Minutes for the CSCE Board Meeting –April 13, 2011 – 4:30 p.m. – The Officers’ Club, USCGA, New London, CT

CSCE Members in Attendance:

Rob Barakat*  Bob Gomez*  Ron Nault*  
Billy Cunningham*  Chris Holden*  Sara Ramsbottom*  
Gary Fuerstenberg  Tom Loto  James Sime  
Ron Nault*  
Sara Ramsbottom*  
James Sime  
Jason Waterbury*  

Administrative Staff:

Amy Petrone

*Note: CSCE Board Members

1. President - Rabih Barakat

1.1 ACE Awards Tasks:

- Photographer - Jason Waterbury will check with Annette Murano, the photographer from last year’s ACE Awards ceremony, to see if she is interested in taking photographs again this year.
- Write-up for MC (Teresa LaBarbera) – Greg Holness will provide this information to the MC.
- ASCE National Representation – Andy Hermann, 2010-11 ASCE President-Elect, plans to attend the ceremony. Billy Cunningham will coordinate the details of the itinerary of his visit to Connecticut. CSCE plans to show CSCE’s billboards during his visit.
- PowerPoint slide show – Amy will assemble this slide show, which will include photos of the CSCE billboards, a note about the Fairfield County Branch’s upcoming events/20th anniversary, photos from ACE applications, photos from student awards ceremony, announcements of upcoming CSCE events and other CSCE-related photos. Since Bob Gomez will be providing the computer/projector, she will forward a copy of the slideshow to him by the end of April.

As has been the policy in past years, CSCE will not announce the winners prior to the awards ceremony.

1.2 ASCE/EWB Liaison – Designation of CSCE member by April 1, 2011 – While CSCE did not officially designate a CSCE member to this position, Sara Ramsbottom will check with the Younger Members Committee to see if one of its members would be interested in being this liaison.

1.3 Outstanding Section and Branch Web Site Awards – CSCE will submit an application for both of these awards.

1.4 Fairfield Branch (Ron Hill) – Anniversary - The Fairfield Branch celebrates its 20th anniversary in 2011. This should be noted at the ACE Awards and on the CSCE website.

1.5 Subsidizing Costs for Life Members at Meetings or Seminars – This topic will be addressed at the CSCE Board’s Planning Meeting this summer.

1.6 Licensing Proposal for Stormwater Professionals – Rob Barakat and Chris Holden will check on the status of this legislation.

2. Director-1 – Ron Nault

2.1 Status of Past President Council – CSCE plans to schedule a meeting of this group sometime in the next couple of months.

3. Director-II – Chris Holden

3.1 Nominating committee – Benjamin Wright Award – The Committee will discuss the nominations during an upcoming conference call.

3.2 April 2011 Assembly – Chris Holden attended this event on behalf of CSCE. ASCE strongly supported CSCE’s recent billboard advertising campaign. To share information about this topic with other members of ASCE, he will develop a Standard Operating Procedure (SOP) for this type of campaign. In future efforts, the ASCE logo should be included on the billboards.

3.3 2012 Engineers Week – CSCE should become more involved with Engineers Week. Perhaps, Governor Malloy could honor civil engineers by establishing a “Civil Engineers Day” in Connecticut.

3.4 Future Cities Program – CSCE should get more involved with this program.

4. Newsletter Editor – Sara Ramsbottom

4.1 Golf Tournament – The tournament is scheduled for Saturday, September 10, 2011.
4.2 Newsletter – There will be an April newsletter, which can include a list of ACE Award nominees. A new ad pricing structure will be developed for discussion at this summer’s CSCE Board’s Planning Meeting.

5. Treasurer – Bob Gomez

5.1 Scholarship Fund Committee – Jim Sime provided the Board with an update on CSCE’s Scholarship Fund (see attached). Previously, the CSCE Board approved reducing CSCE’s weighting in the GNMA bond fund to no more than $10,000. Although GNMA funds are secure against losses from default, they are subject to interest-rate risk. Therefore, reducing CSCE’s exposure to $10,000 in GNMA will protect the fixed income allocation.

