

**PALMDALE RECYCLED WATER AUTHORITY (PRWA)  
HELD AT CITY OF PALMDALE  
CITY HALL COUNCIL CHAMBERS  
38300 SIERRA HIGHWAY, SUITE B  
PALMDALE, CALIFORNIA  
ADJOURNED REGULAR MEETING AGENDA NO. 35  
SEPTEMBER 18, 2017  
6:00 P.M.  
[www.cityofpalmdale.org](http://www.cityofpalmdale.org)  
[www.palmdalewater.org](http://www.palmdalewater.org)**

**WELCOME**

**NOTE:** Materials related to an item on this Agenda submitted to the Palmdale Recycled Water Authority Board of Directors, or after distribution of the agenda packet, are available for public inspection at the City of Palmdale City Hall, located at 38300 Sierra Highway, Suite A, Palmdale, California, and at the Palmdale Water District, 2029 East Avenue Q, Palmdale, California during normal business hours and will also be available at the meeting. Those items provided by others at the meeting will be available at City Hall during normal business hours.

A **three-minute time limit** will be imposed on all speakers other than staff members.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Palmdale Water District at least 48 hours prior to the meeting.

**Your courtesy is requested to help our meeting run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of your time and ours:**

- Please refrain from public displays or outbursts such as unsolicited applause, comments, cheering, foul language, or obscenities.
- Any disruptive activities that substantially interfere with the ability of the Board of Directors to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Please turn off or mute your cell phones and mobile devices.

**1. CALL TO ORDER.**

2. **PLEDGE OF ALLEGIANCE.**

3. **ROLL CALL: CHAIR KATHY MAC LAREN AND DIRECTORS VINCENT DINO, JUAN CARRILLO, AUSTIN BISHOP, AND HELEN VELADOR**

4. **ADMINISTRATION OF OATH OF OFFICE OF JOE ESTES (IF NEEDED).**  
(Staff Reference: Authority Secretary Smith).

5. **WORKSHOP:**

- 5.1 Discussion between Authority members and staff regarding policies needed to proceed with the Phase II construction. (Executive Director LaMoreaux and Assistant Executive Director Swain)

**Staff Recommendation:** Postpone this Item to a future meeting.

6. **CONSENT CALENDAR – PUBLIC COMMENTS ONLY:** If you wish to comment on any item(s) listed on the Consent Calendar on this agenda, please come forward to the podium and state the item number(s) and your comments. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

7. **CONSENT CALENDAR:**

**NOTICE:** All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by the Board, in which case the item(s) will be removed from the Calendar and will be considered separately following this portion of the Agenda.

- 7.1 Approve receipt and filing of the Treasurer's Report for the three months ending July 31, 2017. (Staff Reference: Executive Director LaMoreaux)

- 7.2 Approve the Minutes from the previous meeting held on August 21, 2017. (Staff Reference: Secretary Smith)

**Staff Recommendation:** Move to approve the recommendations and findings on all items listed under this Consent Calendar. (Voice Vote - Requires a majority to approve.)

**8. ACTION CALENDAR:**

- 8.1 Consideration and possible action on adopting a Community Workforce Agreement for the Palmdale Recycled Water Authority. (Executive Director LaMoreaux)

***Attachments:***

1. ***Draft Community Workforce Agreement***
2. ***Joint Exercise of Powers Agreement No. A-4113***
3. ***First Amendment to Joint Exercise of Powers Agreement A-4113***
4. ***Second Amendment to Joint Exercise of Powers Agreement A-4113***

***Call for Public Comments***

**Staff Recommendation:** Move to adopt under the authority of Section 3.1 of the Joint Powers Agreement. (Voice Vote - Requires a majority to approve.)

9. **NON-AGENDA ITEMS - PUBLIC COMMENTS:** This portion of the Agenda allows an individual the opportunity to address the Board of Directors on any subject regarding Palmdale Recycled Water Authority business. Under state legislation, no action can be taken on items not specifically referenced on the Agenda. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

10. **DIRECTOR'S REQUESTS FOR NEW AGENDA ITEMS:**

11. **INFORMATIONAL REPORT OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR, AND ASSISTANT EXECUTIVE DIRECTOR.**

12. **ADJOURNMENT** to October 16, 2017 at 7:00 p.m. at the City of Palmdale City Hall Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California.

