



**OUR 57TH YEAR** 

**CONTRA COSTA CHAPTER** 

**NOVEMBER 2020** 



#### **Sound and Communication Agreement**

December 1<sup>st</sup> IncreaseThe IBEW members working under our Sound and Communication Agreement in Northern California have allocated their December 1, 2020 increases. Keep in mind there are five distinct Wage/Fringe benefit Schedules (A, B, C. D.& E), each one covering a different geographical area. Schedule E covers work performed in Contra Costa County. Depending on the nature of your operation, you probably work in more than one Schedule area. We have updated the electronic version of the Agreement to include the December 1<sup>st</sup> wage and fringe benefit rates so that you have everything you need in one place. Also available on-line are our representative cost-per-hour sheets and the shift-rates (reference Schedule E). This will be the second of three increases under the current Agreement, which expires on November 30, 2022, two years from now.

#### **Inside Wireman Agreement**

We still have no final resolution of the issues over the Inside Agreement with Local 302. The parties have submitted the remaining issues to the Council on Industrial Relations, which is scheduled to hear our case on November 18th. We will convey the decision of the CIR as soon as we receive it.



### NECA 2020 CA Legislative Scorecard

The last actions of the 2020 California legislative session took place on August 30th, which was the deadline for Governor Newsom to sign or veto legislation. In what was a difficult year on many levels from a legislative standpoint, NECA did achieve success in many areas including providing notification of the skilled and trained workforce mandates, expanded prevailing wage application, statutory Electric Vehicle Infrastructure Training Program directives, and mitigating the preponderance of COVID-19 related employer requirements and proposed new taxes. In addition, NECA took a leading role in defeating or amending dozens of measure that would have been harmful to our contractors and the industry overall.

From a volume standpoint, due to COVID–19 related challenges that necessitated unprecedented actions and a compressed legislative session, the Legislature greatly reduced the number of bills it heard in 2020 to focus on COVID–19 policy response. In a typical year, the Legislature sends just over 2000 bills to the governor for consideration. However, in 2020, the Legislature passed just 428 bills. Of the 428 bills Governor Newsom considered this year, he signed 372 into law and vetoed 56.

The lighter legislative load didn't translate into less work on the state advocacy level. Early in to the pandemic, we were keenly aware of the uncertainty COVID-19 would bring to our industry and we began to discuss the many challenges that lay ahead and how to address them. NECA contractors questioned if they would be allowed to continue to operate, and should they continue to operate, how to keep workers safe and what would be the impact of the pandemic on their bottom line. There were concerns, separate from the health effects of COVID -19, regarding Cal/OSHA violations, impacts to worker compensation rates, and the ability to protect payment rights. Through the Electrical Contractors of California Trust, NECA worked to address these issues. We focused, through regulation and the administrative process, on the health and safety of workers, ensuring our industry could continue to deliver projects and protecting our contractor's businesses.

Click <a href="here">here</a> to read more on what their efforts included and to view summary of the key bills NECA took strong positions on this year and the outcome.

# POLITICO ALERT

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#### **Governor Newsom Signs Priority Industry Bills**

In the final hours of the 2020 legislative session, Governor Newsom signed all four of the priority bills sponsored by the industry this year. The measures will expand the scope of prevailing wage, stimulate electric vehicle infrastructure work – prioritizing the utilization of union electrical contractors and provide notice in all public agency bidding and contract documents when a skilled and trained workforce will be required.

All of these measures will help increase union electrical contractor market share, and will benefit our industry for years to come. Below are brief summaries of each measure.

# AB 2311 (Low) Skilled & Trained Workforce Notice Requirement NECA Sponsored - Signed into Law

AB 2311 will ensure all parties to a construction contract, including subcontractors, are aware of the skilled and trained workforce requirement prior to bidding on a project. Proper and clear notice that a project is subject to the skilled and trained workforce requirement will increase compliance with the policy and will alleviate current issues created when contractors are notified, after they have already commenced work, that the project is subject to the requirement.

# AB 841 (Ting) Energy Efficiency Stimulus Program NECA Supported - Signed into Law

Among other things, AB 841 (Ting) requires the California Public Utilities Commission to quickly approve electrical vehicle (EV) charging infrastructure applications and allows Investor Owned Utilities to rapidly move forward with the deployment of EV infrastructure to accommodate the state's current and future electric vehicle and electric bus needs. The measure requires that all electric vehicle charging infrastructure and equipment located on the customer side of the electrical meter, that is funded or authorized by state programs, be installed by a licensed contractor and that a portion of all installing electricians hold an Electric Vehicle Infrastructure Training Program (EVITP) certification.