Additions to a ladder of FDIC-insured Certificates of Deposits (CDs) are planned to keep fixed income funds intact during the anticipated period when interest rates will be increasing back to historically normal levels. In the future, once somewhat stable higher mortgage interest rates are reached, it is anticipated that as investments in CDs mature, the funds can be reinvested back into the GNMA fund (and possibly other bond funds as well), which should be at lower price levels associated with higher (normal) market interest rates.

6. Secretary/Administrative Assistant – Greg Holness/Amy Petrone

6.1 Administrative - Review/Discuss/Accept Meeting Minutes from previous meeting – Jason Waterbury made a motion to accept the minutes from the March 8, 2011 Board meeting. Bob Gomez seconded the motion and it passed unanimously.

7. Past/Upcoming Meetings/Conferences

7.1 Transportation Construction Coalition (TCC) Fly-In in Washington, DC on May 23-25, 2011– It would be good if at least two CSCE members (one member with less experience with CSCE and one member with more experience with CSCE) could attend this event.

7.2 ASCE’s Legislative Fly-In – March 29-31, 2011 in Washington, DC – Rob Barakat attended this event on behalf of CSCE. Every state was represented at this event.

7.3 Reinforced Walls and Slopes Workshop – May 6, 2011 at the University of New Haven – Together with Deep Foundations Institute (DFI), the Geotechnical Technical Group is coordinating this upcoming workshop. The speaker will be Barry Christopher, P.E., Ph.D.

8. Adjournment – The meeting adjourned at 5:45 p.m.
SITUATION: S&P 500 was 1,312 today, nearly unchanged from one month ago. In the April 5, 2011 issue of Marketimer, Bob Brinker describes the type of stock market we have been in since March 2000. He characterizes the market as a secular bear market. In this type of stock market environment, we see large declines followed by large increases. Presently, we are in the upward “bull market” period of the second down-up cycle since March 2000. The down and up cycles are shown in the table below.

Table 1 Megatrend Cycles in Stock Market

<table>
<thead>
<tr>
<th>Megatrend Cycles</th>
<th>Time Periods</th>
<th>S&amp;P 500 Index</th>
<th>$100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Down</td>
<td>3/2000-10/2002</td>
<td>Down 49%</td>
<td>$51</td>
</tr>
<tr>
<td>Up</td>
<td>10/2002-10/2007</td>
<td>Up 101%</td>
<td>$103</td>
</tr>
<tr>
<td>Up</td>
<td>3/2009-2/18/2011</td>
<td>Up 98.6%</td>
<td>$88</td>
</tr>
</tbody>
</table>

Why do we bother to pay attention to megatrend cycles? If we “buy and hold”, we follow the down and up share-price movements and the value of our equity investments tend to match what happens to the $100 in the table above. In this example, over the eleven-year period the value of the equity investment went from $100 to $88, for an overall loss of 12%. If we can identify top and bottom time periods of the market, it is possible to “sell high and buy low.” In our case, we are using the market timing models of Bob Brinker. His record is that he identified the first down cycle, and both up cycles. That has been good enough to grow the scholarship fund.

Table 2 CSCE Scholarship Fund performance since 2009
Brinker's analysis has maintained its forecast of GDP growth of 2.5% to 3.5% in 2011, sufficient to lower unemployment somewhat and generate S&P 500 operating earnings of about $93.50. At price/earnings ratios of 15 to 15.5, Brinker forecasts the market will go to the 1400 to 1450 range by the end of 2011.

**FIXED INCOME:** Previously, the Board approved reducing our weighting in the GNMA bond fund to no more than $10,000. Although GNMA funds are secure against losses from default, they are subject to interest-rate risk. Therefore, reducing our exposure to $10,000 in GNMA will protect the fixed income allocation.

Additions to a ladder of FDIC-insured Certificates of Deposits (CDs) are planned to keep fixed-income funds intact during the anticipated period when interest rates will be increasing back to historically normal levels. In the future, once we reach somewhat stable higher mortgage-interest rates, it is anticipated that as investments in CDs mature, the funds can be reinvested back into the GNMA fund (and possibly other bond funds as well), which should be at lower price levels associated with higher (normal) market interest rates.