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Complete packets can be viewed at City Hall, located at 38300 Sierra Highway, Suite A, Palmdale, California; Palmdale Water District, 2029 East Avenue Q, Palmdale, California, and the Main Library, located at 700 East Palmdale Boulevard, Palmdale, California. You can also view the Agenda for the Palmdale Recycled Water Authority on the City's website at [www.cityofpalmdale.org](http://www.cityofpalmdale.org) or the Palmdale Water District website at [www.palmdalewater.org](http://www.palmdalewater.org).

Thank you for attending your Palmdale Recycled Water Authority meeting. If you have any further questions, please contact the Secretary's Office at (661) 267-5151, Monday through Thursday, 7:30 a.m. to 6:00 p.m., closed every Friday.



# **PALMDALE RECYCLED WATER AUTHORITY BOARD MEMORANDUM**

**DATE:** September 12, 2017  
**TO:** BOARD OF DIRECTORS  
**FROM:** Michael Williams, Treasurer-Auditor, PRWA  
**VIA:** Mr. Dennis LaMoreaux, Executive Director, PRWA

**September 18, 2017  
Board Meeting**

**RE: AGENDA ITEM NO 7.1 – TREASURER’S REPORT FOR JULY 31, 2017**

## **Recommendation:**

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors to receive and file the Treasurer’s Report for the seven months ending July 31, 2017.

## **Background:**

To comply with provisions required by Section 4.13 of the Joint Powers of Authority Agreement and responsibilities of Treasurer, a Financial Report is prepared and submitted to the Board of Directors who certifies the availability of funds for the reports presented. These reports are hereby submitted to the Board of Directors for ratification.

## **Financial Impact:**

As of July 31, 2017 the PRWA has \$909,629.13 cash in the bank. PRWA earned \$152.71 in interest, received \$58,556.68 in receivables, and paid invoices totaling \$191.17.

## **Supporting Documents:**

Treasurer’s Report for month ending July 31, 2017  
Balance Sheet for period ending July 31, 2017.  
Income Statement for period ending July 31, 2017.

**Palmdale Recycled Water Authority  
Treasurer's Report  
Month Ended July 31, 2017**

Cash/Funds Available and held at Bank of America:	
Bank Balance, beginning July 1, 2017	851,110.91
Less: Expenses Paid	(138.52)
Less: Bank Fees Paid (Credit Card Processing)	(52.65)
Add: Deposits Made	58,556.68
Add: Interest Earned	152.71
Outstanding Check (Ledger Tie-Out)	-
Bank Balance, ending July 31, 2017	909,629.13
Less: Accounts Payable	(7,500.00)
Less: Accrued Purchases	(7,864.42)
Less: Accrued Payroll Taxes	-
Less: Deposits - Customer	(5,500.00)
Add: Accounts Receivable (Related to Credits on Customer Accounts)	3,167.09
Adjusted Bank Balance, ending July 31, 2017	891,931.80

**Outstanding Expenses (Prior Month(s)):**

Director Pay - Meetings & Business Expense Reimbursement	138.52
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**June Expenses:**

Total Expenses

-

**Palmdale Recycled Water Authority  
Balance Sheet  
For the Seven Months Ending 7/31/2017**

	<u>YTD</u>
<b>ASSETS</b>	
Cash	\$909,629
Prepaid Memberships	
Accounts Receivable	
- Water	3,167
- Government Agency	
<b>Total Assets</b>	<u><u><b>\$912,796</b></u></u>

**LIABILITIES AND FUND BALANCE**

<b>LIABILITIES</b>	
Accounts Payable	\$7,500
Accrued Expense	7,864
Deposits - Customer	<u>5,500</u>
<b>Total Liabilities</b>	<u><b>20,864</b></u>
<b>FUND BALANCE</b>	
Unassigned	<u>891,932</u>
<b>Total Fund Balance</b>	<u><b>891,932</b></u>
<b>Total Liabilities and Fund Balance</b>	<u><u><b>\$912,796</b></u></u>

