states are looking at going back to the commission structure. There will be debate in the legislature this year about doing away with it, however, and it is felt this would be very bad for Missouri.

There was discussion on the bio-diesel issue. Although there are costs required to implement, the market was created with MoDOT to show people that it is a good option.

There was discussion about the Governor's choice for our new commissioners. Mr. Wunderlick stated the importance of talking to the Governor's office now, making issues known. He noted the Director would be making the first State of Transportation address (required by passage of HB668) to the joint session of the legislature on January 28. There will also be displays on the 3rd floor and the Directory, Chief Operating Officer, Chief Financial Officer, and Chief Engineer will be there to answer questions. He feels this will grow and there is a possibility of getting the Association involved in the future.

Mr. Wunderlick's department does not deal with employee issues – pay raises, health care, etc. will be left alone for the Association to address. One issue they are working on is the growing problem of fatigued drivers. Legislation is being drafted to address this issue. This is an issue, however, that will help protect our workers. He stated his willingness to work with the Association in any way he could, and encouraged employees to call if there were any questions or concerns about what MoDOT is doing at the Capital

Legislative Report – Harry Hill

This year's legislative session began on January 7. He believes things are starting to turn around. Harry stated the Association would be working primarily on employee issues. There are, however, several other issues we will need to look at -- protecting the commission structure and the toll road issue. He sees more hope for this year, but it will still be difficult to pass anything that has a price tag attached.

1. Better conversion of unused sick leave and allowed time – hearings start next week. We are looking at this for retirement credit to reach "80 and Out," for Share Leave, or deposit into Deferred Comp.
2. Conversion of unused sick leave into 8-hour increments – At present, unused sick leave is converted into 1-month credits. The only cost for this would be administrative.
3. Public Service Accountability Act – This bill was introduced this week; it would require bids and savings to be demonstrated for outsourcing, privatization contracts to be viewed by the State Auditor, and would also look at political contributions of the contractor.
4. Salary study – Looking at a comprehensive job study bill that would include recommendations for salary increase and 26 pay periods rather than the current 24. The Office of Administrations says there would be no cost associated with this bill. It would also help the overtime backlog.
5. Retirees' insurance – looking at paying insurance for up to four years from retirement date or until age 65.
6. A bill to allow former public employees to purchase up to four years of previous employment for retirement.

Other bills of interest are SB976, which would allow the COLA to be based on 100% of the CPI instead of the current 80%, and SB977, which would give those retiring prior to July 1, 1990 an additional \$5/month multiplied by years of service. Both of these bills have a price tag, however. Harry stated he would distribute his report summarizing the progress of the bills every two weeks.

There was discussion on having only three pay brackets per pay grade. It was noted the current system keeps employees below market rate. There have been some pieces of legislation floating around that are something like the old COMAP plan, and this is something that we should look at. Finding the right person will be the key.

New Business

The results of the Organizational Performance Survey (OPS) have been released. The results are on the MoDOT website. A draft of the Commission's response to the Blue Ribbon Panel was distributed.

Lobby Day was discussed. It was felt it costs more (\$9000-\$10,000) than what we get out of it. Several alternatives were discussed. Joe Taylor made a motion to cancel Lobby Day activities at the Capital Plaza Hotel and reserve the 3rd floor rotunda of the Capital for an ice cream social on a date recommended by Harry. Mark Zacher seconded the motion. The motion carried. Greg Lay made a motion to continue holding the dinner for the commissioners with the State Board and two members from each chapter attending as in the past. Bob Allen seconded the motion. The motion carried. The date and location for the commissioners' dinner will be determined later.

Steve distributed a letter from the Commission requesting Association input on skills and trait felt to be important in the next MoDOT Director. Presidents were instructed to gather input from their chapters and return the information to Steve no later than January 31.

With no further business, Charles Nyberg made a motion to adjourn. The motion was seconded, and the meeting adjourned.

Respectfully Submitted,

Wilma J. DeGraffenreid
State Secretary

Attending the meeting:

Name	Chapter
Steve Cox	State President
Mark O'Dowd	State Vice President
Wilma DeGraffenreid	State Secretary
Wayne Hinkle	State Treasurer
Larry Thompson	Legislative Liaison
Dennis Dobbe	Chapter 1
Penny Reil	Chapter 1
Deanna McClurg	Chapter 1
Charles Langewisch	Chapter 2
Eldon Jones	Chapter 2
Sam Grimes	Chapter 2
Kathleen Hepworth	Chapter 2
Kent Wray	Chapter 2
Bob Allen	Chapter 3
Gregory Lay	Chapter 3
Gary McClanahan	Chapter 4
Ron Wheeler	Chapter 4
Charles Nyberg	Chapter 4
Ed Barnett	Chapter 4
Tim Hibdon	Chapter 4
Coleen Welter	Central Chapter
Duane Kliethermes	Central Chapter
Joe Taylor	Central Chapter
Mary Ann Davidson	Central Chapter
Mark Zacher	Central Chapter
Tommy Atkins	Chapter 6
Archie Daily	Chapter 8
Linda Dickison	Chapter 8
Micki Knudson	Special Speaker
Jay Wunderlick	Special Speaker
Harry Hill	Lobbyist