

SUMERGU

OUR 57TH YEAR

CONTRA COSTA CHAPTER

May 20, 2020

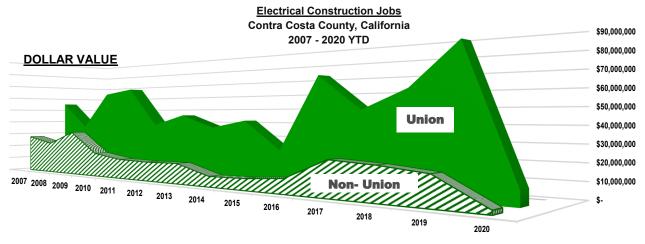
"Compliance Office Changes"

Through the years the effort our industry has put forth in the area of Prevailing Wage Compliance has shown steady improvement. For many years compliance was handled by the Assistant Business Managers at IBEW Local 302. In 1997, the Contra Costa Chapter, NECA and the Northern California NECA and IBEW Locals 302, 595, and 180 began a coordinated effort called "Mission 2000," which represented our first areawide effort to make certain that all electrical contractors performing work on public projects were playing by the rules. We stayed with that format until 2008 when we moved the Prevailing Wage Compliance directly under our Local LMCC, and we hired Tim Pangilla as our Compliance Facilitator focusing exclusively on jobs within Contra Costa County.

Tim made steady improvements to our program over the past 12 years, and it is with mixed emotions that we convey that his last day in the office was Friday, May 15th. Dave Johnsen is our new Compliance Facilitator and we would like you to work with him on any prevailing wage issues that you run up against. Dave will appear at the Chapter Meetings (assuming we ever have them again) and will take over a well-structured job that we hope he is also able to improve, much like his predecessor.

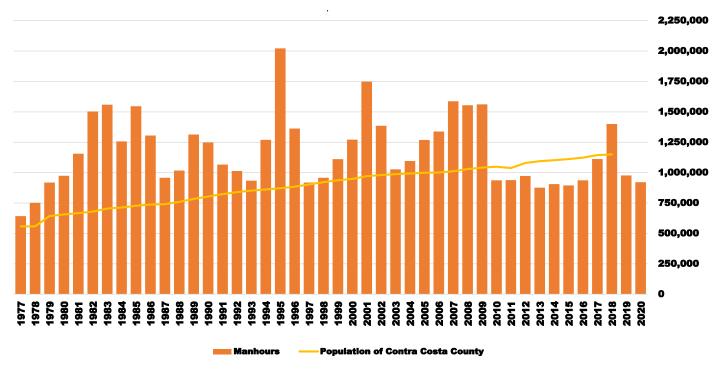
Tim's final Compliance Report for the Q_1 2020 can be seen <u>here</u>. Public Works projects have always been, and will always be an important part of the construction industry. Even if this is an area you chose not to pursue, you still benefit from the effort that keeps the less scrupulous contractors from getting traction.

PUBLIC WORKS MARKET SHARE REPORT



2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 □NON-UNION \$27,540,105 \$22,803,662 \$32,030,261 \$16,860,477 \$13,562,868 \$13,018,046 \$13,537,171 \$6,774,729 \$7,247,684 \$9,154,017 \$21,232,252 \$19,751,880 \$17,049,391 \$2,248,148 **■UNION** \$55,087,500 \$36,159,786 \$62,355,569 \$65,701,265 \$38,263,109 \$45,437,412 \$36,868,310 \$41,844,656 \$23,200,639 \$69,818,395 \$48,628,404 \$60,452,307 \$85,151,022 \$8,745,804 % UNION 67% 78% 73%

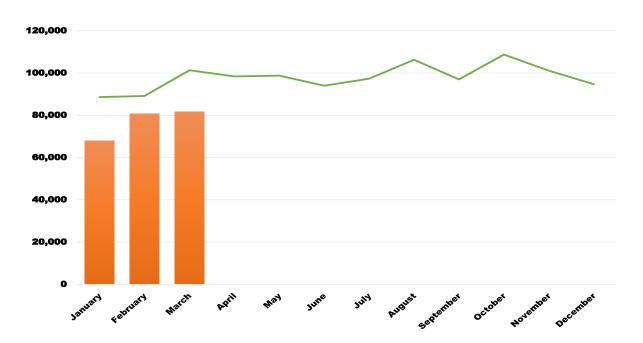
IBEW LOCAL UNION 302 Inside Wireman/Maintenance Manhours Worked