**Palmdale Recycled Water Authority  
Income Statement - Current and YTD  
For the Seven Months Ending 7/31/2017**

	<u>July</u>	<u>YTD</u>
<b>REVENUES:</b>		
Contributions - Palmdale Water District		\$100,000.00
Contributions - City of Palmdale		100,000.00
Grant Funds	55,582.00	55,582.00
Water Sales	5,434.61	29,688.82
Interest Earnings	152.71	899.61
<b>Total Revenue</b>	<b>\$61,169.32</b>	<b>\$286,170.43</b>
<b>EXPEDITURES:</b>		
<b>General Government</b>		
Public Representative - Payroll Tax Expense (Employer)		57.38
Public Representative - Travel & Meeting		1,529.84
Banking Fees	52.65	283.55
Provision for Bad Debt		694.56
Memberships		2,407.50
Marketing & Outreach		
Travel & Meeting		500.00
Permits & Fees		
Utilities - Purchased Water		
Materials & Supplies		
Maint. & Repair - Water System		
	<u>\$52.65</u>	<u>\$5,472.83</u>
<b>Public Resource</b>		
Contracted Services - Professional Svcs		21,125.00
Contracted Services - Audit		9,000.00
		<u>30,125.00</u>
	<u>\$52.65</u>	<u>\$35,597.83</u>
<b>Change in Net Position</b>	<b><u>\$61,116.67</u></b>	<b><u>\$250,572.60</u></b>
<b>Net Position - Beginning of Year</b>		<b>641,359.20</b>
<b>Net Position - End of Year</b>	<b><u>\$61,116.67</u></b>	<b><u>\$891,931.80</u></b>

COMMUNITY WORKFORCE AGREEMENT

BY AND BETWEEN

THE PALMDALE RECYCLED WATER AUTHORITY

AND

LOS ANGELES AND ORANGE COUNTIES  
BUILDING AND CONSTRUCTION TRADES COUNCIL

AND

THE SIGNATORY CRAFT COUNCILS AND UNIONS

FOR

CONSTRUCTION, MODERNIZATION AND INSTALLATION OF RECYCLED WATER  
FACILITIES, RECHARGE FACILITIES AND IRRIGATION FACILITIES

TABLE OF CONTENTS	Page
ARTICLE 1 INTENT AND PURPOSE	4
ARTICLE 2 SCOPE OF AGREEMENT	6
ARTICLE 3 UNION RECOGNITION AND EMPLOYMENT	10
ARTICLE 4 UNION ACCESS AND STEWARDS	14
ARTICLE 5 WAGES AND BENEFITS	15
ARTICLE 6 HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS	17
ARTICLE 7 WORK STOPPAGES AND LOCKOUTS	19
ARTICLE 8 WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES	22
ARTICLE 9 MANAGEMENT RIGHTS	23
ARTICLE 10 SETTLEMENT OF GRIEVANCES AND DISPUTES	25
ARTICLE 11 REGULATORY COMPLIANCE	27
ARTICLE 12 SAFETY AND PROTECTION OF PERSON AND PROPERTY	28
ARTICLE 13 TRAVEL AND SUBSISTENCE	28
ARTICLE 14 APPRENTICES	29
ARTICLE 15 WORK OPPORTUNITIES PROGRAM	30
ARTICLE 16 WORKING CONDITIONS	30
ARTICLE 17 PRE-JOB CONFERENCES	31
ARTICLE 18 LABOR/MANAGEMENT COOPERATION	31
ARTICLE 19 SAVINGS AND SEPARABILITY	32
ARTICLE 20 WAIVER	32
ARTICLE 21 AMENDMENTS	33
ARTICLE 22 DURATION OF THE AGREEMENT	33
ATTACHMENT A – LETTER OF ASSENT	36
ATTACHMENT B – LOCAL RESIDENT ZIP CODES	37
ATTACHMENT C – CRAFT EMPLOYEE REQUEST FORM	40
ATTACHMENT D – DRUG AND ALCOHOL TESTING POLICY	42

**PALMDALE RECYCLED WATER AUTHORITY  
COMMUNITY WORKFORCE AGREEMENT  
FOR NEW CONSTRUCTION, MODERNIZATION AND INSTALLATION**

This Community Workforce Agreement (hereinafter, "Agreement") is entered into by and among the Directors of the Palmdale Recycled Water Authority (the "Authority"), the Los Angeles/Orange Counties Building and Construction Trades Council (the "Council"), and the signatory Craft Councils and Unions signing this Agreement (hereinafter together with the Council, collectively, the "Union" or "Unions"). This Agreement establishes the labor relations guidelines and procedures for the Authority and for the Contractors and craft employees represented by the Unions and engaged in Project Work. The Authority, Council and Unions are hereinafter referred to herein, as the context may require, as "Party" or "Parties."

The Parties to this Agreement understand that if this Agreement is acceptable to the Authority, the policy of the Authority will be for the Project Work to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent (a form of which is attached as "**Attachment A**"), and to require each of its subcontractors, of whatever tier, to become bound. The Authority shall include, directly or by incorporation by reference, the requirements of this Agreement in the advertisement of and/or specifications for each and every contract for Project Work to be awarded by the Authority.

