

January 5, 2026



INDUSTRY NEWS

New Year, New Titles and Some New Faces. . .

By Eddie Sprecco, CEO

Happy New Year from all of us at AGC!

As we ring in 2026, it's a good time to highlight some of the big changes at AGC. As our chapter has grown and expanded services, we have updated roles and added staff positions to continue to meet our members' needs.

First, Katie Hammock has been promoted to Vice President of Operations to ensure all of our service offerings and marketing opportunities work seamlessly for our membership. Katie joined AGC as Director of Meetings and Events in 2024 and has quickly grown her portfolio of work to become a valuable asset to our chapter.

To accommodate Katie's promotion and further enhance member services, AGC San Diego will also be hiring both a Meetings and Events Coordinator and an in-house Director of Membership. The additional staff will continue the growth of AGC San Diego, while maintaining top notch services to the industry.

In another big move, **Dustin Steiner has been promoted to Executive Vice President of AGC San Diego.** Dustin has served as Vice President of Government Affairs since joining the Chapter in 2021. In addition to Government Affairs, Dustin will now have a hand in membership recruitment and take on strategic initiatives for the Chapter.

These changes are an element of the Board of Directors' Three-Year Strategic Plan to enhance services and right-size the AGC staff to meet members' needs.

[Congratulations](#) to Katie and Dustin on their new roles!



Welcome 2026

By Dustin Steiner, Executive Vice President

It's officially 2026 and that means we are hurtling toward the oft-debated midterm elections. Are they a referendum on the White House? A rebuke or validation of the party in power? Just another election?

Nationally, the Senate is likely to remain in Republican hands, thanks in large part to a favorable map, in which the one-third of the seats that are up this year generally either favor the incumbent Senator or the incumbent party – meaning there will be few surprises. The House is a different story as Democrats have seen recent victories in Republican strongholds like Miami, Florida, which just elected the first woman, first non-Hispanic (since 1996), and first Democrat in almost 30 years, in **Eileen Higgins**. House Speaker **Mike Johnson** (R-LA) is facing a handful of incumbent retirements including firebrand and (former?) Trump ally, **Majorie Taylor Greene**, who leaves the chamber today. The Republican majority effectively shrinks to 219-213, a 2-vote margin that is most certainly up for grabs in 2026 as all 435 members seek re-election.

Locally, all eyes are on the **48th Congressional District**, where incumbent **Darrell Issa** (who is [not moving to Texas](#)) is facing a surprising threat to his once safe district, thanks to Prop 50. San Diego City Councilmember **Marni von Wilpert**, and previous challenger **Ammar Campa-Najjar** are part of a crowded field of Democrats emboldened by the recent partisan swing in the district.

In California, big names are gearing up to succeed two-term Governor and presumptive 2028 presidential candidate, **Gavin Newsom**. Similarly, races are heating up for other statewide offices where a Republican hasn't held office since 2010.

In the Legislature, where Democrats have supermajorities in both houses, there is likely only one seat (locally) up for grabs as longtime Sacramento pol, State Senator **Brian Jones** (R-SD40), is termed out. Former San Diego City Attorney, Democrat **Mara Elliott**, has thrown her hat in the ring against two Republicans: San Marcos City Councilmember **Ed Musgrove** and former Olivenhain MWD Director **Kristie Bruce-Lane**.

The County Board of Supervisors has two seats up. District 4 should easily be retained by incumbent **Monica Montgomery Steppe** in her first re-election bid since winning a special election in 2024. District 5 sees two-term incumbent, **Jim Desmond**, stepping down due to term limits (and challenging Rep. **Mike Levin**) setting off what may be the biggest race in San Diego County. Levin staffer **Kyle Krahel-Frolander** recently entered the race against Republican San Marcos Mayor **Rebecca Jones** and Vista Mayor **John Franklin**. Countywide, incumbent Assessor/Recorder/County Clerk **Jordan Marks** is facing his first re-election, and recently appointed Treasurer-Tax Collector, **Larry Cohen**, will also be running for his first full term. Longtime TTC [Dan McAllister](#) stepped down last summer and passed just before Christmas after two decades of service. Over at San Diego City Hall, four seats are on the ballot with two of those being open. In District 2, two-term Councilmember **Jennifer Campbell** is termed out as is two-term incumbent **Vivian Moreno** in District 8. There are a handful of candidates in each race already with more expected in the coming months.