# AB 2765 (O'Donnell) Charter Schools: Prevailing Wage NECA Supported – Signed into Law

This bill expands the definition of "public works" for purposes of prevailing wage requirements, to also include any construction, alteration, demolition, installation, or repair work done under private contract on a charter school project when the project is paid for in whole or in part with the proceeds of conduit revenue bonds.

Conduit revenue bond financing is a method by which the public subsidizes a private development project. A public entity acts as the "issuer" of the bonds so the interest payments on the bonds will be tax-exempt to the bondholders under the income tax code.

Because the bondholders will not be taxed on the interest, they are willing to accept a lower return on their investment, and the cost of borrowing is lower. The bond proceeds are transferred to a private developer, which is responsible for making the payments to the bondholders. The public entity issuing the bonds acts purely as a "conduit," it does not receive the bond proceeds or pay back the bondholders. The public thereby subsidizes the private development project by foregoing the tax revenues that would otherwise be paid by the bondholders. We believe this fact should trigger prevailing wages.

#### AB 2231 (Kalra) Public Works: Public Subsidy NECA Supported – Signed into Law

Defines a public subsidy as de minimis for the purpose of paying prevailing wage on private projects if the subsidy is both less than \$600,000 and less than 2% of the total project cost for bids advertised or contracts awarded after July 1, 2021. If the subsidy is for a residential project consisting entirely of single-family dwellings, the subsidy is de minimis so long as it is less than 2 % of the total project cost.

Under current law, prevailing wage is triggered for projects of \$1,000 or more that are "paid for in whole or in part out of public funds," including subsidies in all forms. However, Labor Code Section 1720(c)(3) provides that a project is not subject to the prevailing wage, even if it receives a public subsidy, if that subsidy is "de minimis" in the context of the project. Since the term "de minimis" is not statutorily defined, there is no guidance as to the appropriate level of public subsidy that should be considered de minimis. This has led the Department of Industrial Relations (DIR) to offer wildly different determinations on a project-by-project basis as to what is de minimis, leading to confusion and litigation on what the term actually means and allowing very large public subsidies to be granted to private projects without the triggering of prevailing wage. AB 2231 provides clarity in this area.





NECA Executive Director of Standards and Safety, Mike Johnston, and NECA Director of Codes and Standards, Aga Golriz, are working with "The Construction Specifier" to deliver the following webinar.

# Webinar Good Workmanship in Electrical Contracting

Thursday, November 12, 2020 | 1:00 PM EST

The objectives of this program are to provide a brief history of the origin and inspiration of the *NEIS*. The presentation will provide how *NEIS* are intended to be used in the electrical industry. The presentation provides a concise look at ANSI accreditation and the processes that must be followed an accredited standards developer. An important objective of this program is to help attendees understand what constitutes "Good Workmanship in Electrical Construction" which is the title of NECA's flagship *NEIS* publication.



#### On-demand NECA 2020 LIVE Content Extended Date

All NECA 2020 LIVE content will now be available for registrants through December 31, providing an opportunity to explore every second of education and entertainment for the first time in NECA Convention history.

Access on-demand sessions by doing the following:

- Go to <a href="https://necalive.necanet.org">https://necalive.necanet.org</a>.
- Select "Full Schedule" on the top navigation bar.
- Select "On-Demand Full Convention".

If you did not register for NECA 2020 LIVE and would like to access the content, click <a href="https://example.com/here">here</a> to register at the following prices: \$75 for NECA members and \$150 for non-NECA members

# The Real Reason we Eat Turkey on Thanksgiving



Click here to read story.



#### SYNERGY eLinks

Sound and Communication Wage and Fringe Schedules A - E Sound and Communication Schedule E
Cost Per Hour Shift Rates

**Sound and Communication Agreement w/Updated Schedules** 



Sun	Mon	Tue	Wed	Thur	Fri	Sat
1 Daylight Savings Ends	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18 <u>CIR</u> Zoom	19	20	21
22	23	24 NECA Board of Directors 11:00 a.m. Zoom	25		Happy Thanksgiving	28
29	30	1	2	3	4	5

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