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: Secretary and Director, Sergeants-at-Arms:
Dennis F. Quebe 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

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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 Kantzky
Chicago & Cook County...............Brad R Weir
Cincinnati.................................William J Meyer
Connecticut..............................Jack Flora
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 Kellihier
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 II
Santa Clara Valley.....................William Pfeiffer
South Florida.........................Jonathan R Borden
South Louisiana.....................E. J. Deulber 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 Ipsas
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

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

INTERNATIONAL CHAPTERS
ACEN NECA Monterrey .......................Eduardo Mariscal-Hay
Bermuda Electrical Contractors
Association (BECA)...............................Ray Beaulne
Canadian Electrical Contractors
Association Inc....................................Colin M Campbell
Korea Electrical Contractors Association ......Mun-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 project 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.

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**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.

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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.

[Signature]

Traci M. Pickus  
Secretary

National Electrical Contractors Association  
3 Bethesda Metro Center, Suite 1100  
Bethesda, MD 20814  
www.necanet.org