



MINUTES/AGENDA REPORT
for the meeting of the
ICC BOARD OF DIRECTORS
December 6 & 7, 2002
Aladdin Hotel, Las Vegas, NV

1.0 CALL TO ORDER:

MEMBERS IN ATTENDANCE:

Board Members: Chairman Rodney Blane; 1st Vice-Chairman Fred Herman; 2nd Vice-Chairman; Nick D'Andrea; Ed Berkel ; Wally Bailey; William Bryant; Jud Collins; Fred Cullum; William Duck; Roger Evans; Frank Hodge; Curtis Mann; Dan Nickle; Ron Nienaber; Tim Ryan; Steven Shapiro; Anne vonWeller; Tim Ward.

Board Members Elect: Paul Myers; Terrence Cobb; William Dupler; Gerald George; Henry Green; Dorothy "Dottie" Harris; Greg Johnson; H.H. "Bubba" Roberts (needed to leave the meeting due to service in the national guard); Jim Tidwell.

MCO/ICC Staff: Tom Frost; Terry Leppellere; Paul Heilstedt; Bob Heinrich; Cheryl Melendez; Les Moran; John Nosse; C.P. Ramani; Dominic Sims; Brad Ware; MCO Board Members and other guests.

2.0 DISPOSITION OF MINUTES AND CONSENT AGENDA ITEMS:

2.1 - Disposition of Minutes: Attached as Exhibit 2.1 is a copy of the minutes of the last board meeting.

RECOMMENDATION: Approval of board minutes from the last board meeting.

Financial Impact: As noted in minutes.

Discussion: *The agenda portion of these minutes has not been changed from the original agenda that was provided at the meeting. This document is envisioned to eliminate the need to retain both the agenda and a copy of the minutes. This document will become the complete record of the meeting with both agenda and minutes.*

Discussion of changes in the minutes provided in Exhibit 2.1:

5.10.1 – Endowment given from Billy Manning.

2.1-6 – Jack Proctor attended with Tom J instead of Mike Unthank

5.1.1 – motion to accept the treasurers report instead of no action taken

6.2 – IFCC, discussion that the MOU would go to IFC Council and Steering Committee on Councils before coming to the board (discussion occurred whether this was actually the action of the board.) Action to be restated to read: the steering committee on councils is

to review the MOU before coming to the board so that they would be informed – as an advisory.

2.1-10 – contract disclosures. Financial analysis to be included as well as deliverables.

ACTION: The meeting minutes for the Regular and the Executive Sessions as amended were approved. ***The minutes will not reflect that a motion and a second were made. Since that is a required board action, it will be assumed that any action that was voted on by the board has gone through the appropriate motion and second action.***

2.2 - Consent Agenda Items: All consent agenda items are marked with an “*” and are included as non-discussion items. These items will only be discussed if a member of the Board of Directors desires to do so and asks to remove it from the consent agenda. A member of the board may propose to add items to the consent agenda that are not currently marked as a consent agenda item. The consent agenda items are issues that do not require board action, require board action without further discussion or are verbal status reports. The consent agenda items proposed are outlines below:

RECOMMENDATION: Approval of consent agenda.

Financial Impact: None reported at this time.

Discussion: There was no discussion on this item since there were no consent agenda items.

Action: There were no items for the consent agenda for this meeting.

3.0 ACCEPTANCE OF AGENDA:

RECOMMENDATION: Approval of board agenda with any modifications as noted or discussed.

Financial Impact: As noted under impact for each item on the agenda.

Discussion:

Additions to Regular Session Agenda:

5.7.1 – Approval of New Chapters

11.2 – Companions attendance at the January ICC Meeting

10.1 – TISP

10.2 – ANSI

10.3 – Comprehensiveness of the Board Minutes

10.4 – Existing Agreements

10.5 – Public Policy Reports on Agenda

Additions to Executive session agenda

5.6.2.1 Adhoc Chapter Committee Proposal

5.6.3 – Council Policy on awards

- 5.9.1 – Creation of Board Committees:
 - 5.9.1.1 - Budget and Strategic Planning Committee
 - 5.9.1.2 - Compensation Committee
- 5.9.2 – Bylaws and Bylaw Amendments
 - 5.9.2.2 President's authority to create and appoint Committees
- 5.9.3 – Establish operative date of new bylaws
- 5.9.4 – Strategic Priorities
- 5.9.5 – Budget Assumptions
- 5.9.6 – Compensation Philosophy
- 5.9.7 – IRS Private Letter Ruling
- 5.9.8 – Timelines
- 5.9.9 – Revisit Chairman of Subsidiaries
- 10.6 – NFPA vs ICC Copyright Complaint
- 10.7 – Board Communication

ACTION: The Regular Session agenda as amended was approved.
 After motion and second, the Executive Session agenda as amended was approved.

