



MONDAY MORNING NEWS

Puget Sound Chapter • National Electrical Contractors Association



**APRIL 13, 2020
MEETINGS**

No Meetings Scheduled

PUGET SOUND CHAPTER, NECA & CORONAVIRUS UPDATES

Each week brings new challenges and adjustments to the Coronavirus pandemic, and how Electrical Contractors juggle all of the various aspects of these unprecedented times. Everyone has been inundated with important information, and it is difficult to absorb and process it all, while at the same time attempting to keep the industry moving forward and keeping the doors to your businesses open and viable.

As of Friday, only 4 states had deemed most construction as “nonessential”, with Washington joining Michigan, New York, and Pennsylvania. All other states have no restrictions or have deemed construction as “essential”. Contractors need to be assured that everyone in Olympia is working to create a framework which will allow the industry to return to work at the earliest possible date. This will include stringent jobsite safety protocols which must be adhered to by all crafts. NECA will provide contractors with updates on this front as they become available.

In the meantime, contractors should continue to monitor the www.necawa.org website for updates on the most pertinent State and Federal guidelines and procedures. This week, financial institutions will continue to process Payment Protection Program loan applications from contractors. If your firm has not looked into this program, you should at least consider it. Reports are coming out that SBA is overwhelmed with the volume of applications (is anyone surprised?), but that should not deter contractors from applying for funds. Financial institutions are also advising the Feds that there are serious problems with funding of the loans, with very few businesses actually receiving the money.

Employment Security Department put out information regarding problems with employees applying for Standby unemployment comp, which for most electricians, can be as much as \$1,390/week. ESD admits that many applications for Standby unemployment were inappropriately denied, because of a glitch in the system. ESD advises all applicants to continue to apply each week, as they are addressing the problem,

and will eventually be able to pay employees on Standby from the first day they were placed in this status. Even with the Washington State Stay at Home Order, most employees do not qualify for the Federal Paid Sick Leave or Paid Expanded Family Medical Leave Programs, which were implemented on April 1st. However, the expanded eligibility and benefits for Standby Unemployment have made that program the “first choice” for most workers. Call the Chapter Office if you have questions on any of these programs.

For Healthcare concerns, most electricians have approximately 5 months of dollar bank (in L.U. 46 jurisdiction), so they should have ample coverage for the foreseeable future. For non-bargaining employees on the Associate Healthcare Plan, firms can continue to pay for their employees’ healthcare while they are on temporary Standby unemployment comp – but employers are not obligated to do so. These employees would also be eligible for COBRA if the firm does not continue healthcare benefits during the Standby period. There could be issues if non-bargaining unit employees on Standby remain on the Company’s Associate Healthcare Plan, but do not end up eventually returning to employment with the firm. Please call NECA if you have a unique situation for anyone on the Associate Healthcare Plan.

NECA will continue to monitor all aspects of the Coronavirus Pandemic and will work to help contractors comply with the multitude of State and Federal programs, policies, and restrictions/requirements – as they unfold. NECA encourages contractors to continue to share information you receive from all corners of the industry. We really do appreciate hearing from you!

Stay safe and “Let’s be careful out there!”

WEEKLY CHAPTER SAFETY COMMITTEE MEETINGS ADDRESSING COVID-19

To stay current with the latest safety and health requirements and recommendations related to COVID-19, the Chapter has scheduled weekly Zoom Meetings every Friday at 10:00 AM. This is an opportunity to share ideas and resources with our members, to better implement proactive safety measures on our jobsites. If you are interested in participating, please email NECA Director of Safety, Justin Thayer, at justin@necaseattle.org.

WASHINGTON STATE SUPREME COURT DENIES SEATTLE’S ATTEMPT FOR INCOME TAX ON WEALTHY HOUSEHOLDS

Washington's Supreme Court has denied Seattle's bid to reinstate an income tax on wealthy households, declining to hear the city's case and dealing a major blow to advocates for tax system reform in the state. In a majority decision, the Supreme Court on Thursday declined to review the city's request to overturn rulings against the tax by a King County Superior Court judge and the state Court of Appeals. Without issuing an opinion, Supreme Court dismissed Seattle's petition for review and a petition written by the Economic Opportunity Institute (EOI), a Seattle-based progressive think tank. “The petitions for review are both denied,” Chief Justice Debra Stephens wrote, without elaboration.

