

# By – Laws

Painting & Decorating  
Contractor's  
Association of  
Sacramento, Inc.



As Amended  
And Adopted  
April, 2004

By-Laws  
**BY-LAWS PAINTING AND DECORATING  
CONTRACTORS  
ASSOCIATION  
OF  
SACRAMENTO, INC.**

**ARTICLE I  
NAME**

**Section 1.01. Name.**

The name of this corporation is Painting and Decorating Contractors Association, of Sacramento Inc.

**ARTICLE II  
OFFICE**

**Section 2.01. Principal Office.**

The principal office of the corporation for the transaction of business shall be located in the County of Sacramento, State of California. The Board of Directors may change the location of the principal office. Any such change shall be noted by the Secretary in these By-Laws, but shall not be considered an amendment of these By-Laws.

**ARTICLE III  
PURPOSE**

**Section 3.01. Purposes**

This corporation is a non-profit mutual benefit corporation organized under the California non-profit mutual benefit corporation law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law. The specific purposes for which this corporation is formed are as follows:

- (a) To unite the contractors and the painting, decorating and allied crafts in northern California for the purpose of exerting effective and combined influence upon matters and interests affecting the painting, decorating and allied crafts.
- (b) To advance the crafts of painting, decorating and allied crafts and to protect the interests of its members, individually and collectively, with due regard for the interest of the public.
- (c) To promote and endeavor to maintain equitable standards of business relations between the painting, decorating and allied crafts in the communities which it serves.
- (d) To secure and maintain a membership composed of persons who can be relied upon, skilled in their crafts and honorable in their dealings.

(e) To advocate and encourage among its members familiarity and knowledge of technical and instructive subjects concerning our trade and to also advocate trade education in the painting, decorating and allied crafts.

(f) To advocate direct business relations and dealings with architects and owners concerning painting and decorating and allied crafts.

(g) To protect its members and the general public by endeavoring to maintain a high standard of quality in the manufacture and sale of materials used in the painting, decorating and allied crafts.

No part of the profits or net earnings of this corporation shall ever inure to the benefit of any of its directors, trustees, officers, members, employees or to the benefit of any private individual.

## **ARTICLE IV MEMBERSHIP**

**Section 4.01. Classifications of Membership.** The corporation shall have three classes of members: regular members, associate members and honorary members.

### **Section 4.02. Regular Members.**

Regular members shall consist of persons, firms, partnerships or corporations duly licensed and actively engaged in the business of painting, drywall or specialty license pertaining to the painting, decorating and allied trades craft in northern California. Regular members shall be bound by all collective bargaining agreements negotiated by the Labor Committee and approved by the Board of Directors.

### **Section 4.03. Associate Members.**

Associate members shall consist of persons or firms engaged in activities which are related to or associated with the painting, decorating and allied crafts industry, but specifically are not engaged as a contractor and licensed by the Contractors State License Board. Associate members shall have the right to attend any regular or special meeting of the corporation, but shall not have any vote. Associate members do not delegate to the corporation any authority to engage in collective bargaining on their behalf, and shall not be bound by any agreement which the corporation may enter into with any labor organization.

### **Section 4.04. Honorary Members.**

Honorary members shall consist of contractors who have retired from the trade. Other individuals may be admitted to honorary membership upon action of the Board of Directors.

**Section 4.05 Admission to Membership.** Application for membership shall be made in writing on such forms as from time to time are prescribed by the Board of Directors. Such applications shall be filed with the Board of Directors of the corporation and shall be accompanied by the initiation fee which has been set by resolution of the Board of Directors. Upon receipt of the application and fees, the applicant will be admitted to membership only upon the majority vote of the Board of Directors. Each regular member shall be bound by these By-Laws and by the rules and regulations of the corporation. Each member shall have the right to participate equally in the activities of the corporation. Only regular members in good standing may seek or hold office as an officer or director of the corporation.

**Section 4.06. Dues.**

Each member must pay, within the time and on the conditions set by the Board and/or the collective bargaining agreement, dues, fees and assessments in amounts to be fixed from time to time by the Board and/or the collective bargaining agreement. The dues, fees and assessments shall be equal for all members of each class, but the Board may, in its discretion, set different dues, fees and assessments for each class. Fees are due and payable within thirty days from the date of billing. Members who have paid the required dues, fees and assessments in accordance with these By-Laws and who are not suspended shall be members in good standing. Upon request, members shall present fringe benefit reporting forms to the President or Executive Secretary to verify hours worked and that proper dues, fees and assessments have been paid.