4.0 EXECUTIVE SESSION: All items to be on the Executive Session agenda have a (E) appearing before the item number

5.0 ADMINISTRATIVE ISSUES AND ACTIVITIES:

5.1 - Financial Issues and Activities:

(E) 5.1.1 - Treasurer's Report: *(Leppellere)*

(E) 5.1.2 - Contract Disclosures

(E) 5.2 - Litigation:

5.2.1 - Veeck Case: *(Sims/Ware)*

(E) 5.3 - Staffing Issues - Update on Hire of Director of Fire Service Activities: *(Sims)*

5.4 – Legislative Issues and Activities:

5.4.2 - Proposed Federal Advisory Committee: *(Sims)*

At the last board meeting, the board approved the committee in concept and directed staff to go back and review the policy language and bring it back to the board. **Exhibit 5.4.2** contains the purpose, organizational rules and procedures for the committee.

RECOMMENDATION: Staff recommends the Board approve the establishment of this committee. The FAC will provide the ICC with a specific communication channel to agencies of the federal government. These agencies will be important to the long term success of ICC.

Financial Impact: The anticipated annual cost of this activity would be approximately \$5000.

Discussion: Sims provided a report on the immediate need for the committee. The purpose, organizational rules and procedures for the committee had been reviewed by the Board's PPC. Representatives from the PPC also expressed their recommendation to establish this committee.

ACTION: The Board accepted the recommendation to establish the committee and the motion was approved unanimously.

5.6 - Council Policies:

(E) 5.6.1 - Proposed Revisions to CP# 14-2002 CEO Responsibilities:
(Leppellere)

(E) 5.6.2 - Proposed Revisions to CP #10-2002 Chapter Policy:
(Sims/Boatwright)

(E) 5.6.2.1 Chapter Policy Committee Recommendation

(E) 5.6.3 - Proposed Council Policy Regarding Awards:

5.7 - Chapter Issues and Activities (Melendez)

A list of chapters seeking approval as an ICC Chapter was advanced to the board as **Exhibit 5.7.1**.

Recommendation: Approval of Chapter Submittals as shown in Exhibit 5.7.1.

Action: The list of chapters was approved unanimously.

5.8 - Products, Services and Support Activities:

(E) 5.9 - Integration Issues: (Heinrich/Tom Porath)

(E) 5.9.1 – Creation of Board Committees

(E) 5.9.1.1 - Budget and Strategic Planning Committee

(E) 5.9.1.2 – Compensation Committee:

(E) 5.9.2 – Bylaws and Amendments:

(E) 5.9.3 – Operative Date of New Bylaws:

(E) 5.9.4 – Strategic Priorities:

(E) 5.9.5 - Budget Assumptions:

(E) 5.9.6 - Compensation Philosophy:

(E) 5.9.6 - IRS Private Letter Ruling (PLR):

(E) 5.9.8 – Timelines:

(E) 5.9.9 – Revisit Chairman of the Subsidiaries:

5.10 - Public Relations Program:

5.10.2 - Brand/Marketing Strategy for ICC: (Moran)

BroadThink Inc. was hired for a short term contract ending December 2002. Their evaluation included recommendations regarding ICC promotional materials, the current ICC logo and the possible need for changes that may better reflect what the organization does. At BroadThink's recommendation, a new logo has been created and will be available for review at this meeting.

RECOMMENDATION: The Board should review the new ICC logo and provide guidance to staff regarding implementation.

Financial Impact: *No additional costs to implement a new logo in the materials to be developed as a result of the consolidation.*

Discussion: The board discussed the designs of a new proposed ICC logo and the possibility of renaming the organization.

ACTION: The board approved the logo as presented by a vote of 14 / 4. Motion directing staff to move forward with the new logo on the 2003 edition of the International Codes, was approved unanimously.

