



**2012
BOARD OF GOVERNORS
MEETING**

Minutes of Meeting

**The Mandalay Bay
Las Vegas, NV
September 29, 2012**

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**MINUTES OF MEETING
OF
BOARD OF GOVERNORS
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION, INC.**

The Mandalay Bay

September 29, 2012

Las Vegas, Nevada

Chairman:
Dennis F. Quebe

Secretary and Director, Sergeants-at-Arms:
Traci M. Pickus

Call To Order: Chairman Quebe called the regular meeting of the Board of Governors of the National Electrical Contractors Association, Inc. to order at 8:30 a.m. on September 29. Mr. Quebe welcomed the members of the Board and guests.

Regarding the conduct of the meeting, the following are applicable in accordance with sections 4.4 and 8 of the Bylaws:

- In all elections of officers, except when the candidate is unopposed, and in voting on amendments to the Bylaws, the Board of Governors shall take a ballot vote. On other matters, the usual form of voice voting shall prevail with each member of the Board of Governors having one vote. When a ballot is not required, any member of the Board of Governors may call for a ballot vote on any question before the question is put to the Board of Governors for a vote.
- On ballot votes, except on matters pertaining to Labor Relations, each Governor shall cast, as a unit, all the number of votes as provided in the Bylaws for the members of the chapter who are in good standing thirty (30) days prior to the date of the meeting. On any matter pertaining to labor relations, the number of votes shall be limited to those attributable to members that are signatory to an I.B.E.W. labor agreement. The President, District Vice-Presidents and the Vice-President-at-Large shall cast one (1) vote each.
- Effective date of these proposals shall be immediate upon passage unless otherwise indicated.
- Robert's Rules of Order will govern such discussion as may be desired on these proposals.

ROSTER - The following is a list of the members of the NECA Board of Governors that were in attendance:

EXECUTIVE COMMITTEE

President:	Dennis F Quebe - Dayton, Ohio
Vice President, District 1:	David B Pinter - New York, New York
Vice President, District 2:	Greg E Stewart - Columbus, Ohio
Vice President, District 3:	Alex Owen - Mableton, Georgia
Vice President, District 4:	David Hardt - Chicago, Illinois
Vice President, District 5:	John Lambert - Austin, Texas
Vice President, District 6:	George Adams - Portland, Oregon
Vice President, District 7:	Daniel G Schaeffer - St. Louis, Missouri
Vice President, District 8:	Raymond K Friend - Boise, Idaho
Vice President, District 9:	Stan Lazarian - Pasadena, California
Vice President, District 10:	Gary A Tucci - Sumner, Washington
Vice President at Large:	Ron Autrey - Jacksonville, Florida

CHAPTER AND GOVERNOR

Alaska.....Mick E Manning
 Albany.....Joseph P Gross
 American Line Builders.....Thomas M Wolden
 Arizona.....Gregory Russell
 Arkansas.....Jimmy D Coker
 Atlanta.....Rilo Stephens
 Atlantic Coast.....Terry J Lette
 Augusta.....Rudolph Dixon
 Baton Rouge.....Hermon L Milton
 Boston.....Lawrence M Hurwitz
 California Central Coast.....Louis J Angelos
 Cascade.....Paul C Sorensen
 Central Florida.....Scott Maddox
 Central Illinois.....Steve C Gardner Sr
 Central Indiana.....Jeff W Cardwell
 Central Massachusetts.....Matthew Ostrow (Alternate)
 Central Mississippi.....Alton Ware
 Central Ohio.....Ronald D Becker
 Central Texas.....Mike Kanetzky
 Chicago & Cook County.....Brad R Weir
 Cincinnati.....William J Meyer
 Connecticut.....Jack Fiora
 Contra Costa.....Rick Henry
 Dakotas.....Robert Jarding
 East Central California.....David J Helsel
 East Tennessee.....Richard Hall
 Eastern Illinois.....Larry H Clennon
 Eastern Oklahoma.....Larry K LaFave
 Finger Lakes NY.....John Amicucci
 Florida West Coast.....Andy DeLaParte
 Georgia.....Brad Butler
 Greater Cleveland.....Michael B Joyce
 Greater Sacramento.....Frank E Schetter
 Gulf Coast.....Charles Freeman
 Hawaii.....Steve T Watanabe
 Hudson Valley.....Jeffrey L Seidel
 Idaho.....Jeffrey L Wheeler
 Illinois.....Daniel M Wilcox
 Inland Empire.....David A Peterson (Alternate)
 Intermountain.....Thomas W Nelson
 Iowa.....Donald D Barrigar
 Kansas.....Doug Hague
 Kansas City.....Robert W Blake
 Kern County.....Bret C Smith (Alternate)
 Long Island.....Nicolaus Feldmann
 Los Angeles County.....Steve O'Bryant
 Louisville.....James E Strange Jr
 Mahoning Valley.....David A Dickey
 Maryland.....James H Cornelius
 Memphis.....David N Estes Sr
 Michigan.....Robert J Turner
 Milwaukee.....Michael Kelliher
 Minneapolis.....Paul Kosmides
 Monterey Bay California.....Frederick A Jensen
 Nebraska.....Gary Demmel

