



### In This Issue

- Section Annual Event p 1
- SD Section New Officers p 2
- SDCEC Meeting p 3
- Roosevelt Dinner p 4
- Supervisory Meeting p 5
- In The News p 6
- PECG Laughs p 9

### 2021-2022

### San Diego Section Officers

Section Director: Oscar Cortes  
Section President: Frank Contreras  
President Elect: Alex Balce  
VP Supervisory: Abu-Bakr Al-Jafri  
VP Rank & File: Ryan Fallica  
VP At Large: Stewart Migdal  
Secretary: Ron Palo  
Treasurer: Roy Flores

### PECG Member Recruiting is Rewarding!

- Recruitment Tools:  
<http://pecg.org/recruitment-tools/>
- To join:  
<http://pecg.org/join-pecg/>
- Rewards:  
\$50 per rank-and-file employee  
\$200 per supervisor/manager

## PECG San Diego Section Annual Event

August 19, 2022



*Shown in photo from left; Roy Flores, Oscar Cortes, Ryan Fallica, Karen Islas, Stewart Migdal, Alex Balce, Abu Bakr Al Jafri, Sherry Tadros and Frank Contreras*

## PECG Weekly Updates

### PECG Reached Agreement on New MOU!

August 22, 2022

PECG's Bargaining Team has reached agreement on a new Memorandum of Understanding (MOU), or contract, for Unit 9 rank and file employees. The agreement does not provide everything the Team sought, but it is the very best agreement that is available at this time and will provide multiple pay and benefit improvements to all Unit 9 members. The PECG Bargaining Team is unanimous in urging its members to support for ratification of the new agreement.

Find document in the link:

<https://pecg.org/wp-content/uploads/2022-2025-MOU-Summary-of-the-Agreement-.pdf>

The new agreement significantly improves PECG's longevity pay differential by moving the schedule up three years. This chart shows the new longevity pay schedule compared with the current schedule, and the longevity pay raises that will be provided upon ratification of the agreement.

The PECG MOU ratification election will be conducted through a secure online system that will be administered by a neutral third party, TrueBallot. Results will be tabulated when over 50 percent of members have submitted a vote.

PECG San Diego Section Annual Dinner was held on Friday, August 19, 2022, from 6:00 p.m. to 9:00 p.m. at the Stone Brewing World Bistro and Gardens, located at Liberty Station (2816 Historic Decatur Road, San Diego 92106).

The evening celebration included the 2022-23 San Diego Section Officer Installation as well as an update from a PECG Labor Consultant and guest speaker, Jesse Rodriguez, who spoke on current issues facing the membership.

Another highlight of the event was the awarding of \$1000 PECG San Diego Scholarship to Nathaniel Felleke. PECG's Scholarship Program awards thousands of dollars annually to PECG members and their dependents majoring in an engineering or related field of study



*Nathaniel Felleke accepting the award from Roy Flores*

at an accredited college or university. This scholarship is intended to recognize, encourage, and assist high school and college students in reaching their career goals and aspirations through the pursuit of a college degree. This year, PECG awarded 20 \$1,000 scholarships. The program is another example of PECG's commitment to supporting our members and their dependents – the current and next generation of state engineers and related professionals.

## The 2022-2023 PECG San Diego Section Officers:

**Director: Frank Contreras (per Section Bylaws)**

**President: Alex Balce (per Section Bylaws)**

**President Elect: Ryan Fallica**

**Vice President Collective Bargaining: Karen Islas**

**Vice President Supervisory: Abu-Bakr Al-Jafri**

**Vice President At Large: Stewart Migdal**

**Secretary: Sherry Tadros**

**Treasurer: Roy Flores**

July 29, 2022

The California Public Employees' Retirement System (CalPERS) reported last week that the preliminary net return (earnings) on investments for the 12-month fiscal year ending on June 30, 2022, was negative 6.1%, and the total fund is now valued at \$440 billion.

The news was expected. CalPERS, like all other pension funds, is significantly invested in the stock market, which, as we know, has seen a downward turn in 2022. As outlined in this Californians for Retirement Security (CRS) opinion piece that was published on Wednesday, a down year is certainly nothing to be alarmed about. CalPERS is a long-term investor built to withstand good years and bad. PECG is a founding member of CRS, which represents 1.6 million public employees and retirees and was founded in 2005 to support and protect defined-benefit pensions.