After the meeting, a letter ballot was sent out based on additional input from Board members and staff and this action was placed on hold until Board and staff can discuss further.

6.0 TECHNICAL SERVICES ACTIVITIES:

6.1.1 - Disposition of the ICC Electrical Code: (Frost)

At the Board's October 2002 meeting, staff was directed to continue to engage in discussions with various entities concerning the ICC Electrical Code issues. As the board is aware, there are two industry positions on

the ICC Electrical Code. One industry position supports the maintenance of the ICC Electrical Code and the other is in strict opposition. There is clearly significant emotion and history concerning this matter. Staff is in the process of opening a dialog with both proponents and opponents. It is too early to provide the board any assessment other than to say that no one has closed the door to talking. For reference, **Exhibit 6.1.1** contains articles and press releases from some of the opponents.

RECOMMENDATION: Staff should continue a dialog with all affected parties and report progress back to the ICC Board.

Financial Impact: *No financial impact anticipated at this time.*

Discussion: Frost provided a verbal report of his conversations with the proponent of the code changes that were voted on at the Fort Worth Code Development Hearings. Frost portrayed the code development process as the best opportunity to resolve the concerns of the electrical contractors. The board then discussed various issues related to the ICC Electrical Code and the direction that the organization needs to take.

ACTION: The Board accepted the report and concurred with the recommendation of the staff.

(E) 6.2 - International Fire Code Council:

6.3 – Steering Committee on Councils (Frost)

The ICC Board charged the Steering Committee on Councils with the development of a Committee Appointment Plan. The Steering Committee met on October 25-26, 2002 and proposes revisions to the applicable Council Policies which are affected in order to implement the proposed plan (**Exhibit 6.3**).

The proposed plan for Code Development Committees is summarized as follows:

- ICC Board appoints Councils, staggered terms
- Committee applications received on code change deadline
- Applicable Council reviews the applications and appoints members to a single 18 month term: July 1, 2003 – December 31, 2004 for 2003/2004 Cycle
- Appointment letters mailed, approximately 3 months prior to hearings
- Committee member performance evaluation by the applicable Council representative, Code Development Committee Vice Chair and Secretariat
- Repeat

RECOMMENDATION: The Board review the proposed revisions to the Council Policies and approve/provide feedback as appropriate. The approved Council Policies with respect to committee appointments should be in effect by March 2003 in order to support the next round of committee appointments.

Financial Impact: *Costs associated with Council teleconferences.*

Discussion: Committee Chairman Ed Berkel provided a verbal report of the committee findings. He reviewed the five significant issues as outlined above in the agenda report. Questions were submitted by the board on each of the specific issues. Applications for code development committee appointments for the users and producers are expected by July 2003. A friendly amendment was made to clarify 4.4 in Exhibit 6.3 to state “maintaining appropriate geographic distribution for the regulators”. A question was asked regarding limitation of a maximum number of terms. Chairman Berkel reported that the Committee chose not to codify a maximum number of terms.

It was also requested that the board, at a later date, review the issue of current ICC board members serving on ICC Councils.

ACTION: The entire package as outlined by the committee, with a modification to 4.4 was approved unanimously.

(E) 6.4 NFPA Appeal of ICC Bleacher Standard: *(Frost)*

(E) 6.5 Studor appeal of Code Changes P89-02 and P95-02 *(Frost)*

6.6 – Proposed Professional Development Committee: *(Frost)*

The Professional Development Services staff depends upon input and feedback from those who utilize the curriculum and seminar services. A Professional Development Services Committee will facilitate participation of state agencies and other organizations who utilize ICC’s professional development curriculum, seminars and online campus for their licensing or continuing education programs.

RECOMMENDATION: Staff recommends creating a Professional Development Services Committee to provide guidance for the PDS program.

Financial impact: *Cost of an annual meeting, approximately \$10,000.00.*

Discussion: Mr. Frost provided a verbal report, which the board then discussed the issues in more detail. Specifically noted was page 2, (**Exhibit 6.6** that was handed out at the meeting) 2.11.6 regarding staff liaisons. This may be more of a workload than staff can bear.

Action: The Board accepted the report and concurred with the recommendation of the staff with the modification to delete 2.11.6. Motion was approved unanimously.