New Mexico.....Troy L Beall
 New York City.....Steven Lazzaro
 North Central Ohio.....Laverne A Wolgamott
 North Florida.....David Long
 North Louisiana.....Kirk Davis
 North Texas.....Steve Hargrove
 Northeast Louisiana.....Martin West
 Northeastern Illinois.....Craig R Martin
 Northeastern Line Constructors.....George Troutman
 Northern California.....Lewis Frain
 Northern Illinois.....Roger L Chapman
 Northern Indiana.....Anthony J Maloney III
 Northern New Jersey.....Neil C Vitale
 Northern New York.....Michael Norstrud (Alternate)
 Northwest Line Constructors.....Donald Wilson
 Ohio/Michigan.....Russ Zimmerman
 Oklahoma.....Jeff L Lewis (Alternate)
 Orange County.....Robert L Douglass
 Oregon-Columbia.....Karl Jensen
 Oregon-Pacific-Cascade.....Michael J Hamilton
 Penn-Del-Jersey.....Franklin P Holleran
 Puget Sound.....Marvin D Nelson
 Quad-Cities.....Daniel F Palmer
 Red River Valley.....Marvin L Groves II
 Redwood Empire.....Robert Smith
 Rochester New York.....Eric F Schmidt
 Rocky Mountain.....Craig Clark
 San Diego County.....Thomas L Hedges
 San Francisco.....Leonard E Lynch Jr
 Santa Clara Valley.....William Pfeiffer
 South Florida.....Jonathan R Borden
 South Louisiana.....E. J. Deubler III
 South Texas.....Orvil Anthony
 Southeast Texas.....Wayne Brinkmeyer
 Southeastern Line Constructors.....Jody Shea
 Southeastern Michigan.....Jerry Dancey
 Southern Arizona.....John F Kostyo
 Southern Colorado.....James L Peterson
 Southern Indiana.....Dan Harpenau
 Southern Nevada.....Robert J Lisowski
 Southern New Jersey.....George Brestle
 Southern Sierras.....Thomas G Ispas
 Southern Tier.....Bill G Emmons
 Southwest Washington.....Michael L Doyle
 Southwestern Line Constructors.....Randall Wisenbaker
 St Louis.....Matthew Doell
 St Paul.....William P Lindberg (Alternate)
 Twin Ports-Arrowhead.....Blair Mahan
 Washington DC.....Albert E Winfield
 West Texas.....Tom Wiley
 West Virginia-Ohio Valley.....James A Smith
 Western Line Constructors.....Rich Holbeck
 Western NY State.....Kevin M Mislin (Alternate)
 Western Ohio.....John S Frantz
 Western Pennsylvania.....Robert J Bruce

Wisconsin.....Gerald W Schulz
Wyoming..... Stuart Tanner

INTERNATIONAL CHAPTERS

ACEN NECA MonterreyEduardo Mariscal-Hay
Bermuda Electrical Contractors
Association (BECA).....Ray Beaulne
Canadian Electrical Contractors
Association Inc..... Colin M Campbell
Korea Electrical Contractors AssociationMun-Sik Shin
MEA (Master Electricians Australia).....Richard Flanagan
National Electrical & Communications
Association Western Australia Ian Swain
NECA (Australia) - New South Wales..... Stephen Griffiths
NECA (Australia) - National Office Stephen Griffiths
NECA ACEH Honduras..... Charles H George
NECA ACOEO
(Guadalajara, Mexico).....Luis Felipe Flores Torres
NECA Americ (Mexico) -
National Office.....Ernesto Diaz Sanchez (Alternate)

The following Chapters were not represented:

Domestic Chapters

El Paso
Missouri Valley Line Constructors
Montana
Rhode Island & Southeast Massachusetts
San Mateo County
Southwest Louisiana
Western Massachusetts

International Chapters

ACEN NECA Monterrey
Bermuda Electrical Contractors Association (BECA)
Korea Electrical Contractors Association
National Electrical & Communications Association Western Australia
NECA ACOEO (Guadalajara, Mexico)

Pledge of Allegiance and Invocation: Dan Schaeffer and Alex Owen led the group in the Pledge of Allegiance and invocation, respectively.