2020 Total estimated based upon hours worked to-date.

2020 Compared with Historic Average

Inside Wireman/Maintenance





NECA has partnered with Premier Partners 3M and Graybar to Provide Personal Protective Equipment to NECA Contractors

Access to reliable PPE is critical to both contractors and their field employees during this pandemic. At NECA's request, Premier Partners Graybar and 3M are working hard to help provide access to an assortment of masks, gloves, glasses, and disinfectant for NECA contractors and their workers. The initial list will expand based on requests from NECA contractors and will also include a "demand forecast tool" that will help in meeting your needs during this time. To retain the integrity of this supply chain and access to genuine 3M parts, an order site will be available to current NECA member contractors.

"How to Order" information is provided below, along with links to the N-95 Priority Checklist and to the Product List. You will need to be logged into the NECA website in order to utilize this program.

If you do not know your user name and password, please contact Sharon at the Chapter office for assistance.

Phone: 925-372-3222 x10 Email: sspare09@sbcglobal.net

How to Order:

- 1. Please complete the N-95 Priority Checklist.
- 2. Evaluate PPE need based on OSHA's Risk Pyramid for COVID-19. See next page.
- 3. Evaluate the need of respirators and understand application and requirements.
- **4.** Review the <u>Premier Partner PPE Program for NECA Contractors Product List</u>. The list contains the products that are now available to order.
- 5. Once the product list has been reviewed and you are ready to place an order, please complete a survey for your PPE needs. Note: 3 surveys are available (PPE -Immediate Need, PPE June, PPE July)
- 6. Once survey is completed and validated by NECA, Graybar will contact you to fulfill the order. Please refer to the OSHA Risk Assessment Pyramid to determine the risk level of your project. Shipments will be prioritized by factors such as risk category, due date, and receipt time stamp.

Note: N95 masks, face shields and disinfectants remain on allocation and quantities will be limited. Priority will be given to contractors working in very high/high risk projects.

Occupational Risk Pyramid for COVID-19

Evaluating need for PPE per Exposure Risk



The four exposure risk levels represent probable distribution of risk.

VERY HIGH EXPOSURE RISK

Jobs with a high potential for exposure to known or suspected sources of COVID-19 during specific medical, postmortem, or laboratory procedures. Workers include:

Healthcare and morgue workers performing aerosol-generating procedures on or collecting/ handling specimens from potentially infectious patients or bodies of people known to have, or suspected of having, COVID-19 at the time of death.

HIGH EXPOSURE RISK

Jobs with a high potential for exposure to known or suspected sources of COVID-19. Workers in this category include:

Healthcare delivery, healthcare support, medical transport, and mortuary workers exposed to known or suspected COVID-19 patients or bodies of people known to have, or suspected of having, COVID-19 at the time of death.

MEDIUM EXPOSURE RISK

Jobs that require frequent/close contact with people who may be infected, but who are not known or suspected patients. Workers in this category include:

Those who may have contact with the general public (e.g., schools, high-population-density work environments, some high-volume retail settings), including individuals returning from locations with widespread COVID-19 transmission.

LOWER EXPOSURE RISK (CAUTION)

Jobs that do not require contact with people known to be, or suspected of being, infected.

Workers in this category have minimal occupational contact with the public and other coworkers.



NECA, Inc. Website Resource Center

As we progress through the multiple stages of this pandemic, NECA is continuing to strive to provide relevant information for all our members.

Click <u>here</u> for the most recent on guidance on Loan Forgiveness with the Paycheck Protection Program from NECA's outside Counsel. Click on link below to view/print out the Loan Forgiveness Application.