The Authority shall actively administer and enforce the obligations of this Agreement to ensure that the benefits envisioned from it flow to all signatory Parties, the Contractors and crafts persons working under it, and the residents of the area covered by the Authority. The Authority shall therefore designate a "Community Workforce Coordinator," either from its own staff or an independent contractor acting on behalf of the Authority, to monitor compliance with this Agreement; assist, as the authorized representative of the Authority, in developing and implementing the programs referenced herein, all of which are critical to fulfilling the intent and purposes of the Parties and this Agreement; and to otherwise implement and administer this Agreement. For such purposes, each Contractor recognizes the Community Workforce Coordinator, its successors or assigns, as its agent; and together with Authority and the Unions, the Community Workforce Coordinator shall be considered a "negotiating party" of this Agreement.

The term "Apprentice" as used in this Agreement shall mean those employees registered and participating in Joint Labor/Management Apprenticeship Programs approved by the Division of Apprenticeship Standards, Department of Industrial Relations of the State of California.

The term "Contractor" as used in this Agreement includes any individual, firm, partnership, or corporation, or combination thereof, including joint ventures, which as an Independent Contractor has entered into a contract with the Authority with respect to the Project Work, or with another Contractor as a subcontractor of whatever tier utilized by such Contractors for Project Work.

The term "Joint Labor/Management Apprenticeship Program" as used in this Agreement means a joint Union and Contractor administered apprenticeship program certified by the

Division of Apprenticeship Standards, Department of Industrial Relations of the State of California.

The term "Letter of Assent" as used in this Agreement means the document that each Contractor (of any tier) must sign and submit to the Community Workforce Coordinator and the Council, before beginning any Project Work, which formally binds them to adhere to all the forms, requirements and conditions of this Agreement, in the letter attached hereto as Attachment A.

The term "Master Labor Agreements" or "MLA," as used in this Agreement, means the local collective bargaining agreements of the signatory Unions having jurisdiction over the Project Work and which have signed this Agreement.

The term "Project" or "Project Work" as used in this Agreement means the Authority's repair, renovation, rehabilitation, upgrade, modernization, construction, installation and improvement work which exceed the thresholds set forth in Section 2.2 of this Agreement and are contracted out by the Authority.

The term "Subscription Agreement" means the contract between a Contractor and a Union's Labor/Management Trust Fund(s) that allows the Contractor to make the appropriate fringe benefit contributions in accordance with the terms of MLAs.

The Union and all Contractors agree to abide by the terms and conditions of this Agreement and agree that this Agreement represents the complete understanding of the Parties. No Contractor is or will be required to sign or otherwise become a party to any other collective bargaining agreement with a signatory Union as a condition of performing work within the scope of this Agreement.

The Parties agree that this Agreement will be made available to, and will fully apply to, any successful bidder for Project Work, without regard to whether that successful bidder performs work at other sites on either a union or non-union basis. This Agreement shall not apply to any work of any Contractor other than that on Project Work specifically covered by this Agreement.

The use of masculine or feminine gender or titles in this Agreement should be construed as including both genders and not as gender limitations unless the Agreement clearly requires a different construction. Further, the use of Article titles and/or Section headings are for information only, and carry no legal significance.

## **ARTICLE 1 INTENT AND PURPOSE**

Section 1.1 Background: The Authority's repair, renovation, rehabilitation, upgrade, modernization, construction, installation and improvement work projects will affect the facilities and infrastructure owned, leased or controlled by the Authority. The goal of this Agreement is to provide repair, renovation, rehabilitation, upgrade, modernization, construction, installation and



improvement work of the Authority's facilities so as to provide sufficient facilities and technologies to service the residents within the Authority's service area. The Authority, therefore, wishing to utilize the most modern, efficient and effective procedures for the repair, renovation, rehabilitation, upgrade, modernization, construction, installation and improvement work to take place, including assurances of a sufficient supply of skilled craftspeople's, and the elimination of disruptions or interference with Project Work, adopts this Agreement in the best interests of the residents and the taxpayers of the Authority to meet the Authority's goal that Project Work be completed on time and within budget.