Welcome from Host City: Robert Lisowski, Governor of the Southern Nevada Chapter welcomed the governors and guests to Las Vegas.

Recognition of Fellows of the Academy of Electrical Contracting: Mr. Quebe requested that all Fellows stand and be recognized.

Recognition of Deceased Governors: A moment of silence honored all chapter governors who have died since the last meeting.

Report of the President: Mr. Dennis F. Quebe, President, presented a report on the state of the association.

Report of the Chief Executive Officer: Mr. John M. Grau, Chief Executive Officer, provided an overview of important issues confronting the industry and actions NECA is taking to address them.

Report of the Chief Operating Officer: Mr. Daniel G. Walter, Chief Operating Officer, provided an update on several projects including release of the NECA 2012 Las Vegas convention app; publication of the Profile of the Electrical Contractor in the July issue of the magazine; editorial awards received by Electrical Contractor magazine from FOLIO magazine for both the February 2012 and the April 2012 issues; and a preview of the 2013 Energy Forum.

Report on Labor Relations: Mr. Geary M. Higgins, Vice President, Labor Relations, reported on the current status of Labor Relations issues.

Report of the Secretary-Treasurer: Ms. Traci M. Pickus, Secretary-Treasurer, reported on the financial and membership status as of August 31, 2012.

Presentation of Industry Partner Award: Mr. Quebe presented the 2012 award to Dr. David Riley, Penn State University, for his partnering efforts with NECA.

Remarks: Mr. Edwin D. Hill, International President of the IBEW discussed the state of the electrical construction industry.

Actions:

Action on Minutes of Previous Meeting:

Upon motion duly made and seconded, the minutes of the meeting held in San Diego, CA on October 21, 2011, were approved as submitted by voice vote.

Action on Ordinary Proposal #1:

*Being properly submitted by the NECA's District IV Council, this proposal to amend NEBF's Definition of Gross Labor Payroll was **ADOPTED** by voice vote.*

Ordinary Proposal #1

WHEREAS, Section 6.2.1 of the Restated Employees Benefit Agreement and Trust For The National Electrical Benefit Fund, dated January 1, 2000, defines gross labor payroll as "all wages and other compensation paid to, or accrued by the Covered Employees in the Brotherhood bargaining unit or the Local Union bargaining unit for services performed for the Covered Employer";

WHEREAS, in a letter dated November 30, 1990, and recently confirmed in a communication dated, December 29, 2011, the NEBF Executive Secretary-Treasurer defined "gross labor payroll" as "all wages and other compensation paid or accrued to employees in the IBEW bargaining unit for services performed for the employer." The communications confirmed that "paid vacations, paid holidays, and paid sick days are cash fringe benefits and may not be excluded from Gross Labor Payroll." In addition, "bonuses, whether or not expressly set forth in the labor agreement, are considered Gross Labor Payroll unless they are bona fide bonuses of an "extraordinary" nature."

WHEREAS, the December 29, 2011 communication stated *“whenever there is any question about NEBF contributions being due on any type of wages or other compensation paid to or accrued by the employees, it is to be resolved in favor of inclusion in Gross Labor Payroll.”*

WHEREAS, many contractors provide incentive pay, outside the terms and conditions of their local labor agreements, such as vacation, holiday and bonuses as both a reward and incentive for good work, and as an extra benefit to keep good employees;

WHEREAS, union employing contractors are already excessively burdened with fringe benefit payments that are not paid by their nonunion counterparts, and requiring NEBF contributions on certain incentive payments that are outside the terms and conditions of the labor agreement, just adds to that burden;

WHEREAS, many local benefits paid under the terms and conditions of local labor agreements are based on hours worked and working wages;