Paycheck Protection Program

Loan Forgiveness Application

Expiration Date: 10/31/2020 SBA Form 3508 (05/20)

STATEWIDE RESOURCES

Eddie Bernacchi, our legislative advocate in Sacramento has focused his efforts on the aspects of COVID -19 unique to California, especially with regard to proposed regulations that would exclude COVID-19 claims from your experience mod. Click here to see the latest Politico Alert.

Cal/OSHA

Updated: Safety and Health Guidance "COVID-19 Infection Prevention in Construction"

California employers are required to establish and implement an Injury and Illness Prevention Program (IIPP) to protect employees from worksite hazards, including infectious diseases. This guidance does not impose any new legal obligations. In contains information for construction employers on ways to update their IIPPs to include information on employee training and preventing the spread of coronavirus (SARS-CoV -2), the virus that causes COVID-19, at construction sites. This is mandatory in most California workplaces since COVID-19 is widespread in the community.

Most our members have two aspects of their business that need attention when it comes to protecting their employees from the virus. The individual construction worksites are the most obvious, but don't forget about the office. On May 12th Cal/OSHA issued two publications providing Industry Guidance on both aspects, and they can be found on the links below. They are also part of the local Contra Costa County Orders.

COVID-19 INDUSTRY GUIDANCE: Office Workspaces

COVID-19 INDUSTRY GUIDANCE: Construction

LOCAL LEVEL

Updated Shelter in Place Order

Date of Order: 5/18/2020

This Order supersedes the April 29, 2020, Order of the Health Officer directing all individuals to shelter in place ("Prior Order"). This Order continues to restrict most activity, travel, and governmental and business functions to essential needs and to the Outdoor Activities and Outdoor Businesses that the prior Order allowed to resume. But in light of progress achieved in slowing the spread of COVID-19 in the County of Contra Costa and neighboring counties, the Order allows a limited number of Additional Businesses (as described in Section 15.n of the Health Order and in Appendix C-1) and Additional Activities (as described in Section 15.o of the Health Order) to resume operating, subject to specified conditions and safety precautions to reduce associated risk of COVID-19 transmission.

Click below to read the following documents:

- Full Health Order
- Press Release
- Bay Area Health Officers' Indicators for Assessing Progress on Containing COVID-19|Spanish
- Appendix A Social Distancing Protocol
- Appendix B-1 Small Construction Project Safety Protocol
- Appendix B-2 Large Construction Project Safety Protocol
- Appendix C-1 Additional Businesses
- Interim Guidance for Modified Childcare During COVID-19 Pandemic|Spanish
- Interim Guidance for Graduation Ceremonies|Spanish



COVID-19 PRODUCTIVITY REPORT

ELECTRI International released <u>Pandemics and Construction Productivity:</u> <u>Quantifying the Impact</u>, a critical report on the impact of COVID-19 on cost and schedule in the construction industry. The report evaluates activity from January 6, 2020 through May 8, 2020, tracking pandemic mitigation activity, benchmarking productivity and assessing the impact on businesses and projects. View the initial findings of the report, overview videos and useful resources by <u>clicking here</u>.

PANDEMICS AND CONSTRUCTION PRODUCTIVITY QUANTIFYING THE IMPACT

A pandemic can have far reaching impacts on the U.S. economy. Companies in once successful industries across the United States have felt the immediate impact of the current pandemic in the most devastating ways.

Early measurements of the impact of this pandemic suggest that construction productivity has been impacted by nearly 20%. A rule of thumb for self-performing contractors is that a 10% impact on productivity results in a 100% impact on profitability. As such, contractors need to consider seriously the impact of this study on their profitability and seek equitable adjustments that adequately compensate them for the impact.

This study is divided into three distinct sections:

- Part I Pandemic Mitigation Tracking specifically quantifies hours associated with preventative measures such as training, health screenings, cleaning and disinfecting, job site access and administration instituted to minimize exposure.
- Part II Productivity Benchmarking specifically quantifies the reduction in direct work productivity related to social distancing rules, staggered shifts, reduced crew sizes, increased personal protective equipment requirements and related job site regulations.
- Part III Business and Project Impacts specifically quantifies ancillary impacts experienced by most contractors who participated in this study.