**Section 1.2 Identification and Retention of Skilled Labor and Employment of Authority**

**Residents:** The vast amount of repair, renovation, rehabilitation, upgrade, modernization, construction, installation and improvement work scheduled to be performed by the Authority will require large numbers of craft personnel and other supporting workers. The parties understand and intend to use the opportunities provided by the extensive amount of work to be covered by this Agreement to identify and promote, through cooperative efforts, programs and procedures (which may include, for example, programs to prepare persons for entrance into formal apprenticeship programs, or outreach programs to the community describing opportunities available as a result of the Project), the interest and involvement of Authority residents in the construction industry; assist them in entering the construction trades, and through utilization of the joint labor/management sponsored apprenticeship programs, provide training opportunities for those Authority residents and other individuals wishing to pursue a career in construction. Further, with assistance of the Community Workforce Coordinator, the Authority, the contractors, the Unions and their affiliated regional and national organizations, will work jointly to develop and implement procedures promptly for the identification of craft needs, the scheduling of work to facilitate the utilization of available craft workers, and to secure the services of craft workers in sufficient numbers to meet the high demands of the Project Work to be undertaken.

**Section 1.3 Encouragement of Local and Small Business:** The Project will provide many opportunities for local and small business enterprises to participate as contractors or suppliers, and the parties therefore agree that they will cooperate with all efforts of the Authority, the Community Workforce Coordinator, and other organizations retained by the Authority for the purpose of encouraging and assisting the participation of local and small businesses in Project Work. Specifically, all parties understand that the Authority has established and quantified goals which place a strong emphasis on the utilization of local and small businesses on the Project. Each party agrees that it shall employ demonstrable efforts to encourage utilization in an effort to achieve such goals. This may include, for example, participation in outreach programs, education and assistance to businesses not familiar with working on a project of this scope, and the encouragement of local residents to participate in Project Work through programs and procedures jointly developed to prepare and encourage such local residents for apprenticeship programs and formal employment on the Project through the referral programs sponsored and/or supported by the parties to this Agreement. Further, the parties shall ensure that the provisions of this Agreement do not inadvertently establish impediments to the participation of local and small businesses, and residents of the Authority.

Section 1.4 Project Cooperation: The parties recognize that the work to take place under this Agreement involves unique and special circumstances which dictate the need for the parties to develop specific procedures to promote high quality, rapid and uninterrupted construction methods and practices. The smooth operation and successful and timely completion of the work is vitally important to the residents of the Authority's service area. The parties therefore agree that maximum cooperation among all parties involved is required; and that with construction work of this magnitude, with multiple contractors and crafts performing work on multiple sites of over an extended period of time, all parties agree to work in a spirit of harmony and cooperation, and with an overriding commitment to maintain the continuity of Project Work. Further, the parties recognize that an Act of God or on Act of War could require the Authority to partially or fully suspend Project Work. The parties shall fully cooperate with any request by the Authority to redirect their equipment, skills and expertise to support the Authority's efforts necessitated by such events.

Section 1.5 Workers' Compensation Carve-out: Further, the parties recognize the potential which the Project may provide for the implementation of a cost effective workers' compensation system as permitted by California Labor Code, Section 3201.5, as revised. Should the Authority request, the Union parties agree to meet and negotiate in good faith with representatives of the Authority for the development, and subsequent implementation, of an effective program involving improved and revised dispute resolution and medical care procedures for the delivery of workers' compensation benefits and medical coverage as permitted by the Code.

Section 1.6 Peaceful Resolution of All Disputes: In recognition of the special needs of the Project and to maintain a spirit of harmony, labor-management peace and stability during the term of this Community Workforce Agreement, the parties agree to establish effective and binding methods for the settlement of all misunderstandings, disputes and grievances; and in recognition of such methods and procedures, the unions agree not to engage in any strike, slowdowns or interruptions or disruption of Project Work, and the contractors agree not to engage in any lockout, or any other action impairing or impeding the Project Work.

Section 1.7 Binding Agreement on Parties and Inclusion of Authority Residents and Businesses: By executing this Agreement, the Authority, Council, Unions and Contractors agree to be bound by each and all of the provisions of this Agreement, and pledge that they will work together to adopt, develop and implement processes and procedures which are inclusive of the residents and businesses of the Authority.

## **ARTICLE 2 SCOPE OF AGREEMENT**

Section 2.1 General: This Agreement shall only apply to work which is contracted out by the Authority. This Agreement shall apply and is limited to all of the Authority's Project Work, as specified in Section 2.2 of this Article, performed by those Contractor(s) of whatever tier that have contracts awarded for such work, for the development of the Authority's facilities which, jointly, constitute the Project, and have been designated by the Authority for repair, renovation, rehabilitation, upgrade, modernization, construction, installation and improvement.