And just as a reminder, last year's rate of return was positive 21.3%. Over the past 30 years, CalPERS has averaged an annual return rate of 7.7%. At the end of the 2021-2022 fiscal year, the CalPERS system was estimated to be 72% funded.

June 24, 2022

At its June meeting, the CalPERS Pension and Health Benefits Committee released preliminary health plan premium rates for 2023. These numbers are not final but are the result of negotiations so far between CalPERS and the health plan providers.

# PECG Joins SDCEC!

August 9, 2022

San Diego County Engineering Council (SDCEC) held a virtual meeting via zoom on August 9, 2022, at 6:30pm and hosted by Debra Kimberling, SDCEC President.

The meeting was primarily to implement the Policy Manual governance changes by voting-in the first SDCEC member organizations to be incorporated as Member-At-Large (MAL) like SD PECG, SHPE, SWE, ASCE and others.

Over the years, the PECG San Diego Section has supported SDCEC during Engineering Week to assist the organization in promoting the field of engineering to young people. The recent membership of the San Diego Section provides opportunity for PECG to continue to play an active role in the council. PECG at-large member status with the council will create more opportunities for the San Diego Section to promote its vision and to attract more members.



Currently the SDCEC MAL representatives for PECG are Alex Balce, SD PECG President and Frank Contreras, SD PECG Director. SDCEC will be holding an election and looking for members to run for SDCEC officers and Committee Chairs. Additionally, the council is seeking volunteers, and is already preparing the upcoming celebration for the Engineering Week Festival to be held in February 19-25, 2023.

Overall, premiums are projected to go up an average of 6.8% over the 2022 rates.

The largest projected premium increase is for Health Net Salud y Más at 29.8%. PERS Gold PPO is projected to increase 17.8%, while PERS Platinum PPO is projected to increase by 14.5%. Blue Shield Access+ and Anthem HMO Traditional are projected to decrease by 6.4% and 6.8%, respectively. All projected 2023 HMO rates can be viewed here, and PPO rates here. Again, these rates are only preliminary. CalPERS staff will continue to work with the health plans over the next month and will present the final rates for Board approval in July.

In November 2021, the CalPERS Board approved a number of proposals for the 2023 plan year as recommended by staff, which included service area expansions, new health plans, and benefit design changes. All of these changes can be viewed in the agenda item here.

PECG will continue to advocate for affordable, quality health care plans at CalPERS in the weeks ahead. Once the data is finalized in July, PECG will provide members with the new rates, employee contributions for each plan, and changes from the current year.

PECG members enjoy the best health care reimbursement rate in state service – the 85%/80% formula – in which the state pays 85% of the premium for Unit 9 rank and file employees and 80% of the additional premium costs for their dependents. Unit 9 supervisors and managers are covered by what is known as CoBen, where employees receive a lump sum to apply to their health and dental benefits.

## PECG at Roosevelt Dinner!

July 30, 2022



San Diego Section officers and leaders attended the Roosevelt Dinner on July 30, 2022, at the Sheraton San Diego Hotel and Marina to show their support to local leaders that share PECG's goals of a positive workforce. Legislative officials, Toni Atkins, Chris Ward, and Tasha Boerner Horvath and PECG leadership were able to connect for continued support of PECG related issues.

If you would like to make coverage changes prior to the new rates going into effect on January 1, 2023, you may do so during the open enrollment period from September 19 to October 14, 2022

June 10, 2022

With negotiations for a new PEGC Memorandum of Understanding (MOU) well underway, it's a good time to remind members about an important benefit in the current MOU. Article 3.11(b), Range Changes, ensures that PEGC members in "deep classes" (any class with civil ranges A-D) can receive two raises at the anniversary of their hiring date in some years.

As you know, Unit 9 employees not at the top step of an overlapping salary range are entitled to annual Merit Salary Adjustments/MSA (usually 5%) following the completion of 12 qualifying pay periods, on the first day of the following month. Employees with certain service lengths are also entitled to a range change salary increase (5%) effective with their anniversary date.

