September 20, 2012

To: All AMCA International Voting Representatives

Subject: AMCA International Bylaws – Changes Proposed in 2012

Greetings,

Last year, AMCA bylaws were changed to include a new process of approval for changes going forward. You may recall that we presented bylaw changes for your consideration at the annual meeting, and put out a letter ballot asking for approval shortly thereafter. The new rules require that a quorum of 20% of our members vote, and that 2/3 of those who choose to vote approve of the changes.

This year, we have another group of changes we would like you to consider. These changes have been drafted by the bylaws committee, recommended and approved by the board of directors. But they are not officially adopted until we present them at our annual meeting, and secure the voting support now required following the meeting.

Attached is a red-line version of the current bylaws, with 7 changes highlighted. Also attached is an explanation of the logic behind each change, and an impact statement along with any controversy that may have surfaced during discussion.

Please look this over, and formulate your own independent thoughts. If you have questions, please feel free to ask me directly by phone or e-mail. Or ask your questions at the annual meeting where these changes will be presented in the General Session. Then prepare to vote next month, when ballots are sent out.

AMCA is growing, and changing – your support of the process is most appreciated

With Warmest Regards,

[Signature]

Wade W. Smith
Executive Director
AMCA began its operations in Michigan, and is incorporated there. About 3 years ago, the executive director felt AMCA International, Inc. would benefit from the laws of Illinois relative to those in Michigan, and so staff proposed and the board supported the change. However, the change was never implemented. Upon closer examination, staff and legal counsel now feel that the benefits of a change are imperceptible, while the cost is clearly in the $50,000 range, due principally to the requirement to re-register all AMCA trademarks to the new legal entity. Since the cost to remain a Michigan corporation was “0”, while the cost to change was high, with no member benefit, the bylaws committee and board agreed to reverse the change.

This change passed the bylaws committee and board votes without dissent.

Paragraph c was added to this section, creating a new category of membership called the “Global Member”. This category was created to encourage companies who compete on many continents to have all their operations join AMCA. The Board of Directors established a cap on the total cost of membership for Global Member families of $85,000. AMCA staff feels that as many as 10 companies will choose to change their current membership status to “Global” increasing AMCA International influence and impact around the world, while increasing AMCA revenue at the same time. Member companies with operations in more than one continent are eligible, but they are not required to become Global Members.

The cost cap of $85,000 for global members was recommended by staff. The level was determined to result in a positive impact to AMCA total income.

This change passed the bylaws committee and board votes without dissent.

Paragraph d was modified to make all new members provisional for 18 months. The intent behind this change is to give AMCA members more time to consider whether or not the business practices of new members meet AMCA bylaws, rules, regulations and code of ethics during the provisional period. It was felt that as we grow internationally, the past practice of evaluating compliance before accepting new members by board vote was not practical.

This change passed the bylaws committee and board votes without dissent.
Article III   Membership
Section 7   Eligibility and Requirements for AMCA International Associates

The word “or” was changed to “and” on the fourth line, to make clear that the “Associate” category is intended for suppliers of materials and components to member companies. The clarification was made to remove any possible ambiguity regarding the non-eligibility of consulting engineers or system designers who may provide services but not components or materials to member companies.

Of course, consultants are welcome as “Friends of AMCA”, and it should be emphasized here that non-members can serve on AMCA committees with the approval of the chair.

This change passed the bylaws committee and board without dissent, but only after some members advocated that AMCA should consider allowing air system design professionals to become Associates. The suggestion that “Friends of AMCA” or equivalent was welcome by those supporting the bylaw change was the key to developing a consensus around this question.

Article IV   Representation and Voting
Section 7   Adoption of Standards and Major Documents

This proposed change allows a committee to issue a letter ballot without the expressed approval of the board. The intent behind the change is to streamline operations, and speed approvals. The board must ratify the vote after it occurs, which gives the board opportunity to block implementation or approval if it believes that such action is justified. In the past, the board had this same ability, but could discharge their authority twice – once before the vote, and a second time after the vote.

This proposed change was opposed by some who felt the gain in efficiency was more than offset by the loss of board control over the content of letter ballot votes.

Article VII   Division and Region Organization
Section 9   Division and Region Meetings

This change recognizes that as AMCA regions become more autonomous, it is reasonable that the annual meeting of members within the region occur within the region and not at the AMCA International Annual meeting. This recognizes that most regional members attend the annual regional meeting “in-region”, but do not travel long distances to the location of the International Annual meeting.

This change passed the bylaws committee and board votes without dissent.

Article IX   AMCA International Committees
Section 2c   Nominating Committee

The membership of the Nominating Committee was expanded to include each regional chair. This committee is responsible to nominate members to the AMCA International board of directors for membership vote at the annual meeting. This change is motivated by a desire to provide greater representation on the AMCA International board from outside the Americas.

This change passed the bylaws committee and board votes without dissent.