Section 2.2 Specific: The Project is defined and limited to:

(a) All contracts for construction, repair, renovation, rehabilitation, upgrade, modernization, installation and improvement work that exceed seventy-five thousand dollars (\$75,000.00) and all subcontracts flowing from these contracts; and

(b) The Parties understand that the Authority may at any time, and at its sole discretion, determine to build segments of the Project under this Agreement which were not currently proposed, or to modify or not to build any one or more particular segments proposed to be covered. It is understood by the Parties that the Authority may at any time, and at its sole discretion, add additional projects under this Agreement not otherwise covered by this Agreement.

Section 2.3 Bundling of Contracts: The Parties understand that, to the maximum extent feasible, and consistent with goals of the Authority to (i) utilize this Agreement as the Labor Relations Policy for its construction and rehabilitation program, and (ii) fully utilize the services of small and local business enterprises for such construction and rehabilitation work:

(a) The Authority, in its sole discretion, with the advice of the Community Workforce Coordinator, will seek to group (or "bundle") for bidding, contracts not meeting the thresholds of Section 2.2 (a) or (b) above. (Small contracts for like types of work, scheduled to be undertaken at the same facility or on the same project site, and within the same timeframe, will be considered for such bundling, consistent with economies of scale, and the purposes of this Agreement); and

(b) Project Work will not be split, divided or otherwise separated for contract award purposes to avoid application of this Agreement.

Section 2.4 Exclusions: Items specifically excluded from the Scope of this Agreement include the following:

(a) Work of non-manual employees, including but not limited to: superintendents; administrators; teachers; supervisors; time keepers, mail carriers, clerks, office workers, messengers; guards, safety personnel, emergency medical and first aid technicians; and other professional, engineering, administrative, supervisory and management employees;

(b) Equipment and machinery owned or controlled and operated by the Authority;

(c) All off-site manufacture and handling of materials, equipment or machinery; provided, however, that lay down or storage areas for equipment or material and manufacturing (prefabrication) sites, dedicated solely to the Project or Project Work, and the movement of materials or goods between locations on a Project site are within the scope of this Agreement;

(d) All employees of the Authority, Community Workforce Coordinator, design teams (including, but not limited to architects engineers and master planners), or any other consultants for the Authority (including, but not limited to, project managers and construction

managers and their employees not engaged in Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this Agreement; provided, however, that it is understood and agreed that Building/Construction Inspector and Field Soils and Materials Testers (Inspectors) are a covered craft under this CWA. This inclusion applies to the scope of work defined in the State of California Wage Determination for said Craft. This shall also specifically include such work where it is referred to by utilization of such terms as "quality control" or "quality assurance." Every Inspector performing under the Wage classification of Building/Construction Inspector and Field Soils and Material Testers under a professional services agreement of a construction contract shall be bound to all applicable requirements of the CWA. Project Work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded;

(e) Any work performed on or near or leading to or into a site of work covered by this Agreement and undertaken by state, county, city or other governmental bodies, or their Contractors; or by public utilities, or their Contractors; and/or by the Authority or its Contractors (for work for which is not within the scope of this Agreement);

(f) Off-site maintenance of leased equipment and on-site supervision of such work;

(g) It is recognized that certain materials, equipment and systems of a highly technical and specialized nature will have to be installed at the Project. The nature of the materials, equipment and systems, together with requirements of manufacturer's or vendor's warranty, may dictate that it be prefabricated, pre-piped, and/or pre-wired and that it be installed under the supervision and direction of Owner's and/or manufacturer's personnel. The Unions agree to install such material, equipment and systems without incident;

(h) Non-construction support services contracted by the Authority, Community Workforce Coordinator, or Contractor in connection with this Project;

(i) Laboratory work for testing.

#### Section 2.5 Awarding of Contracts:

(a) The Authority and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts on this Project to any Contractor notwithstanding the existence or non-existence of any agreements between such Contractor and any Union parties, provided only that such Contractor is ready, willing and able to execute and comply with this Community Workforce Agreement should such Contractor be awarded work covered by this Agreement.

(b) It is agreed that all Contractors and subcontractors of whatever tier, who have been awarded contracts for work covered by this Agreement, shall be required to accept and be bound to the terms and conditions of this Community Workforce Agreement, and shall evidence their acceptance by the execution of the Letter of Assent set forth in **Attachment "A"** hereto, prior to the commencement of work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance on the construction contract, the

Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the Community Workforce Coordinator and to the Council forty-eight (48) hours before the commencement of Project Work, or within forty-eight (48) hours after the award of Project Work to that Contractor (or subcontractor), whichever occurs later.