View/Download the Report Here



Coronavirus (COVID-19) Update: <u>California Expands Workers' Compensation</u> <u>Protections</u>

On May 6, 2020, Governor Gavin Newsom issued an executive order to expand workers' compensation benefits. The <u>new order</u> provides that if an employee contracts COVID-19, exposure is *presumed* to have arisen in the course and scope of the employee's work, therefore triggering workers' compensation benefits. The presumption applies if the employee can show each of the following criteria:

- 1. The employee tested positive for or was diagnosed with COVID-19 within fourteen days after a day that the employee performed work at his or her place of work, at the employer's direction;
- 2. The work was performed on or after March 19, 2020;
- 3. The employee's place of work was not the employee's home;
- 4. That any diagnosis under Part 1 was done by a California licensed physician *and* is confirmed by further testing within 30 days of the diagnosis.

If the employee can establish each of these conditions, a rebuttable presumption of workers' compensation coverage is created. An employer will be able to dispute the presumption but only with concrete evidence that the employee did not contract COVID-19 at work: a heavy burden to overcome.

The expanded workers' compensation benefits apply across all sectors and industries.

The executive order is retroactive to March 19, 2020 and expires 60 days from Wednesday, May 6, 2020.

Companies are strongly advised to implement a protocol based on OSHA's <u>guidance</u> for preparing a workplace for coronavirus. Failure to do so may be viewed as a failure to take all reasonable precautions to protect employees from coronavirus exposure, potentially triggering claims of serious and willful misconduct in the event an employee dies from COVID-19 and claims to have contracted the virus at work. The CDC also has issued helpful <u>guidance</u>.

Sweeney Mason LLP continues to monitor the rapidly evolving situation pertaining to the COVID-19 virus and resulting legal issues. We are finding that the laws and orders released by the Federal, State, County and Local governments are, in some cases, ambiguous, vague and/or contradictory, resulting in some confusion among a broad cross-section of our clients. At this juncture, and given the fast-paced changes to the applicable orders and mandates, as well as the ambiguities inherent in the orders there is no "one-size-fits-all" approach to COVID-19-related legal matters. For example, several Bay Area Cities impose their own emergency orders that mirror but in many cases are more stringent than the Statewide or County orders. As a result, contracts, employment issues, ongoing lawsuits and other matters impacted by the COVID-19 outbreak should be analyzed on a case-by-case basis and with the assistance of Sweeney Mason.

Sweeney Mason LLP is in daily contact with governmental offices and various trade organizations to monitor the developments surrounding the COVID-19 outbreak. While much of our personnel continues to work remotely, Sweeney Mason is fully operational and will continue to assist our clients and community with their legally related issues and concerns during this uncertain time.



Coronavirus (COVID-19) Update:

Five Things Businesses Can Do to Help Support Necessity and Safeguard PPP Funds

Headlines describing funds loaned under the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP") being doled out to high profile companies that may not have a legitimate "need" for the capital have created a backlash. In response, the Department of Treasury ("Treasury") released guidance reminding borrowers of the certifications included in their loan applications and requiring companies to assess their economic need for funding. The Treasury also confirmed its intent to review the loans, including all loans in excess of \$2 million. The Treasury is allowing businesses that are concerned about such scrutiny a safe harbor—return all of the money by May 14th. To many, this is a bitter pill after going through days or weeks of effort to apply for the loan.

An additional safe harbor was announced on May 13, 2020. Now, the SBA, in consultation with the Treasury, has said that borrowers that received PPP loans of less than \$2 million will be deemed to have made their certifications concerning necessity in good faith. The SBA also said that when it determines a borrower lacked an adequate basis for the required certification, the borrower will be required to return the funds and forgo any loan forgiveness in lieu of having the matter referred by the SBA to other agencies for enforcement. <u>PPP</u> Frequently Asked Questions, Question 46, published May 13, 2020.

