MER

OUR 53RD YEAR

CONTRA COSTA CHAPTER

June 2016

Code Changes



The next meeting of the Electrical Code Interpretations Committee will be held on Wednesday, June 22, 2016, 11:45 a.m., at Zio Fraedo's Restaurant, 611 Gregory Lane, Pleasant Hill, CA. We are pleased to announce that Michael Johnston, Executive Director of Standards and Safety for the National Electrical Contractors Association will be our featured speaker at the meeting. He will be reviewing the significant changes to the National Electrical Code with California's anticipated adoption of the 2014 NEC in January of 2017.

Mr. Johnston is responsible for managing NECA's development process for the National Electrical Installation Standards (NEIS), he is Chair of the NFPA's NEC Technical Correlating Committee and currently Chair of Code Making Panel-5. Prior to NECA, Mike worked for the International Association of Electrical Inspectors (IAEI) as the Director of Education, for nearly 10 years.



This is an excellent opportunity for all of our members to get a condensed version of the NEC changes that will affect their work beginning next year. Mr. Johnston will also let us in on what to anticipate in the 2017 version.

We encourage you to make the most of this opportunity. It might also be a good idea to bring one of your estimators to the meeting as well. This program is sponsored by our Electrical Industry Trust and is free of charge to all attendees. Please let us know how may will be attending from your firm at your earliest convenience. You may RSVP <u>here</u>.



SPOTLIGHT

Special Offer from ConsensusDOCS

NECA MEMBERS RECEIVE 20% OFF

ConsensusDOCS, the coalition whose model contract documents offer a new way for electrical contractors to work collaboratively with other subs, general contractors and owners, is providing NECA members with a valuable discount.

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BUILDING A BETTER WAY

NECA Members receive a 20% discount when registering their account with ConsensusDOCS. Use the promotion code "NECA100" when registering your account. For more information, go to <u>www.consensusdocs.org</u>, call 866-925-DOCS (3627) or email <u>support@consensusdocs.org</u>.

LEARN MORE ABOUT NECA MEMBER DISCOUNTS AND SERVICES »

California Approves Revised Rule for Fall <u>Protection Near Skylights</u>



A revised <u>Fall Protection Rule</u> for California workers laboring within 6 feet of a skylight takes effect July 1, following the standard's recent approval by the state's Occupational Safety and Health Standards Board.

The update makes several significant changes to the state's current rule (<u>Title 8, Section 3212</u>), such as setting specifications for screens and nets installed below skylights and requiring training for workers if their safety depends on nets.

The revision did not change such fall protection provisions as allowing the use of guardrails and fall protection systems attached to workers.

Final Overtime Rule Merits Your Attention

DOL Issues Final Overtime Rule Doubling Exemption Threshold to \$47,476

On December 1st of this year, the Department of Labor's final overtime rule will go into effect, essentially doubling the salary level that determines eligibility for overtime. Currently, workers earning more than \$23,660 per year are not eligible for time-and-a-half pay for hours beyond 40 in a week <u>if</u> they also perform certain executive, professional or administrative duties. The new rule raises that minimum salary threshold to \$47,476, and will likely bring forth a significant amount of new litigation by simply raising national consciousness of an issue that has become less relevant with each passing year. Keep in mind that just because you chose to pay an (office) employee on a salary basis (rather than on an hourly basis) that does not automatically exempt you from paying overtime.

The Overtime Rule did not change the current duties test.

There was an excellent <u>article</u> in last month's Comstock's magazine regarding the new wrinkle that the internet has brought for all employers. You should give this some thought and develop a policy on email work at home.

Useful links:

https://www.dol.gov/whd/overtime/final2016/index.htm

https://www.dol.gov/whd/overtime/final2016/SmallBusinessGuide.pdf

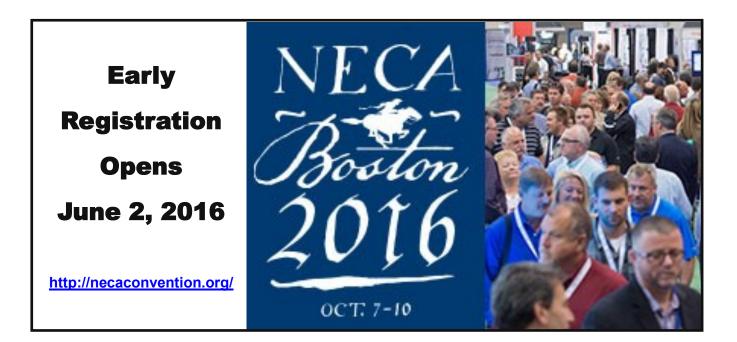
Options for Employers to Comply With the Rule

- Reclassify exempt employees to hourly and cap their hours to 40 per week;
- Reclassify exempt employees to hourly and pay time-and-a-half for hours worked above 40 in a week;
- Raise workers' salaries to at or above the new threshold to retain the exemption; or
- A combination of the above

CW/CE Adjustment June 1st

The New Rates are Posted on our Website

The <u>CW/CE addendum</u> has been resolved for the next three years at approximately 3% per year. The <u>new rates</u> are posted on our website along with updated <u>cost/per hour sheets</u>, note that the Health and Welfare contribution rate will go from \$5.21/hour to \$5.48/hour effective January 1, 2017. There is a required tool list and the CW step 1 hours have been adjusted from zero to 3000 hours (vs existing of 1000-3000 hours) to help with organizing. We will also try to establish a central reporting point for all employer remittances so that individuals do not lose health coverage. This may take a few months to accomplish, but we will give advance notice when the change occurs.