Unfortunately, a "qualifying pay period" is defined as a pay period in which the employee actually receives 11 days of pay or paid leave in a given class or range. For employees originally promoted or hired in the last half of a month, this means at the date of their anniversary to change ranges they will only have 11 "qualifying pay periods." In these cases, the employee would receive the salary increase that comes with the range change promotion, but not their MSA.

## San Diego Section Supervisory Meets!

July 14, 2022

San Diego PEGC held a Supervisory & Managers meeting on July 14. Corporate Vice President Supervisory, Stefan Cajina provided updates to members as Section VP Supervisory, Abu-Bakr Al-Jafri facilitated the meeting. Stefan highlighted that the Bargaining Team has been meeting regularly with the State on a new MOU for Rank-and-File. Once a new MOU was agreed upon, the Meet and Confer Team would meet to implement an agreement for Supervisors and Managers. Stefan elaborated on how the core issues are being tackled with CALHR and pushed in the bargaining process and reiterated the importance of member participation in the surveys to get all input evaluated and analyzed. The San Diego Section thanks Stefan for providing an update to Supervisory members. A \$15 gift card was sent to members who attended in lieu of lunch.



*Stefan Cajina, PEGC VP supervisory*

PECG recognized this anomaly some years ago and was successful in adding Article 3.11(b) to the PECG Memorandum of Understanding (MOU) to ensure Unit 9 employees can receive both raises:

“Employees, at their discretion, who are eligible for a range change may defer their range change up to six (6) qualifying pay periods in order to coincide the range change with the effective date of their MSA. Said requests by employees shall be in writing and submitted no less than 30-days prior to the employee’s anniversary date for purposes of the range change.”

Typically, this option is used at the time of movement from Range B to Range C by employees originally hired after the middle of the month. By delaying the Range Change until the first of the following month, both the 5% MSA and the 5% Range Change promotional raise are awarded, rather than having the MSA “clock” reset by accepting the Range Change on their anniversary date, mid-month. Sometimes, depending on the date you receive your license, Article 3.11 can benefit newly licensed Range D engineers, surveyors, or landscape architects too. It typically does not affect movement from Range A to Range B because the promotional raise alone usually exceeds 10% of salary. If you have questions or would like PECG’s help in navigating Article 3.11 of the MOU

*June 3, 2022*

On May 13, Governor Newsom released his updated budget proposal for the 2022-23 fiscal year, known as the May Revise. In short, state tax revenues continue to roll in at extraordinary high levels and far in excess of projections. The May Revise projects a \$97 billion surplus in the fiscal