The ruling means Washington and its cities will remain blocked from enacting graduated income taxes, with different rates based on wealth. Some advocates may still see a path forward, because the Supreme Court let stand a decision by the Court of Appeals last year to void a state law that banned taxes on net income. A city like Seattle could respond to the coronavirus health and economic crisis by trying to implement a single-rate income tax with exemptions meant to help poorer people, said John Burbank, EOI's executive director.

“I'm disappointed in the denial for review,” Burbank said. “Having said that,” letting the Court of Appeals decision on the 1984 law stand, “does clear the way” for new proposals.

“Seattle has the authority to adopt an income tax, and I believe we can craft a proposal that can help make our tax system less regressive,” Mayor Jenny Durkan said in a statement.

“We are once again confronted with the reality that in times of crisis, those same residents that earn or have the least are the first to feel economic stings of job loss and instability,” Durkan added.

“We must work today to avoid this in the next crisis. As we emerge from this emergency all of us need to rebuild a city that is more just and equitable.”

Washington is one of the few states without an income tax, and its system has been labeled by tax reformers as the most regressive, meaning poor residents pay a much higher percentage of their earnings than do rich residents.

When Seattle adopted a 2.25% tax on high-earning households in 2017, supporters said the tax would raise about \$140 million a year to pay for housing, education and transit and could reduce the city's dependence on property and sales taxes.

At the same time, advocates for reform assumed the measure would be challenged and hoped the case would lead the Supreme Court to overturn previous rulings on the issue and pave the way for a statewide progressive income tax.

Seattle's tax did immediately draw lawsuits, with opponents arguing the measure violated the 1984 law that banned Washington cities from taxing net income. King County Superior Court Judge John Ruhl agreed on that point and killed the tax before the city began collecting the money.

The opponents also argued the tax violated a provision of the state constitution that says property must be taxed uniformly -- at the same rate for everyone. Ruhl didn't address that question.

Seattle sought direct review from the state Supreme Court, which declined to hear the case right away.

The state Court of Appeals weighed in last year with a mixed decision.

It declared the state's ban on cities taxing net income unconstitutional, citing a technical rule broken by the Legislature back in 1984. But with respect to the constitutionality of the city's tax, the Court of Appeals ruled against Seattle, deferring to the Supreme Court, which has several times in the past ruled that income is property and that property must be taxed uniformly.

Seattle's tax would have applied a 2.25% rate on total income above \$250,000 for individuals and above \$500,000 for married couples. Households with less money wouldn't have been taxed at all.

Supporters of Seattle's tax hailed the Court of Appeals ruling at the time, describing the decision to void the 1984 law as a positive step. They also hoped the Supreme Court would hear the case. The denial went the other way.

“That's the end of the road for this piece of legislation, which, frankly, could not have come at a worse time,” Seattle City Attorney Pete Holmes said in a statement about the city's wealth tax.

“The denial of the petition means the Washington state Court of Appeals decision stands ... Seattle has the authority to adopt a flat income tax, but not a progressive one.”

Jason Mercier, director of the Center for Government Reform at the conservative Washington Policy Center, described the Court of Appeals decision on the 1984 ban as “bizarre.”

But he hailed the Supreme Court's denial of Seattle's case Thursday as a “devastating blow to those who have been trying to circumvent voters and get the courts to allow a graduated income tax without a constitutional amendment.”

Mercier said, “extra vigilance will be needed now on efforts to impose a capital gains income tax.”

Matthew Davis, an attorney for one of the people who sued to stop Seattle's tax, said he's shocked that the Supreme Court declined to hear the city's case and settle the entire matter more clearly. The denial, he said, “leaves quite a mess.”

Burbank said a city could adopt a 1% tax on income with exemptions similar to those already built into the state's property tax system for seniors and less-affluent households.

There also is “a need for a new revenue” statewide, because of the coronavirus crisis, he said. “We're looking at losing probably \$3 billion a year in state revenue, and the answer is not to cut public services and public goods that we need now more than ever.”

During the recent Legislative session, state lawmakers didn't advance bills that would have reenacted the 1984 ban.