**Section 4.07. Discipline.**

A membership shall terminate on an occurrence of any of the following events:

- (a) Resignation of the member;
- (b) Any event that renders the member ineligible for membership, or failure to satisfy membership qualification; or
- (c) Termination of membership under these By-Laws based on the good faith determination by the Board or committee appointed by the President to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interest, or has failed to pay dues, fees or assessments in the manner and/or amount set by the Board and/or the Collective Bargaining Agreement.

A member may be suspended, based on the good faith determination by the Board or a committee appointed by the President to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests or has failed to pay dues, fees or assessments in the manner and/or amount set by the Board and/or the Collective Bargaining Agreement. A person whose membership is suspended shall not be a member during the period of suspension.

If grounds appear to exist for suspending or terminating a member under this Article, the following procedure shall be followed:

- ( a) The Board or committee appointed by the President, shall give the member at least 15 days prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first -class or certified mail to the member's last address as shown the corporation's records.
- (b) The member shall be given opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered by the Board or committee appointed by the President to determine whether the suspension or termination should occur.

(c) The Board or committee appointed by the President shall decide whether the member should be suspended, expelled or sanctioned in any way. The decision shall be communicated to the member in writing and shall be final.

#### **Section 4.08. Membership Book.**

The corporation shall keep in written form a membership book containing the name, address and class of each member. The book shall also contain the fact of termination and the date on which such memberships ceased. Such book shall be kept in the principal office of the corporation and shall be subject to the rights of inspection required by law.

#### **Section 4.09. Liability.**

No member shall be personally liable for the debts of this corporation, but all members are liable for dues and assessments that may be imposed by the Board.

### **ARTICLE V MEETINGS OF MEMBERS**

#### **Section 5.01. Place of Meetings.**

All meetings of the corporation shall be at a location as designated by the Board of Directors and may be changed from time-to-time.

#### **Section 5.02. Annual Meeting.**

The annual meeting of the members for the election of Directors and the transaction of other business shall be held on the second Thursday of December of each year at noon at the principal office of the corporation or at such other date, time or place as may be designated in the written notice. Written notice of such meetings shall be given personally or by first class mail to each member at least ten (10) days prior to the time of the meeting and shall be sent to the address of each member appearing on the books of the Association.

#### **Section 5.03. Regular Meetings.**

In addition to the annual meeting, regular meetings of the members will be held in the first, second and third quarters of the calendar year at the date, time and place set forth on the written notice which will be sent to members at least 10 days in advance.

#### **Section 5.04. Special Meetings.**

Special meetings of the members of the corporation may be called upon demand of the President, any two directors, or any three members in good standing to be held at such time as specified in writing. Written notices of any special meeting shall be given by first class mail or facsimile transmission to each member at least ten (10) days prior to the time of the meeting and shall be mailed or faxed to the address or number of each member appearing on the books of the corporation. Only such special business as is set forth in the written notice of this meeting is to be transacted at a special meeting of the members of the corporation.

**Section 5.05 Quorum.**

A quorum at any meeting of members shall consist of at least three regular members, represented in person or by proxy. If, however, the attendance at any general or annual meeting is less than 1/3 of the voting power, the members may vote only on matters as to which notice of their general nature was given under Sections 5.02 and 5.03. In the absence of a quorum, any meeting of members may be adjourned from time-to-time by the vote of a majority of the votes represented either in person or by proxy, but no other business may be transacted.

**Section 5.06. Voting of Membership.**

Each regular member is entitled to one vote on each matter submitted to a vote of the members. Voting shall be by voice, except that when voting for directors and officers, upon demand of any member the election shall be by ballot.

**Section 5.07. Conduct of Meetings.**

(a) The President of the corporation or, in his or her absence, any other person chosen by a majority of the voting members present in person or by proxy shall be Chairman of and shall preside over the meetings of the members.

(b) The Secretary of the Association, or Executive Director, if any, shall act as the secretary of all meetings of members; provided that in his or her absence, the Chairman of the meetings of the members shall appoint another person to act as secretary of the meetings.

(c) The Robert's Rules of Order, as may be amended from time- to- time, shall govern the meetings of members insofar as such rules are not inconsistent with or in conflict with these By-Laws, the Articles of Incorporation, or the law.