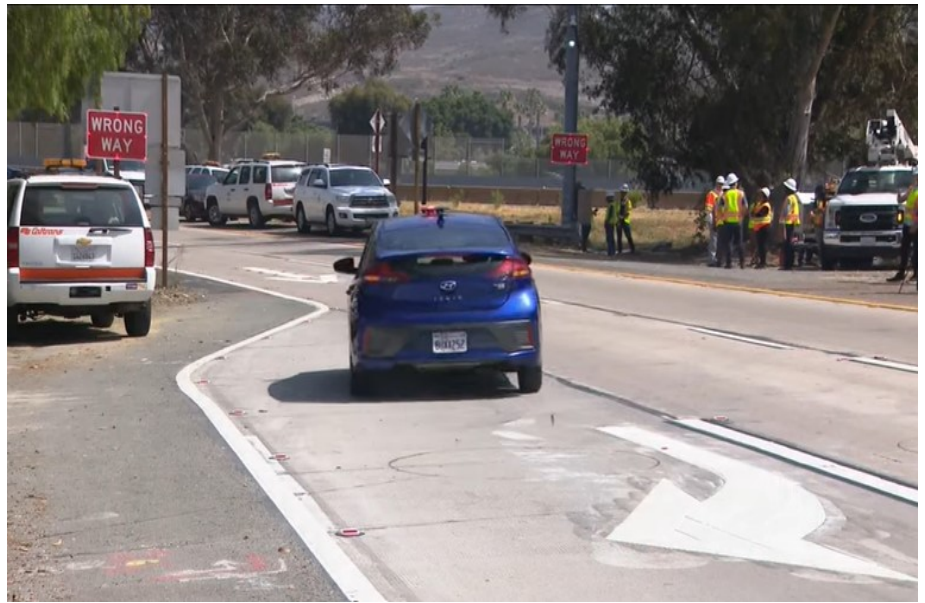
## IN THE NEWS

### CALTRANS project to prevent wrong-way drivers begins on I-8

Source: KFMB San Diego

Jasmine Ramirez

August 7, 2022



Crews began wrong-way-driver-prevention upgrades along a 40-mile stretch of Interstate 8 in East County on Sunday. Special reflective markers are being installed on I-8 ramps from East Willows Road to Ink-Ko-Pah Park Road. The reflectors appear red to drivers headed in the wrong direction. Some ramps and their adjacent right lanes will be closed Sunday through Thursdays 7 pm to 5 am and Saturday and Sunday 3 am to 11 am. The project is expected to wrap up August 18th.

"There's been a lot of times I've been in accidents or seen people driving on the wrong side of the road and it's scary" said Chris Wilder, a Lakeside resident. Wilder has two high school age daughters who are learning to drive. Knowing they'll be on the road alone soon, projects like this help give him peace of mind.

"The more they can do for us to keep us safe and our families, I'm all for it," Wilder said. The reflectors have been proven to work well in the past. "It showed a reduction anywhere from 44 to 64 percent so it was quite effective," said Erwin Gojuangco, Caltrans District Division

year – far higher than the \$45.7 billion that was estimated in the governor's January budget proposal. For perspective, the 2021-22 revenue surplus was \$76.7 billion.

With taxes pouring in at higher-than-expected levels, the May Revise greatly increases total budgeted spending to a historic \$300.6 billion, with general fund expenditures of \$227.4 billion in the 2022-23 fiscal year which starts July 1, 2022. Reserve funds are also at a record-high of \$37.1 billion, including \$23.3 billion in the state's rainy-day fund.

The governor's plan calls for billions of dollars in one-time expenditures including money for tax rebates, fighting drought and wildfire conditions, subsidies for low and middle-income health care plans, affordable housing, and a record level of per-pupil school funding. Infrastructure investments would receive \$37 billion, up from the \$20 billion proposed in January. The State also would make a one-time \$3 billion supplementary payment to CalPERS to bolster the fund, as proposed in January.

The governor dropped a plan to suspend an inflation-indexed increase in the state's gas tax this summer. PEGC opposed the plan because it would take hundreds of millions of dollars away from state highway projects. However, with fuel prices running well over \$5 per gallon and inflation at a 40-year high, Newsom reintroduced a proposal to send \$400 rebates to registered vehicle owners – up to \$800 per person – at a cost of \$11.5 billion.

Legislative leaders have offered an alternate plan that would refund less money and narrow the rebate to lower-income Californians.

Unfortunately, the non-partisan Legislative Analysts' Office (LAO) was quick to suggest that very dark clouds hover over

Chief. He said although wrong-way crashes are rare, they have scary outcomes. "It leads to very tragic events, fatalities and serious injury," he said. "They're really high impact, high speed with two vehicles colliding and it doesn't end well."

Two tragic wrong-way crashes have happened in San Diego. One killed a mother and her 12-year-old daughter in 2018. Then 18-year-old Trevor Heitmann, better known as McSkillet on Youtube, entered southbound I-805 via the Carol Canyon on-ramp going the wrong way. He was driving a McLaren going at least 100 miles an hour down an HOV lane when he crashed.

Three people, including two San Diego police detectives who were married, lost their lives in a fiery head-on collision on I-5. It happened last June in San Ysidro near the U.S.- Mexico border. CHP investigators said the driver was going 90 miles per hour heading the wrong way near Dairy Mart Road when the crash happened.

This project hopes to prevent these types of tragedies.

## SANDAG explores toll alternatives on SR 125

*By Albert Fulcher -07/29/2022  
The Star News*



On May 27, the San Diego Association of Governments received a request a future agenda item to consider eliminating debt and toll-only operations on State Route 125 as early as 2027 by board member and

the Administration's 2022-23 budget proposal. According to the LAO, all the conditions exist for a recession in the next two years, namely high inflation, and a tight labor market. With falling revenues that would come with a near-term recession, and a constitutional obligation to rebate tens of billions of dollars in excess tax revenues to Californians required by the Gann Limit (or State Allocation Limit), the LAO concludes the Administration's 2022-23 "budget is barely balanced," and the State would "likely have significant budget shortfalls in the out-years," including an operating deficit in excess of \$15 billion as soon as next year.