POLITICO ALERT

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DIR Registration Now Open for Public Works Contractors

Beginning May 1, public works contractors who are registered with the Department of Industrial Relations (DIR) for the current fiscal year (ending June 30, 2016) may renew their registrations for the next fiscal year starting July 1, 2016 using DIR's online <u>public works contractor registration system</u>. Registered contractors who fail to renew by July 1, 2016 but continue working on public works after that date will be subject to late fees and potential penalties.

Contractors must be registered with DIR before bidding, being awarded or performing work on public works projects in California. DIR registration requires that all contractors possess a license in good standing with CSLB, and having no liens or judgments owed to workers or the state of California.

The registration and renewal process is finished upon processing of payment. If paying by credit card, the registration process can be completed within 24 hours.

The early renewal option is only available for public works contractors who are currently registered with DIR. Contractors who are not currently registered should carefully consider when to register. Any contractor who fails to register before bidding for a public works project or being awarded a public works project may be subject to a \$2,000 penalty. Contractors who plan to bid or work on public works prior to July 1, 2016 may complete the registration process, including payment of the \$300 registration fee, to register for the remainder of the current fiscal year, which expires on June 30, 2016. Once registered, contractors may then renew their registration for the following fiscal year (beginning July 1, 2016), which will also require payment of the \$300 renewal fee.

Public agencies must confirm registration before considering a bid or awarding a public works contract, and prime contractors are required to make sure their subcontractors are registered.

To register or renew go here: <u>www.dir.ca.gov/Public-Works/Contractors.html</u>

DIR Electronic Certified Payroll Reporting Update

Public works reforms (SB 854) were signed into law on June 20, 2014 as part of the State Budget. The reforms made several significant changes to the administration and enforcement of prevailing wage requirements by the Department of Industrial Relations (DIR). One requirement of SB 854 stated that DIR establish an Electronic Certified Payroll Reporting (eCPR) system and beginning January 1, 2016, that all contractors and subcontractors must furnish electronic certified payroll records directly to the Labor Commissioner (also known as the Division of Labor Standards Enforcement) through the eCPR system.

The phase-in timetable for this requirement was as follows:

June 20, 2014: Any project that was being monitored by the CMU/Labor Commissioner prior to the adoption of SB 854 will continue to be monitored by the Labor Commissioner afterward; and the contractors on those projects must continue to furnish certified payroll records to the Labor Commissioner until the project is complete.

April 1, 2015: For all new projects awarded on or after this date, the contractors and subcontractors must furnish electronic certified payroll records to the Labor Commissioner.

The DIR Fact Sheet can be viewed here: <u>http://www.dir.ca.gov/ConcreteDeliveryPrevailingWage/</u> <u>AB 219 Fact Sheet.html</u>.

January 1, 2016: All contractors must furnish electronic certified payroll records to the Labor Commissioner through the eCPR data system.

SB 854 also required that awarding bodies submit a PWC-100 notice (contract award notice) for all public works projects to DIR. An awarding body must submit a PWC-100 in order for contractors to submit their eCPR. Awarding bodies are required to provide notice to DIR on all projects within five days of project award. Awarding bodies must register in the PWC-100 project registration system in order to notify DIR of their public works projects.

Once the program launched, our office fielded numerous calls and e-mails from contractors who were frustrated with the new eCPR system. The most common complaint was that previously existing payroll systems used by contracting agencies are more user friendly than the XML format DIR chose. After meeting with the DIR to discuss the issues our contractors were having with implementation of the system, DIR issued a notice that put the eCPR system on hold while DIR works on improvements. The hold applies to all public works projects that were subject to the eCPR requirement.

Public works contractors, subcontractors and awarding agencies must still adhere to the 85-yearold requirement to keep certified payroll reports (CPRs). However, there is no need to use the DIR eCPR system until further notice. DIR has issued additional notices to provided clarification that they do not plan to require retroactive submission of eCPRs once they have completed the upgrades to the eCPR system, and a reminder to awarding bodies to register projects by using the PWC-100 form. The improved system will begin testing within the next month and DIR is anticipating having it ready by August 2016.