WHEREAS, NECA service charges are based on a member’s *“productive electrical payroll”* which is defined in the National NECA Bylaws *“as total wages, including overtime wages, paid for all hours worked by all classes of electrical labor for which a rate is established in the prevailing labor agreement where the labor was performed...”*;

WHEREAS, to be compliant with most local benefit obligations, contractors report working wages and working hours on their monthly payroll reports and to be compliant with NEBF’s definition of gross labor payroll, they also need to report gross wages in a separate column;

WHEREAS, reporting gross wages on monthly reports, that include vacation, holiday, sick, per diem, and bonus pay, which are outside the scope of the labor agreement, results in local IBEW unions, fund administrators and NECA Chapters knowing the added benefits that employers pay to some of their key employees. This knowledge has caused added stress at the bargaining table and resentment by IBEW members who do not receive such incentive pay;

THEREFORE, be it resolved, that NECA will work with the IBEW to replace the wording of “Gross Labor Payroll” with the words “Productive Electrical Labor Payroll” in the NEBF standard Category 1 labor agreement language and will direct the NEBF Trustees and National Employees Benefit Board to replace the wording of “Gross Labor Payroll” wherever it appears in any NEBF plan and trust documents with the words “Productive Electrical Labor Payroll” and specifically reword Sections 6.1 and 6.2 of the NEBF Restated Employees Benefit Agreement and Trust as follows:

Section 6.1 Covered Employer Contributions. Each Covered Employer shall pay by the fifteenth of each calendar month (except as provided herein) to the NEBF’s designated local collection agent an amount equal to 3% of the ~~gross~~ productive electrical labor payroll for the preceding calendar month paid to, or accrued by, the Covered Employees, as described in this Article. The Covered Employer agrees that such contributions shall constitute a legally binding, absolute obligation to the NEBF, and such obligation shall not be subject to set-off or counterclaim which the Covered Employer may have for any liability of the NEBF, the Brotherhood, a Local Union, the Association, any Local Chapter thereof, or any Covered Employee.

Section 6.2 3% of the Gross Productive Electrical Labor Payroll. The term 3% of the ~~gross~~ productive electrical labor payroll shall mean:

6.2.1 as to Covered Employees who are in a bargaining unit represented by the Brotherhood or Local Union, 3% of all working wages and other compensation paid to, or accrued by the Covered Employees in the Brotherhood bargaining unit or the Local Union bargaining unit for services performed for the Covered Employer, or

6.2.2 as to Covered Employees who are not in a bargaining unit represented by the Brotherhood or Local Union, either (a) 3% of all working wages and other compensation which the Covered Employer would pay, or which the Covered Employees would accrue, if the Covered Employees were receiving the wage rate received by the highest number of employees in the appropriate Brotherhood bargaining unit or the Local Union bargaining unit and working the normal straight time hours provided for in the appropriate labor agreement, or (b) 3% of all working wages and other compensation paid to, or accrued by, the Covered Employees for services performed for the Covered Employer, if such amount is less than subsection (a).

6.2.3 the term working wages shall pertain to total wages earned, including overtime wages, paid for all hours worked by all classes of electrical labor for which a rate is established in the prevailing labor agreement where the labor was performed and other compensation and shall exclude: the value of non-cash fringe benefits, bona fide contributions made by the Covered Employer to: (a) a trust fund established under 302(c) of the Taft-Hartley Act; ~~or~~ (b) a separate entity or fund which provides retirement benefits or medical benefits; ~~and, bona fide bonuses of an extraordinary nature (i.e., lump sum year-end bonuses, not ordinarily paid as part of a regular payroll period)~~ or (c) compensation paid by the Covered Employer that is outside the scope of the bargaining unit agreement and designed as an incentive for employees, such as vacation, holiday, sick, or bonus pay.

Establishment of the NECA Executive Committee:

Election of Member Vice Presidents:

There being no opposition, upon motion duly made and seconded, the following candidates were elected to two-year terms commencing January 1, 2013:

Vice President, District 2	Greg E. Stewart, Columbus, Ohio
Vice President, District 4	Gerald W. Schulz, Neenah, Wisconsin
Vice President, District 6	George Adams, Portland, Oregon
Vice President, District 8	Robert May, Salt Lake City, Utah
Vice President, District 10	Gary A. Tucci, Sumner, Washington

Other Business:

There being no further business to come before the meeting, the Chairman thanked the members for their presence and cooperation and officially adjourned the meeting at 11:50 am.



Traci M. Pickus
Secretary

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