Newsom's proposal starts the clock on the final stretch of negotiations with the Senate and the Assembly, which must pass a budget bill by June 15. The state's fiscal year begins July 1.

The May Revise also notes that bargaining between the State and PEGC (and five other unions) continues for new agreements to replace contracts that have expired or will expire in late June or early July. The governor's budget does not itemize proposed funding for Unit 9 compensation or that of any other state bargaining unit without an agreement. The money for those expenditures will be allocated later in separate budget bills as unions reach agreements with the State.

## PEGC Member Involvement

If you are interested in volunteering on any one of these San Diego Section Committees, please email our Section Past Director, Cristina Nunez at: [cristina.nunez@dot.ca.gov](mailto:cristina.nunez@dot.ca.gov)

- Events Planning Committee

Chula Vista Mayor Mary Casillas Salas. On July 8, SANDAG Board of Directors passed a resolution directing staff to evaluate alternatives to toll-only operations including managed lanes, control future toll road expenditures to increase cash on hand available to retire the debt by Fiscal Year 2027 and conduct a multimodal plan for the SR 125 to analyze future transportation option to retire the debt. Originally, the debt of the SR 124 would have been completed in 2042.

"The tolls on the SR125 have been a detriment to the economic development of Chula Vista and Otay Mesa. It's the only toll road in San Diego County which is fundamentally unfair," said Casillas Salas.

The SR 125 toll road is a 10-mile stretch that runs from Otay Mesa Road near State Route 905 in eastern Chula Vista to State Route 54 in Spring Valley.

In December 2011, SANDAG purchased the SR 125 toll road franchise from its private sector owner, Southbay Expressway, LP. The Board of Directors' purpose in purchasing the franchise was to reduce the tolls and improve mobility in the region by optimizing use of SR 125 and reduce congestion and the need for infrastructure improvements on other parallel roads. To carry out the transaction, SANDAG secured a loan from the RTC to purchase the franchise in the form of a promissory note and was required to assume the TIFIA loan that the private sector owner had used to finance construction of the road. Under SANDAG ownership, toll rates were reduced in June 2012, and both traffic and revenue growth have surpassed initial expectations.

As a result, SANDAG has built up a cash reserve that is projected to be \$107 million by FY 2027, the first year the outstanding bond debt may be retired. In FY 2027, SANDAG projects the cost to retire the debt will be \$143.3 million. This \$35 million difference between debt and cash on hand has prompted the proposed resolution to make a SANDAG priority the early elimination of debt and toll-only operations. Future SANDAG expenditure projections of over \$65 million to replace and enhance toll facilities after FY 2027 along with over \$73 million in interest payments that wouldn't be needed if the debt were retired is added justification to support the resolution.

Chula Vista Deputy City Manager Kelly Broughton said the earliest the debt could be paid off is 2027, the reason for the request. He said the city of Chula Vista is trying to create a situation where the city and the residents of Chula Vista are treated to other toll facilities in San Diego County.

"This is the only road in San Diego County, in order to ride it, you must pay a toll," he said. "The other situation is the managed lanes on Interstate 15, you can choose to pay if you want to get into the faster lane, but you always have a free option."



- Health & Safety Comment
- Membership Committee
- Nominations & Election Committee
- Policy & Bylaws Committee
- Political Involvement Committee
- Retirement Committee
- Scholarship & Student Monitoring Committee
- Public Outreach Committee
- Science Fair Committee Events Committee
- Grievance Committee
- STEM Committee

## QUICK LINKS

- Visit San Diego Section  
[sandiegopecg.org](http://sandiegopecg.org)
- Follow us on Twitter  
[Twitter.com/pecg\\_sandiego](https://twitter.com/pecg_sandiego)
- Health Plan Premiums 2021  
<http://pecg.org/members/resources/health-plan-premiums/>
- New MOU: 2020-2022  
<http://pecg.org/new-pecg-mou/>
- PEGC Informer  
[pecg.org/communications/informer/](http://pecg.org/communications/informer/)

## PEGC Laughs

An engineer, a physicist, and a lawyer were being interviewed for a position of a chief executive officer of a large corporation. The engineer was interviewed first and was asked a long list of questions, ending with, "How much is two plus two?"