All relevant notices can be found at the following links:

Notice to awarding bodies: www.dir.ca.gov/Public-Works/Public Works Notices.html

Notice of eCPR delay: www.dir.ca.gov/Public-Works/eCPR important notice.pdf

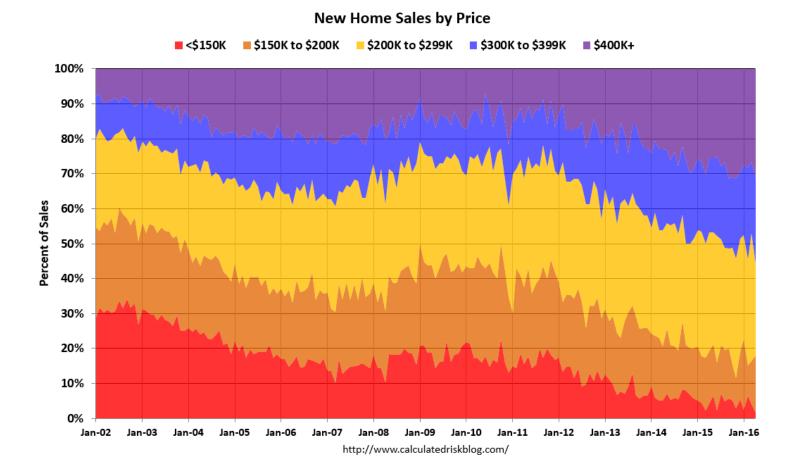
Notice clarifying eCPR requirement: <u>www.dir.ca.gov/Public-Works/</u> Notice Clarifying CPR Requirements.pdf

Prevailing Wage Expansion to Ready-Mix Delivery Effective July 1, 2016

AB 219 was signed by the Governor in 2015 and will go into effect for public works projects awarded on or after July 1, 2016. Under this new law, "hauling and delivery of ready-mixed concrete to carry out a public works contract" will be covered by prevailing wages, along with other unique provisions never before required for prevailing wage compliance. The DIR recently issued a Concrete Delivery Legislation (AB 219) Fact Sheet to address enforcement policies.



Every picture tells a story, don't it?



"Calculated Risk" a Finance and Economic blog by Bill McBride.

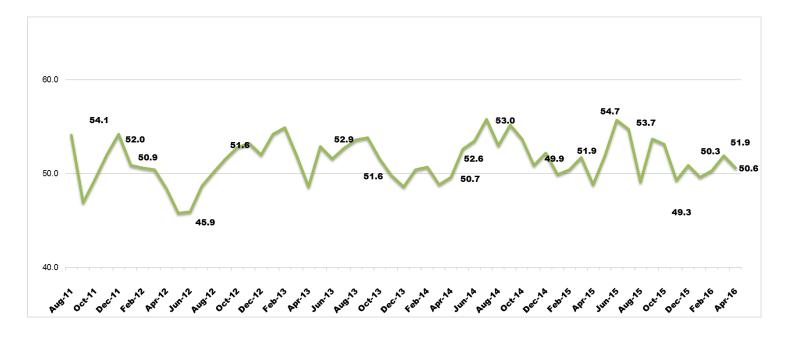
If you want to subscribe yourself, see the link below.

Click <u>Here</u>.

Architecture Billings Index Shows Continued Modest Growth ... read more.

April ABI 50.6

Any score above 50 indicates an increase and score below indicates a decline.





SÝNERGÝ eLinks							
Notice Clarifying Certified Payroll <u>Reporting Requirements</u>	NECA CONVENTION WEBSITE	PUBLIC WORKS CONTRACTORS MUST RENEW REGISTRATION BEFORE JULY 1ST TO AVOID PENALTY					
IBEW, NINTH DISTRICT MARKET ADVANCEMENT MEMORANDUM OF UNDERSTANDING	Annual Funding Notice for National Electrical Benefit Fund	CALIFORNIA APPROVES REVISED RULE FOR FALL PROTECTION NEAR SKYLIGHTS					
CW/CE WAGE RATES & Cost Per Hour	SAFE ELECTRICITY ADVISES, "IF YOU FEEL <u>A SHOCK, SWIM AWAY FROM THE DOCK"</u>	DOL ISSUES FINAL OVERTIME RULE DOUBLING EXEMPTION THRESHOLD TO \$47,476					
IBEW NINTH DISTRICT PORTABILITY POLICY	Agreement on Employee Portability	QUESTIONS AND ANSWERS AND QUESTIONS AND ANSWERS SPECIFIC TO THIS <u>NEW POLICY</u>					



Sun	Mon	Tue	Wed	Thur	Fri	Sat
			1	2 Apprentice Completion Ceremony 6:30 p.m. Crown Plaza	3	4
5	6	7 JATT 3:00 p.m. Training Center Martinez	8	9 Health & Welfare 1:00 p.m. Training Center Martinez	10	11
12	13	14	15	16	17	18

19 Fathers Day	20 Summer Begins	21	22 Code Sub Committee 10:45 a.m. Full Committee	23	24	25
26	27	28	11:45 a.m.	30		



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