(c) The Authority agrees that to the extent permitted by law and consistent with the economy and efficiency of construction and operation, it will use its best efforts to purchase materials, equipment and supplies which will not create labor strife. Under all circumstances, however, the Authority shall retain the absolute right to select the lowest reliable and responsible bidder for the award of contracts on all projects.

Section 2.6 Coverage Exception: This Agreement shall not apply if the Authority receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that the Authority not require, bidders, contractors, subcontractors or other persons or entities to enter into an agreement with one or more labor organizations or enter into an agreement that contains any of the terms set forth herein. The Authority agrees that it will make every effort to establish the enforcement of this Agreement with any governmental agency or granting authority.

Section 2.7 MLA's:

(a) The provisions of this Agreement, including the MLA's (which are the local collective bargaining agreements of the signatory Unions having jurisdiction over the work on the Project, as such may be changed from time-to-time and which are incorporated herein by reference) shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or national agreement which may conflict with or differ from the terms of this Agreement. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), or within the jurisdiction of the International Union of Elevator Constructors and all instrument calibration and loop checking work performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians except that Articles dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all Parties signatory hereto who are then currently employed or represented at the Project. Where a subject covered by the provisions of this Agreement is also covered by an MLA, the provisions of this Agreement shall apply. Where a subject is covered by a provision of an MLA and not covered by this Agreement, the provisions of the MLA shall prevail. Any dispute as to the applicable source between this Agreement and any MLA for determining the wages, hours of working conditions of employees on this Project shall be resolved under the procedures established in Article 10.

(b) It is understood that this Agreement, together with the referenced MLA's, constitutes a self-contained, stand-alone agreement and by virtue of having become bound to this Community Workforce Agreement, the Contractor will not be obligated to sign any other local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign an uniformly applied, non-discriminatory "Participation Agreement" at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Participation Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its subcontractors sign a Participation Agreement with the appropriate Craft Union prior to the subcontractor beginning Project Work.

Section 2.8 Binding Signatories Only: This Agreement shall only be binding on the signatory Parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such Party.

Section 2.9 Other Authority Work: This Agreement shall be limited to the construction work within the Scope of this Agreement including, specifically, site preparation and related demolition work, and new construction and major rehabilitation work for new or existing facilities referenced in Section 2.2 above. Nothing contained herein shall be interpreted to prohibit, restrict, or interfere with the performance of any other operation, work or function not covered by this Agreement, which may be performed by Authority employees or contracted for by the Authority for its own account, on its property or in and around a Project site.

Section 2.10 Separate Liability: It is understood that the liability of the Contractor(s) and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the Authority or Community Workforce Coordinator and/or any Contractor.

Section 2.11 Completed Project Work: As areas of Project Work are accepted by the Authority, this Agreement shall have no further force or effect on such items or areas except where the Contractor is directed by the Authority or its representatives to engage in repairs, modification, check-out and/or warranties functions required by its contract(s) with the Authority.

### **ARTICLE 3 UNION RECOGNITION AND EMPLOYMENT**

Section 3.1 Recognition: The Contractor recognizes the Council and the Unions as the exclusive bargaining representative for the employees engaged in Project Work.

Section 3.2 Contractor Selection of Employees: The Contractor shall have the right to determine the competency of all employees, the number of employees required, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting

employees to be laid off, consistent with this Agreement and the MLAs. The Contractor shall also have the right to reject any applicant referred by a Union for any reason, subject to any reporting pay required by Section 6.6; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this Agreement.

**Section 3.3    Referral Procedures:**

(a)    For signatory Unions now having a job referral system contained in a MLA, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this Agreement. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination. All of the foregoing hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the Authority to encourage employment of Authority residents and utilization of small local businesses on the Project, and to facilitate the ability of all Contractors to meet their employment needs.

The Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirements of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce. The Unions will work with their affiliated regional and national unions, and jointly with the Community Workforce Coordinator and others designated by the Authority, to identify and refer competent craft persons as needed for Project Work, and to identify and hire individuals, particularly residents of the Authority, for entrance into joint labor/management apprenticeship programs, or to participation in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work and future construction of maintenance work to be undertaken by the Authority.