How do you keep it all straight? **AGC San Diego has you covered!** Like and subscribe to our recently launched [Voice of Construction podcast](#), stay tuned for to the [Monday Morning Quarterback](#), and join our [Political Action Committee!](#)

Happy New Year! Buckle up!

Changes to the Dig Safe Act on the Way - Sign Up for Tomorrow's Workshop to Help Shape SB 254 Regs!

By Mike McManus, Director of Engineering Construction & Industry Relations

Much of the legislation that is enacted by the California Legislature each year passes through both houses of the legislature with little debate. In some cases, it shows up unannounced in a part of a budget trailer bill. That was not the case with this year's Senate Bill 254 (SB 254), which was actually heard publicly and debated. This was probably because our investor-owned utilities had so much at stake.

According to *CalMatters Digital Democracy*, this bill was discussed in the legislature for almost five hours. Additionally, it was reported that there was a total of 119 speakers. We wish this happened more frequently in our legislature.

This energy bill that creates a new public financing system for electric transmission projects and extends a controversial program that shields utilities from some wildfire liability costs. Critics of the bill warned it could ultimately drive consumer bills higher. It was part of a package of energy and climate measures the legislature passed this year.

Buried deep in this massive bill were some changes to the Dig Safe Act that contractors should keep an eye on.

In San Diego County, the Regional Notification Center (RNC) wherein dialing 811 connects excavators with utilities to mark underground gas, electric, water, and telecom lines for free before an excavation project is DigAlert, or the **Underground Service Alert of Southern California**.

This is done to prevent damage and ensure safety; contractors can call 811 or submit a request online at digalert.org at least two working days before starting any project.

Under SB 254, the Underground Safety Board will be required to implement new regulations related to responsibilities by July 1, 2027. The RNCs will be required to facilitate the exchange of planning and design information for infrastructure projects. All operators except for Caltrans will be required to participate in the information exchange.

Also, July 1, 2027, this board must make regulations to determine whether and under what circumstances an excavator must notify the RNC (if more than two working days) before the legal excavation start date and note the time in the case that the excavator is submitting a volume of notifications in excess of the capacity of the operators in an area to complete their locate and mark responsibilities.

The following workshop will provide more information for excavators, and is hosted by the California Underground Safety Board to address SB 254. The workshop will allow contractors to provide input (data and information exchange included), and stay informed about upcoming changes to, SB 254.

Workshop Details:

DATE: January 6, 2026

TIME: 10 a.m. - 12 p.m.

In-Person:

California Air Resources Board
4001 Iowa Avenue, Rooms 1-111 and 1-112
Riverside, CA 92507
Virtual: [Register for the Meeting](#)

SB 254 Resources

- [Staff Report](#) - This report from the November 2025 Underground Safety Board Meeting outlines an implementation plan for SB 254.
- [SB 254 Information Bulletin](#) - This Information Bulletin alerts stakeholders of recent changes to excavation law.

TRAINING CAMP

Annualization Basics and AB889: What Contractors Need to Know

By Adrianna Lopez, Director of Labor Relations

Annualization can sound complicated, but it's a key concept for anyone working on California public works projects. With AB889 now in play, understanding this principle is more important than ever. Let's break it down in plain language.

What is Annualization?

Annualization is the method used to calculate the hourly credit for employer-paid fringe benefits. Instead of looking only at public works hours, the total annual contribution paid (like health insurance or pension) is divided by ALL hours worked during the year (public and private).

Example: If you pay \$4,800 annually for health insurance and an employee works 2,000 hours (1,500 public + 500 private), the credit equals \$2.40/hour ($\$4,800 \div 2,000$).

Why Does It Matter?

California Labor Code §1773.1 requires annualization when fringe benefit contributions differ between public and private work. Historically, there were exceptions, but AB 889 changes that.

AB889 Changes the Game

Effective January 1, 2026, AB889 eliminates DIR exemptions and applies annualization to ALL employer payments not made directly to the worker, including training, health, pension, and other bona-fide plans. Defined contribution pension plans (like 401[k]) with immediate participation and vesting within 500 hours remain exempt.