**ARTICLE VI  
BOARD OF DIRECTORS****Section 6.01. Number.**

This Corporation shall be governed by a Board of Directors consisting of five (5) regular members from the geographical area served by the Corporation. The members of the Board of Directors shall consist of the President, Vice President, Treasurer and two other members. The Board of Directors shall hold office for the two calendar years following their election. The Board by a majority vote may remove any member of the Board for cause. Directors may also be removed without cause by a majority vote of the members entitled to vote, or the vote of a majority of a quorum at a special meeting called and noticed for this purpose.

**Section 6.02. Elections.**

The Board of Directors shall not less than fifteen (15) days before the annual election of the officers select a slate of eligible candidates for election of offices. After reading of this slate by the President at the annual meeting, nominations may be added from the floor by any of the regular members, and upon receiving a second, their names shall be added to the slate. It is desired, but not mandatory, that representation to the Board be so arranged as to give representation to small and large shops and be rotated among the entire membership as nearly as possible.

**Section 6.03. Powers.**

The Board of Directors shall see that the provisions of the Articles of Incorporation and By-Laws of this corporation are duly enforced. They shall transact affairs of this organization in a thorough and business-like manner, They shall have supervision of the financial affairs of the corporation and shall designate the banks or other depositories in which to deposit the funds, and shall make necessary arrangements and designate the person(s) who shall draw therefrom. They shall pass on all applications for membership. They shall have supervision over all real and personal property of the corporation; shall act as a trial Board; and shall levy such dues and assessments as may be required to fulfill the intent and purposes of the corporation. They shall also have the power to fill vacancies on the Board of Directors.

**Section 6.04. Meetings.**

They shall hold regular meetings not less than annually, following the annual meeting of members. Special meetings may be called by the President, or shall be called at the written request of two (2) other directors. Notice of such special meetings must be sent by mail, facsimile or other electronic means such as e-mail, to each member of the Board at least five (5) days in advance of such a meeting. The meetings shall be conducted in accordance with Robert's Rules of Order. Three directors shall constitute a quorum for the transaction of business.

**ARTICLE VII  
OFFICERS****Section 7.01. Officers.**

The officers of the corporation shall be President, Vice President and Secretary/Treasurer. Said officers shall be elected by the regular members for a period of two years. Should a vacancy occur, it shall be filled by appointment by a majority vote of the Board of Directors for the expired term. Any officer may be removed in the same manner as a director.

**Section 7.02. President.**

The President shall be a regular member. The president shall be the chief executive officer of the corporation. He/she shall preside at all meetings of the Membership and of the Board of Directors. He/she shall be ex-officio member of all the standing committees or special committees. The President is hereby empowered to appoint all trustees on Taft-Hartley Trust Funds established under collective bargaining agreements to which the corporation is a party, as well as all committees hereinafter specified or which may be hereafter created by the Board of Directors or by the membership. He shall perform such other duties and have such other powers as may be prescribed by the Board of Directors from time-to-time.

**Section 7.03. Vice-President.**

The Vice President shall be a regular member. In the absence or disability of the President, the Vice President shall perform all of the duties of the President. The Vice President shall have such other powers and perform such other duties as from time-to-time shall be prescribed by the Board of Directors.

**Section 7.04. Secretary/Treasurer.**

The Secretary/Treasurer must be a regular member. It shall be the duty of the Secretary/Treasurer to keep a record of the proceedings of all meetings of the Members, the Board of Directors, any and all committees, and all matters of which a record shall be ordered by the corporation. The Executive Secretary may be delegated these duties. The Secretary/Treasurer shall attend all meetings and give a report of the monthly financial status of the corporation, as well as the annual report. The Treasurer shall be chairman of the audit committee under the direction of the Board of Directors.

**Section 7.05. Executive Secretary.**

In addition to the other officers designated in these By-Laws, the Board of Directors may at its sole discretion appoint an Executive Secretary who need not be a member of the corporation, to act as the agent of the Board in the conduct and management of the business of the corporation. The Executive Secretary shall at all times be under the supervision and control, and subject to the direction of the Board and will serve strictly at the pleasure of the Board. The Executive Secretary shall perform all duties prescribed by the Board of Directors. The Board of Directors may from time-to-time fix and determine the compensation to be received by the Executive Secretary and contract for his/her services.