The coronavirus is novel, but catastrophic shocks to the economy are not. Regulations are being adopted quickly and guidance (sometimes contradictory guidance) is being released almost daily, all amidst threats of criminal prosecution. In these times, businesses must remember to practice their fundamentals, including good corporate governance. Here are five things businesses should do right now to help ward off allegations of misconduct associated with the PPP loan program.

- 1. Work with financial advisors and bankers to verify the loan amount is calculated correctly and in compliance with the CARES Act. It may be appropriate to return all or a portion of funds borrowed.
- Evaluate the availability of other sources of capital (capital lines, investors) and whether any available capital would be sufficient to support ongoing operations in a manner that is not significantly detrimental to the business or whether such capital will be needed for purposes other than payroll, rent, mortgage interest, and utilities.
- 3. Monitor collections weekly or even daily to measure any reductions over average, seasonally adjusted collections. Review and adjust projected workloads, revenues and expenses.
- 4. Take note of the severity of the spread of the coronavirus in the community in which the business operates and how these factors are expected to impact, or have impacted, operations.
- 5. Work with financial advisors to track usage of the funds appropriately.

We say "five things" but they all boil down to one. As grade school math teachers say, *show your work!* While going through this process, companies should document their findings and conclusions. Companies should prepare written resolutions for the board of directors (or managers of a limited liability company) that can be added to the file and used when responding to any audit or review.

Many businesses are scrambling right now, doing what they can to keep the lights on while staying safe and healthy. In this environment, it may seem counter-intuitive to spend precious time taking these actions when businesses are being pushed to the limit. In fact, the process can offer some shelter from the storm, allowing businesses to memorialize the analysis that they have gone through and move on to the next challenge.

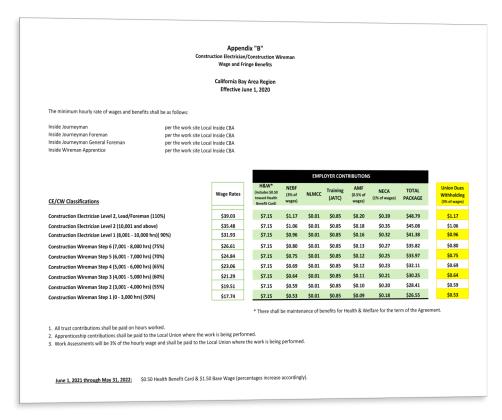
POLITICO ALERT

www.PoliticoOnline.com "Connecting you to California"
1127 11th St., Suite 747 / Sacramento, CA 95814 / (916) 444-3770/ FAX (916) 442-6437

Exclude COVID-19 Claims From EMRs - Take Action

Early into the COVID-19 pandemic, NECA identified potential negative impacts of the virus on contractors relating to Cal/OSHA recording/reporting and workers' compensation rates. We responded by securing clarity on what Cal/OSHA would consider a recordable and reportable event relating to COVID-19 (See the attached letter from Cal/OSAH Chief, Doug Parker) and pushed Cal/OSAH to issues industry specific guidance to help minimize exposure and liability. In addition, we began working with the Workers' Compensation Insurance Rating Bureau of California (WCIRB) on proposed regulations that would exclude COVID-19 claims from a contractor's experience modification rate (EMR). Following a lengthy committee process, the WCIRB proposed regulations are now pending final approval on May 18th at a hearing before the California Insurance Commissioner.

CW/CE Wage Rates



There is a scheduled increase in the CW/CE wage rates and Health & Welfare contribution rate effective

June 1st.

Click here for the new rates.





June 2020

CONTRA COSTA CHAPTER

1024 Court Street, Martinez, CA 94553 (925) 372-3222 www.ccneca.org

	Sun	Mon	Tue	Wed	Thur	Fri	Sat
		1	2 Negotiations 5:30 p.m.	3	4	5 Retirement Trust 10:00 a.m.	6
7		8	9 Negotiations 5:30 p.m.	10	11	12	13
14		15	16 Negotiations 5:30 p.m.	17	18	19	20
21		22	23 Negotiations Interim if Needed 10:00 a.m.	24 Health & Welfare Trust 11:00 a.m.	25	26	27
28		29	30				