Impact on Training Contributions

Previously, training contributions to approved apprenticeship programs (like AGC) were exempt from annualization. AB 889 removes that exemption. Contractors must now annualize training contributions or pay them on private projects to avoid underpayment findings and penalties.

Next Steps

- [Check AB889's text](#) and understand the requirements.
 - Update your training contribution procedures to meet the new mandates.
 - Keep detailed records per employee.
 - Consult legal counsel for compliance strategies.
-

WD-40 CEO to Speak at Installation!

Chairman Emeritus of WD-40, **Garry Ridge**, transformed WD-40 operations to create a place centered on people, learning, and belonging.

In his new book, *Any Dumb Ass Can Do It*, he talks corporate culture and leadership skills.

Get a copy and hear from him at our Installation Dinner & Member Awards on January 20.

Already signed up? Beat the drink line! Pre-order your drinks by including them in their registration. Save time by not waiting in bar lines and get ahead!



[REGISTER NOW](#)

GIVING BACK

SEEKING VOLUNTEERS FOR 2026: After-School Kids Program Starting with AGC San Diego and BUILD San Diego

BUILD San Diego Foundation is excited to begin the 2026 after-school initiative, "Building Tomorrow Program," in collaboration with AGC San Diego Workforce Development Committee.



We are currently seeking industry volunteers and sponsors to support this educational and community-building initiative to raise \$10K to facilitate four club blocks during 2026. Your involvement helps inspire future builders while strengthening the construction workforce pipeline.

The first "CLUB" is scheduled to begin in February and to launch we require the following volunteers and sponsors:

- (10) - Teacher volunteers (1-hour time dedication)
- (1) Lumber Sponsor
- (1) Paint Donor
- (1) Fasteners/Screw Sponsor
- (1) Tools Sponsor
- (1) Glue Donor
- (1) Tool Belt Donor
- (1) Tape Measurer Donor
- (1) Hard Hat Donor
- (1) Safety Goggle Donor
- (x) Safety Vest Donor - **FILANC**

(1) Safety Gloves Donor

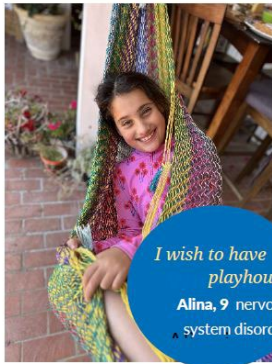
Building Tomorrow is a 10-day, one-hour “club block” designed for students in grades 1-5. Through engaging and age-appropriate activities, students will be introduced to construction industry career pathways, including skilled trades and construction management roles. The program culminates in a collaborative, hands-on group project that encourages teamwork, creativity, and problem-solving.

Reach out to Executive Director Ilka De León for more details or to sign up to volunteer at ideleon@buildsandiego.com. These volunteer options won't be available long, so commit now before it's too late!

Support BUILD San Diego Foundation's 2026 educational outreach with a tax-deductible donation to our 501(c)(3)!

Your timely support helps us shape the future of construction education!

[Make a donation today.](#)



Help Make a Wish Come True: 5 Volunteer Painters Needed for Playhouse Project

The AGC Build & Serve Charitable Alliance needs at least 5 painters to sign up to help [Wish Kid Alina](#) get her playhouse.

Help bring her vision to life by staining the exterior and painting the interior with us! This project will make a meaningful impact and help create a joyful space just for her.

If you are available to assist with this project next weekend on **Sunday, January 18**, in the North County-Coastal area, please email Marcy Knopman at marcy@agcsd.org **this Thursday** to confirm your availability or to request additional details.

Thank you for considering this opportunity to give back and make a difference.