Broughton said they want to either reduce the tolls on the freeway, so it is less of a burden on residents, or eliminate it all together, or to amend it so that citizens are treated the same as other toll roads in the county.

"It has come from our desire to attract business to locate to Chula Vista, and that has been received with some of the businesses saying they would consider it, but the toll is a negative for them to move a business in Chula Vista because of the burden it would place on their employees, and that is the location of much of our prime real estate for future development," he said. "Our university and innovation district that we have planned, as well as the new developing areas with large commercial components to them."

Broughton said in looking more closely at the finances of the toll facility, they immediately recognized that there was a small gap between cash they had on hand and the outstanding bond debt.

"When we saw the price tag was so close, we started saying does it make sense to continue to pay and do all these improvements over the next 15-20 years, that might otherwise be avoided if it was not a toll facility in the future," he said. "We wanted to make sure that all the entities and agencies involved with this facility were coming at it at the same perspective. We understood what the issues were, what had to be resolved, and that we were all on the same page moving forward. There were different perspectives on the toll facility, but we are now on the same page with SANDAG staff and the California Department of Transportation and their staff."

Broughton said this would save the region money in the long run because in the future the cost of the toll road and future costs without a toll facility you would not have to spend the money in upgrading the toll road equipment and upgrades. In June, the toll road closed for three days at several locations to install upgraded tolling technology, spending an estimated \$17-\$18 million. In April, SANDAG lost as much as \$1.8 million in revenue last year after someone disconnected four of the 42 stations' toll equipment along SR 125, according to an inewsourc article.

"We believe SANDAG can close that gap even further now between 2027, and with the \$20 billion that Sen. Ben Hueso set aside for this purpose, that makes that \$35 to \$36 million difference that we identified today a lot less," he said. "We understand that CALTRANS has a perspective. They expected all along to have the maintenance for this facility and any upgrades necessary, repairs and replacements of the facility coming from the toll road when it was financed, that was what the promise was. I get that. But we also must recognize that the state received a pretty much free facility that is an important link in San Diego County and the border region. We want to make sure that it is not lost in the perspective of anybody. It would be an earlier date for CALTRANS and the state to take on, but in my opinion, it is still a good deal for them."

The engineer excused himself and made a series of measurement and calculations before returning to the board room and announcing, "Four."

The physicist was interviewed next and was asked the same question, Again the last question was, "How much is two plus two?"

Before answering, he excused himself, made the library, and did a great deal of research. After consulting with the US Bureau of Standards and making many calculations, he also announced, "Four."

The lawyer was interviewed the last, again the final question was, "how much is two plus two?"

The lawyer drew all the shades in the room, looked outside to see if anyone was there, checked the telephone for listening devices, and finally whispered, "How much do you want it to be?"

*-From The greatest Joke Book Ever -Mel Greene*



Improve your public speaking and enhance your leadership skills!

Membership fees are reimbursable per MOU Section 3.3b.

Join our Webex meeting every Tuesday at 12:00-1:00PM

Please contact:

Abu- Bakr Al-Jafri, VP Membership at [abu-bakr.h.al-jafri@dot.ca.gov](mailto:abu-bakr.h.al-jafri@dot.ca.gov) Sor Kimberly Dodson, VP Education at [kimberly.dodson@dot.ca.gov](mailto:kimberly.dodson@dot.ca.gov)

Broughton said another thing that struck, was the number of riders and the costs of the facility are Chula Vista centric.

"There are businesses that are located here," he said. "The customers driving in and getting off at the exits are employees and residents leaving every day and coming back, between 84% and 94% of all toll revenue is being provided by Chula Vista businesses and residents."

Broughton said that was never the intention of the toll road. It was hoped that it would alleviate traffic coming from the border and disbursing some of the traffic from Interstate 5, and Interstate 805 to the SR 125.

"That has not materialized, and we believe that is largely because of the tolls," he said.

Broughton said the largest issue facing this decision is the state's new requirement for evaluating the impact on vehicle miles travelled (Senate Bill 743, Vehicle Miles Traveled Policy) and the perspective that if the toll road opens up, or reduces the tolls, it would induce people to get in their car and drive where they otherwise would not.

