

# SUMERGU

**OUR 60TH YEAR** 

**CONTRA COSTA CHAPTER** 

October 2023

## Labor Agreement Updates

## Upcoming Inside Wage Adjustment

This will serve as a reminder that there will be a \$3.75/hour increase to the Local 302 Inside (Journeyman) wage package on February 26, 2024. As soon as we know the allocation we will let you know.



Our current <u>Inside Agreement</u> expires on May 31, 2024. We will be entering negotiations in early March.

#### **Sound and Communications**

We are currently in the process of negotiating the Northern California Addendum #2 to the 9th District Sound and Communications Agreement. If we come to agreement, we should have something to report by the end of October. If not, CIR will hear our case in mid-November. The current Agreement expires on November 30, 2023.

### **Market Advancement Initiative**

The CW/CE arrangement with the Bay Area Local Unions expires on December 31<sup>st</sup>. We will be renegotiating the agreement and let you know of any changes in the next six weeks.

## Annual Meeting of the Contra Costa County Electrical Industry Trust

The Annual Meeting of the Contra Costa County Electrical Industry Trust will be held at Flemings Prime Steakhouse and Wine Bar, in Walnut Creek, Thursday, November 2, 2023 @ 6:00 p.m. Our NECA Chapter Membership Meeting will be held in conjunction with the Annual Meeting, and is open to all signatory contractors.

Each year the Board of Trustees report on the progress of the Electrical Industry Trust and the other Trust funds that are included in the hourly contribution rate, which include the Joint Apprenticeship and Training Committee, our local LMCC, and our Statewide LMCC.

The Electrical Industry Trust will conduct an election during the meeting, as the term of two (2) Trustees will be expiring. Any five employers may nominate an employer to serve as a Trustee by nominating the candidate in writing. The nomination papers must be endorsed with the consent of the nominee. All employers who have contributed to the Trust during the preceding twelve (12) month period and who maintain an office in Contra Costa County are eligible to serve as Trustee.

One of the major functions of the Electrical Industry Trust is to provide continuing education classes for our contractors to make them more efficient and more effective. Please give some thought to any programs you believe our signatory contractors could benefit from and be prepared to share them at our meeting.



Click HERE to RSVP

# POLITICO ALERT

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

#### California's Minimum Wage to Increase to \$16.00 Per Hour on January 1, 2024

California law mandates that the minimum wage be increased in response to inflation. Specifically, California Labor Code section 1182.12 delegates authority to the Director of Finance to annually determine and certify to the Governor and State Legislature whether an adjustment to the minimum wage is appropriate based the Consumer Price Index for urban wage earners and clerical workers (CPI-W).

The Department of Finance has calculated that the CPI-W has increased by over 6% from July 1, 2022, to June 30, 2023, as compared to the previous 12-month period. Thus, the agency determined that a minimum wage increase must be implemented. With this calculation, the Director of California's Department of Finance recently published a letter stating that the minimum wage needed to rise by 3.5% to account for inflation. As a result of this inflation-related minimum wage increase, the minimum wage rate for all California employers will increase from \$15.50 to \$16.00 beginning on January 1, 2024.

The change in minimum wage has a domino effect on other California employment compliance areas that are linked to the state minimum wage. Many of the exemptions afforded to construction employers' signatory to a collective bargaining agreement (CBA) are dependent on the CBA providing for "premium" wage rates. The following are some of the key areas the minimum wage increase may impact construction employers.

#### Collective Bargaining Agreements – Hours and Days of Work

Under California Industrial Welfare Commission Wage Order 16, construction employers and unions are permitted to bargain hours and days of work different from those required by the Wage Order so long as their employees are covered by a valid CBA designating wages, hours and working conditions and the employees' regular hourly rate of pay is not less than 30 percent more than the state minimum wage. Contractors should determine whether their union agreements or other procedures are affected.

#### California Paid Sick Leave

Construction employers in California must provide paid sick days to their employees, unless the employees are covered by a valid CBA and fall under the exemptions included in Labor Code Section 245.5. The construction exemption to California's paid sick leave law requires regular hourly pay of not less than 30 percent more than the state minimum wage be paid.



# Use NECA Tool & Equipment Rental Schedule to Recover this Direct Job Expense

#### **Tool & Equipment Rental Schedule (2021-2022 Edition\*)**



Construction tools and equipment are an essential part of an electrical contractors business, and can represent a significant investment. In addition to the large initial investment and the provision for eventual replacement, expenditures must be made for maintenance and repair, storage and handling, insurance, taxes and interest. As with any other investment, a contractor must also seek a return on the investment he makes in tools and equipment.

The rates contained in this publication may be useful as a guide for either internal estimating and cost accounting or for quoting prices to customers. NECA has always recommended that the cost of tools and equipment be included in the estimate as direct job expenses and not as a part of general overhead or operating expenses. In accordance with the standard definition, tool and equipment expense is a part of the direct job expense.

#### What's New to the Tool & Equipment Rental Schedule?

The 2021- 2022 Edition of the Tool and Equipment Rental Schedule includes an expanded and enhanced rates selection experience. New equipment and updated list prices for all items have been added, along with an improved user experience. In addition to the PDF and hardcopy purchase options, NECA members can now access our Tool and Equipment Rental Schedule via an enhanced web portal. There you can refine your search to find what you need quickly. A list of all rates is also included. Regardless of how you view them, search results can be downloaded as either a .pdf or .csv file.