It shall be the duty of the Executive Secretary to keep a record of the proceedings of all meetings of the members, the Board of Directors, and any and all committees, and all matters of which a record shall be ordered by the Corporation. The Executive Secretary shall notify the officers and all members of the committees of their election or appointment, and shall issue notices of all meetings. The Executive Secretary shall be the custodian of all records and property of the corporation; receive all moneys and deposit same in a bank authorized by the Board of Directors and pay all authorized bills of the corporation. All checks must contain two signatures from any of the following: President, Treasurer, Executive Secretary, each of whom shall be bonded in an amount set by the Board of Directors.

**ARTICLE VIII  
COMMITTEES****Section 8.01. Committees.**

The President shall, as he/she deems it necessary, appoint such committees as appear from time-to-time necessary for the proper functioning of the corporation. These committees shall include a labor committee.

**Section 8.02. Labor Committee.**

The duties of the Labor Committee shall be to act as a committee to negotiate labor contracts with unions covering wages, hours, working conditions, and any other terms deemed necessary and proper. Such committee shall not have power to act in concluding such negotiations or executing a contract for and on behalf of the corporation's regular members unless the regular members have first been given prior notice of the pendency of such negotiations, in writing, with a reasonable opportunity to withdraw such bargaining authority from the corporation, and unless given prior authorization by the Board of Directors. All such contracts shall be subject to the approval of the Board of Directors, and ratification by the members.



Such labor contracts negotiated by the committee, approved by the Board of Directors and ratified by the regular members of the Corporation shall be binding upon the regular members of the Corporation separately and shall not impose any individual liability or obligation upon any separate member for the breach of any such labor contract by any other member. When the labor committee is constituted for the purpose of negotiating labor contracts with the Union, said committee shall consist of not less than three (3) regular members, or a lesser number, if there are an insufficient number of members available to serve on the committee.

### **Section 8.03. New Committees.**

The Board of Directors, or President acting alone, may from time-to-time constitute and create committees and fill the membership of said committee from its own membership or from the membership at large of the corporation; said committees shall continue to function until and unless changed by a vote of the membership at a regular or special meeting.

## **ARTICLE IX AMENDMENT OF BY-LAWS**

These By-Laws may be amended from time-to-time by the Board of Directors at any regular or special meeting; said amendments to continue in effect until the next regular meeting of the membership, at which time they must be submitted to the membership at large for approval or rejection.

## **ARTICLE X AUDIT**

### **Section 10.01. Annual Report.**

The corporation shall notify each member yearly of the member's right to receive a financial report pursuant to the Corporation Code Section 8321(a). Except where the corporation does not have more than 100 members or more than \$10,000 in assets at any time during the fiscal year, on the written request of a member, the Board shall promptly cause the most recent annual report to be sent to the requesting member. The annual report shall be prepared not later than 120 days after the close of the corporation's fiscal year. The annual report shall contain in appropriate detail the following: 1) a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year; 2) a statement of the place where the names and addresses of the current members are located; and 3) any information concerning certain transactions and indemnifications required by Corporations Code Section 8322. The annual report shall be accompanied by any report thereon of any independent accountants of, if there is not such a report, the certificate of any authorized officer of the corporation that such statements were prepared without audit of the books and records of the corporation.

### **Section 10.02. Annual Statement of Certain Transaction and Indemnification.**

The corporation shall furnish annually to its members a statement of any transaction or indemnification described in Corporations Code Section 8322(d) and (3), if such transaction or indemnification took place. Such annual statement shall be affixed to and sent with the annual report described in Section 9.01 of these By-Laws.

### **ARTICLE XI INDEMNIFICATION**

To the fullest extent permitted by law, this corporation shall indemnify its directors, officers and employees, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in the Corporations Code.

### **ARTICLE XII LIQUIDATION**

Upon the winding up and dissolution of this corporation, after paying or adequately providing for the payment of the debts, obligations and liabilities of the corporation, the remaining assets of this corporation shall be divided among the regular members in good standing on the date of dissolution. Distribution of funds to be determined at that time of dissolution by the current membership. In the alternative, the Board of Directors may distribute part or all of the remaining assets to a Section 501(c)(3) tax-exempt charitable organization.


**CERTIFICATE OF SECRETARY**

**OF**

**PAINTING AND DECORATING CONTRACTORS' ASSOCIATION OF SACRAMENTO, INC.**

**A CALIFORNIA NON-PROFIT  
CORPORATION**

I hereby certify that I am the duly elected Secretary of said Corporation and that the foregoing Restated By-Laws constitute the By-Laws of said Corporation as duly adopted at a meeting of the Members there held on April 22nd, 2004.

Dated: 4-22-04  
  
Secretary