2026

January 20 - [Installation Dinner & Member Awards](#) - Hilton San Diego/Del Mar

February 5-8 - [Winter Conference](#) - Big Sky Montage

February 12 - [Meet Your GC with Dempsey Construction](#) - Dempsey HQ

COMMITTEES/COUNCILS MEETINGS

Your New Year's Resolution....Join a Committee in 2026

Jan. 7 - **Safety Committee** - 7:00 AM - Lakeside

Jan. 14 - **Airport Authority** - 11:15 AM @ Airport Design & Construction office

[**Join now!**](#)

[Committee Meeting Calendar](#)

[Get Involved - Join a Committee](#)

EDUCATION / SAFETY TRAINING

*Classes are held at our **Ferris Square** location in Sorrento Valley, our **AGC Headquarters** in Lakeside, or **online**.*

JANUARY TRAINING SCHEDULE

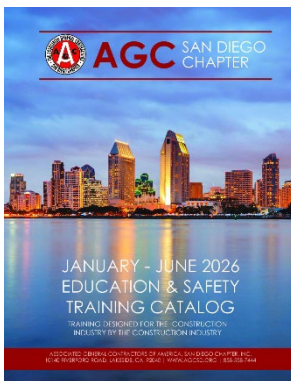
- January 12 - Fall Protection Competent Person Refresher Training
- January 13 – Excel Beginner Training
- January 14 – QuickBooks Beginner (Online version)
- January 14 & 15 – Blueprint Reading for Construction
- January 15 – Microsoft Project Professional: Beginning-Intermediate
- January 19 - 21 Fall Protection 24-Hour Competent Person for EM385-1-1 & Rescue Training
- January 20 – Excel Intermediate Training
- January 21 – QuickBooks Intermediate/ Advanced (Online version)
- January 21 – Construction Law: New California HR Laws for 2026
- January 21 – CPR/First Aid and AED Certification
- January 22 – Microsoft Project Professional: Beginning-Intermediate
- January 22 – Silica Competent Person Training
- January 26 – CHATGPT & COPILOT for Microsoft 365 Introduction
- January 26 – Adult Mental Health First Aid Certification

January 26 – 29 – OSHA 30 Hour Construction Outreach
January 26 - How to Write an Effective AHA to Ensure Acceptance
January 27 – Fall Protection Equipment Inspector Competent Person
January 27 – Excel Advanced Training
January 28 – CMMC Compliance & Risk Management: Protecting Contractors in the Federal Supply Chain
January 29 – MS PowerPoint Beginner/Intermediate

ONLINE TRAINING PROGRAMS

January 7 – Construction Estimating Principles & Applications
January 7 & 8 – Construction Quality Management for Contractors (CQM-C) Course (Virtual / Zoom)
January 7, 9, 14, 16, 21, 23 - AGC EDGE Fundamentos en Supervisión de la Construcción (CSF Spanish Version)
January 8 & 9 – Reading Construction Documents (Blueprints)
January 8, 15, 22 - AGC EDGE Leadership and Motivation (STP Unit 1) Thursdays
January 9 - Resident Management System (RMS) Training for USACE Contractors (Virtual / Zoom)
January 12 – February 2 - AGC EDGE Lean Construction Education Program
January 13 – Stormwater Virtual Seminar: Ask an Attorney (Virtual / Zoom) January 20 – Organizing Your Workspace Using One Online Tool
January 22 & 23 – Quality Control Plan Workshop: Achieving Federal Compliance with UFGS Standards
January 28 – AI in Construction (Virtual / Zoom)
January 28 – Bluebeam Baseline Basics
January 29 – Bluebeam REVU Takeoff & Estimates – Basics
January 30 – Bluebeam REVU Takeoff & Estimates – Advanced
January 30 – February 27 - AGC EDGE Project Manager Development Program

[PDF LIST OF JANUARY CLASSES](#)



 **The 2026 AGC San Diego Education & Safety Training Catalog Is Now Live!**

 [View the 2026 Catalog Online](#)

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 San Diego, CA 92121
 2nd floor
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About Monday Morning Quarterback

AGC San Diego Chapter's Monday Morning Quarterback is a "hot off the press" and to the point Monday morning briefing on the important issues facing San Diego's construction industry. It is prepared by AGC Chief Executive Officer, Eddie Sprecco, and Vice President Government & Industry Relations, Dustin Steiner.

Please contact [Eddie Sprecco](#) or [Dustin Steiner](#) with your comments, or with information that should be conveyed to the industry through this service. Well over 3,000 individuals employed by AGC member firms are part of this system.

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