#### What's Included in the Tool & Equipment Rental Schedule?

These rates include an average allowance for depreciation, shop maintenance and repairs, storage, handling, insurance, taxes, interest, fuel (diesel or gasoline) and certain operating expendables such as lubrications, filters, tires, etc.

#### What's Not Included?

The rates do not include the cost of operators, electricity, or non-diesel or gasoline fuel. There is no allowance included for delivery and pick-up nor for field repairs other than routine maintenance such as lubricating or adjusting.

#### **Basis of Rates**

The rates in this schedule are based upon average initial purchase prices, ownership expenses and use periods. The experience records and schedules of individual contractors as well as the schedules and practices of equipment rental dealers were reviewed. The rates are necessarily averages and based on average costs and normal use.

#### **How to Use the Rates**

These rates are based upon the contractor furnishing the complete tools and equipment for an entire job. They are not intended for casual rentals. Equipment rates are shown on a daily, weekly, and monthly basis.

#### **Supplement your Fleet by Renting vs. Buying:**

Owning a fleet vehicle or construction machine comes with its advantages: primarily convenience, reliability, and the familiarity of equipment you may use frequently over the course of years.

However, buying isn't a contractor's only option, and renting can sometimes be more costeffective and efficient than purchasing a fleet vehicle outright.

Renting is a great way to <u>supplement core fleet vehicles</u>, free up business capital, and minimize vehicle upkeep costs like maintenance, repairs, vehicle storage, and transportation to sites or when vehicles break down.

Choosing to rent can also help contractors manage rising fuel prices. Buying a vehicle locks you into a particular make, model, and fuel efficiency. Over time, a purchased vehicle will slowly become obsolete. With renting, you'll always have access to the newest and most fuel-efficient construction vehicles or machines available.

Renting may also provide a contractor with access to cost-friendly electric and alternative-fuel vehicles, helping them reduce their fuel expenses even further.

A fleet composed of both rental and owned equipment will provide contractors with a good balance of the benefits of both options.

#### **Add a Fuel Surcharge to New Contracts:**

While not popular among customers, sometimes the only way to manage rising fuel prices is to pass along the cost increase. Adding additional fuel fees or surcharges to new contracts or increasing the overall contract price to cover rising fuel costs will help contractors manage the current fuel price spike.

When other options fail – like improving fleet fuel efficiency or sourcing the cheapest fuel available in your area – the fuel surcharge is a good fallback option to consider.

The specific amount of the fuel surcharge can vary depending on current fuel prices and the needs of a particular client. For example, some customers may have projects that require the use of machines that require an unusually large amount of fuel to operate.

Charging a larger fuel surcharge for these projects may help you adjust contract pricing based on how much fuel-intensive projects will increase typical operating costs.

## 13 Obvious and Not-So-Obvious Ways to Save Money on Gasoline

by: Marc Sternfield

Posted: Sep 19, 2023 / 08:31 AM PDT Updated: Sep 19, 2023 / 04:25 PM PDT

Modern vehicles track and display fuel efficiency, which allows you to easily track your progress in the short and long term.

The <u>American Automobile Association</u> offers the following gas-saving tips:

- 1. Slow down and drive the speed limit.
- 2. Avoid "jackrabbit" starts and hard acceleration.
- 3. Avoid prolonged idling. If the car will be stopped for more than 60 seconds, shut off the engine to save fuel.
- 4. Keep tires properly inflated.
- 5. Minimize the use of air conditioning.
- 6. When driving in town, adjust your speed to time the traffic lights and reduce repeated braking and acceleration.
- 7. Use cruise control to help maintain a constant speed and save fuel (but not while on slippery roads).
- 8. Remove unnecessary and bulky items from the car since it takes more fuel to accelerate a heavier car.
- 9. Keep windows closed when traveling at highway speeds. Open windows cause aerodynamic drag.
- 10. Think ahead when approaching hills. Only accelerate before you reach the hill, not while you're on it.
- 11. Avoid overfilling your gas tank, which can cause spills and waste. Never fill the gas tank past the first "click" of the fuel nozzle.
- 12. After filling up, make sure the gas cap clicks three times. Improperly sealed gas caps allow fuel to vaporize.

### Remembering Jimmy Buffett:



Jimmy passed away peacefully on the night of September 1st surrounded by his family, friends, music and dogs.

He lived his life like a song till the very last breath and will be missed beyond measure by so many.

> Jimmy Buffett 1946-2023

**A Pirate Looks at Forty** 



#### SYNERGY eLinks

Joint Apprenticeship and Training Committee

Application Announcement

Handy Map to Identify IBEW Jurisdictions in California

<u>Project Specific Drug and Alcohol Policy</u> <u>Individual Employer Drug Alcohol Policy</u>

Memorandum of Understanding to participate.

Notice of Summary Plan Information for the National Electrical Benefit Fund (NEBF)



### October 2023

	Sun	Mon	Tue	Wed	Thur	Fri	Sat
1	2	3			5  NECA  Board of Directors  Walnut Creek Yacht Club 11:30 a.m.	6	7
8	9	10		Industry Trust Back Forty Texas BBQ 11:30 a.m.	JATC Training Center Martinez 2:00 p.m.	13	14
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