7.0 INDUSTRY ACTIVITIES: *(Sims)*

7.1 - Proposed Labor/Management Advisory Committee (LMAC): *(Sims)*

At the October Board Meeting, staff was directed to bring further details on the proposed LMAC. **Exhibit 7.1** contains the Committee Purpose, Organizational Rules

and Procedures.

RECOMMENDATION: Staff recommends approval of the establishment of this committee. The LMAC will provide the ICC with a specific communication channel to a specific segment of the construction industry. This segment will be vital to ICC's success in several states and communities across the US.

Financial Impact: *Approximately \$3,000.*

Discussion: Sims provided a verbal report. Nienaber spoke in favor of creating this committee. An editorial change was made to the proposal which will be reflected in the final Committee Purpose, Rules and Procedures

ACTION: The Board accepted the report and concurred with the recommendation of the staff with a modification to the proposal. Motion was approved unanimously.

8.0 NATIONAL ISSUES AND ACTIVITIES: (Sims)

There were no National issues to discuss.

9.0 INTERNATIONAL ORGANIZATIONS: (Sims)

The International plan will be provided at a future board meeting, as this meeting's agenda was to focus on consolidation issues.

10.0 OTHER BUSINESS:

10.1– TISP :

Discussion: Concern was expressed by Mr. Shapiro about ICC's involvement in this committee. Mr. Sim's clarified that the TISP's role is to facilitate the technology from the private sector into the public sector. DOD and the army corps have pledged to transfer their security technology into the codes and standards area. Mr. Sims recommended that staff continue to evaluate the efforts of this committee. Staff is still waiting for a NIST RFP to help with the analysis on the World Trade Center Attack and that ICC is still involved in the Tall Buildings Committee.

ACTION: Staff will look into recent developments of the committee to find out more about possible involvement of the ICC. The Board accepted the report.

10.2 – ANSI:

Discussion: ANSI and other standards development committees are looking for sponsorship of a bill to indemnify standards creating organizations. Staff has reviewed the draft bill and provided comments. ICC wants to make sure we are included in this information provided along with the information on the bill.

ACTION: Mr. Sims will report back with information from a January 11, 2003 meeting. The Board accepted the report.

10.3 – Format, style and content of the Board Minutes:

Discussion: Concerns were raised from the board on the extent of details that should be recorded in the board minutes. The CEO asked Corporate Counsel Brad Ware to report on his opinion on the completeness of the corporate minutes. Mr. Ware stated that the concern appears to be a cultural and familiarity issue.

Mr. Ware reported that from a corporate/legal standpoint, the minutes of a board meeting are discoverable evidence. The fewer details documented in the minutes, the less likelihood that evidence of arguments or dissent could be used against ICC in the courts. Minutes should not record details, but primarily record official actions of the board. Recommendations should remain simple and record the action taken by the board.

ACTION: Staff will review outside references for standard protocol of minutes and provide a report and opinion to the board at a later meeting.

(E) 10.4 - Existing Agreements

(E) 10.5 – Public Policy Committee Reports

10.6 - NFPA vs ICC Copyright Complaint:

Discussion: A verbal report was provided by Brad Ware who shared from his discussions with the ICC counsel. The time limit to either file the complaint or request for dismissal has now run out and therefore the judge ordered the complaint filed. A Status hearing is set for January 7, 2003.

ACTION: A report from the January 7 meeting will be brought back to next board meeting.

10.7 – Board Communication

ACTION: The board requested a special spot on the Website be provided for board members to receive and provide communication with the CEO. Staff will report back with options at a later meeting.

11.0 FUTURE MEETING SCHEDULE:

11.1 - Tentative: January 21-24, 2003 in conjunction with NAHB Convention, Las Vegas, NV

RECOMMENDATION: Agreement to meet in January in conjunction with the NAHB meeting.

Financial Impact: *Cost and expense of the board meeting.*

Discussion: We will have dates available for the board by next week. Also had discussion regarding who would be attending this meeting. BOCA has continued the terms of their outgoing ICC board members.

ACTION: The Board accepted the report and concurred with the recommendation of the staff. The next board meeting will be held from January 21-24, 2003 in Las Vegas, Nevada.

11.2 Companion Attendance at the NAHB Meeting:

ACTION: The companions are invited to attend the Las Vegas Meeting with expenses covered by each MCO. Motion was approved unanimously.

12.0 Adjournment:

ACTION: Meeting adjourned at 10:00 a.m.