WEST SEATTLE BRIDGE WAS ON ROAD TO COLLAPSE REPORTS SHOW

Before contractors can reinforce and repair the cracked West Seattle Bridge, the city first needs to confirm it won't fall. Fast-moving diagonal cracks on the girder walls, which branched out by 2 feet in early March, aren't the only source of worry. Consulting engineers last month also noticed crack patterns along the ceilings and floor with the hollow girders, according to one of 14 records according to the city. Engineers from the firm WSP saw the cracks were quickly converging — and if the cracks were to meet, the bridge could fall. “Our biggest concern has become that the extent and rate of cracking near the quarter points of the main span could lead to collapse in the near future if strengthening is not implemented quickly,” said a March 20 [message from WSP engineer Greg Banks](#) to Matt Donahue, director of road structures for the Seattle Department of Transportation (SDOT). Banks also cites a professor from the University of Toronto who agreed patterns were “consistent with reaching a collapse mechanism. It is not anticipated that a collapse mechanism is imminent.” A hand-drawn diagram depicts 12 locations of cracking, all diagonal and parallel. Some cracks advanced within 11 inches of the top of the girders, which run lengthwise under the bridge deck.

A report on collapse risk, requested by Mayor Jenny Durkan, is already in draft form and should be done within a couple of weeks, Donahue said last week. The department hasn't released a detailed work order or itemized cost for the collapse-risk analysis, to be done under WSP's February 2017 contract for citywide on-call design services. “We will also model worst-case scenarios so that we can identify early warning signs and implement additional safeguards to catch any issues before it is too late,” SDOT spokesman Ethan Bergerson said. A few cracks have proliferated even since March 23rd, the day the bridge was [abruptly closed](#). “We have discovered one new crack, and a few other cracks have grown by a few inches,” Bergerson said last week.

However, Donahue said, that based on his near daily visits to the girders, the additional cracking occurred almost entirely on March 23rd, between his morning phone call to recommend the emergency closure and when the bridge was barricaded between 7 p.m. and 8 p.m.

“It happened within several hours in a day that the cracks propagated,” he said, reinforcing his view the traffic shutdown worked effectively to avert more damage. “Right now, my degree of confidence about the bridge being able to support its weight is unchanged,” he said.

He said SDOT hasn't yet devised its strategy for short-term “shoring” to brace the bridge until repairs can be done over several months. The bridge's 590-foot-long concrete arch towers 140 feet over Duwamish Waterway, where any marine blockages need Coast Guard permission. Other newly released documents show that as far back as 2014, experts couldn't clearly diagnose why cracks were appearing in a structure only 30 years old. They even mentioned repair ideas — not because they feared disaster, but to preserve the structure's life span of 75 years or so.

Cracks proliferated symmetrically in the twin girders, 112 feet shoreward from the middle of the bridge. Those hot spots can now be easily seen by travelers, because SDOT in 2019 slathered amber-tinted epoxy patches on the exterior, including superficial cracks, to seal out rainwater.

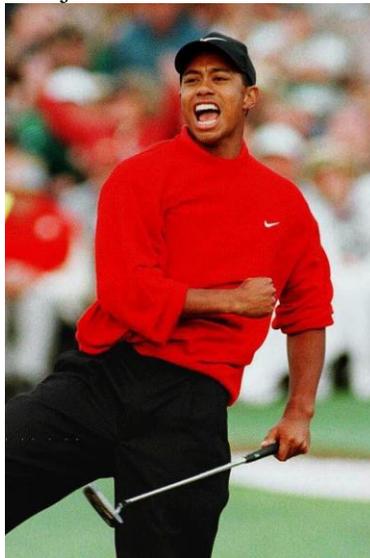


TAKE A TWO MINUTES–

We leave you with something new and different to this newsletter. With so many of us stuck inside and missing the outdoors we turn it over to “A moment in Nature,” regularly featured on CBS Sunday Morning. This week takes us to Canaveral Marshes Conservation Area along the St. Johns River in Florida, a safe harbor for bald eagle fledglings getting their start in life.

<https://www.cbsnews.com/video/nature-bald-eagle-fledglings/>

ON THIS DAY IN HISTORY 1997– 21-year-old Tiger Woods wins the prestigious Masters Tournament by a record 12 strokes in Augusta, Georgia. It was Woods’ first victory in one of golf’s four major championships—the U.S. Open, the British Open, the PGA Championship, and the Masters—and the greatest performance by a professional golfer in more than a century. It also made him the youngest golfer by two years to win the Masters and the first person of Asian or African heritage to win a major.



“Easter spells out beauty, the rare beauty of new life”

- S.D. Gordon

As of Friday, April 10th, there are 210 JW on Book 1 and 123 JW on Book 2. There are currently 38 Commercial Apprentices, 1 S&C Apprentice, and 0 Residential Apprentices available for dispatch. There are 0 unfilled Commercial, 0 unfilled S&C and 0 unfilled Residential Apprentice requests.