(b)    The Union shall not knowingly refer an employee currently employed by a Contractor on Project Work to any other Contractor.

**Section 3.4    Non-Discrimination in Referral, Employment, and Contracting:** The Unions and Contractors agree that they will not discriminate against any employee or applicant for employment in hiring and dispatching on the basis of race, color, religion, sex, gender, national origin, age, membership in a labor organization, sexual orientation, political affiliation, marital status or disability. Further, it is recognized that the Authority has certain policies, programs, and goals for the utilization of local small business enterprises. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere within a local and small business enterprises successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the Authority's policies and commitment to its goals for



the significant utilization of local and small businesses as direct Contractors or suppliers for Project Work.

Section 3.5 Employment of Authority Residents:

(a) The Unions and Employers agree that, to the maximum extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to refer and/or recruit sufficient numbers of skilled craft "Local Residents" as defined herein, to fulfill the requirements of the Employers. In recognition of the fact that the Authority and the communities surrounding Project Work will be impacted by the construction of the Project, the parties agree to support the hiring of workers from the residents of these surrounding areas. Towards that end, the Unions agree that they will exert their best efforts to encourage and provide referrals and utilization of qualified workers residing in those first tier zip codes which overlap the Authority's service area and the City of Palmdale, as reflected on the attached list of zip codes (**Attachment "B"**), as well as Veterans, regardless of where they reside. If the Unions cannot provide the Contractors in the attainment of a sufficient number of Local Residents from within the first tier zip codes and Veterans, the Unions will exert their best efforts to then recruit and identify for referral Local Residents residing within the greater Antelope Valley area, as reflected on the attached list of zip codes. If the Unions still have not provided the Employers in the attainment of a sufficient number of Local Residents, the Unions will then exert their best efforts to recruit and identify for referral Local Residents residing within certain surrounding area zip codes, as reflected on the attached list of zip codes, as well as the remainder of the County of Los Angeles. Veterans and residents residing within any of these three (3) areas shall be referred to as Local Residents.

(b) A goal of 30% of all of the labor and craft positions shall be from Local Residents described in (a) above. To facilitate the dispatch of Local Residents, all Contractors will be required to utilize the Craft Employee Request Form whenever they are requesting the referral of any employee from a Union referral list for any Project Work, a sample of which is attached as **Attachment "C."**

(c) Hours worked by residents of states other than California shall not be included in the calculation of total hours of Project Work for purposes of the percentage requirements set forth above.

(d) The Community Workforce Coordinator shall work with the Unions and Contractors in the administration of this Local Resident preference; and the Contractors and Unions shall cooperate by maintaining adequate records to demonstrate to the Community Workforce Coordinator that such preferences have been pursued.

Section 3.6 Helmets to Hardhats: The Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs



or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties. For purposes of this Agreement, the term "Eligible Veteran" shall have the same meaning as the term "veteran" as defined under Title 5, Section 2108(1) of the United States Code as the same may be amended or re-codified from time to time. It shall be the responsibility of each qualified applicant to provide the Unions with proof of his/her status as an Eligible Veteran.

The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

Section 3.7 Core Employees:

(a) Contractors not independently signatory to a current MLA may employ, as needed, first, a member of his core workforce, then an employee through a referral from the appropriate Union hiring hall, then a second core employee, then a second employee through the referral system, and so on until a maximum of five (5) core employees are employed, thereafter, all additional employees in the affected trade or craft shall be requisitioned from the craft hiring hall in accordance with Section 3.3. In the laying off of employees, the number of core employees shall not exceed one-half plus one of the workforce for an employer with ten (10) or fewer employees, assuming the remaining employees are qualified to undertake the work available. This provision applies only to Contractors who are not directly signatory to a current MLA for the craft worker in its employ and is not intended to limit the transfer provisions of the MLA of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate fringe benefit fund coverage, all Contractors shall require their core employees and any other persons employed other than through the Union referral process, to register with the appropriate Union hiring hall, if any, prior to their first day of employment at a Project site.

(b) The core work force is comprised of those employees whose names appeared on the Contractor's active payroll for sixty (60) of the one hundred (100) working days immediately before award of Project Work to the Contractor; who possess any license required by state or federal law for the Project Work to be performed; who have the ability to safely perform the basic functions of the applicable trade; and who have been residing within the zip codes within the geographic area serviced by the Authority for the one hundred (100) working days immediately prior to the award of Project Work to the Contractor.

(c) Prior to each Contractor performing any work on the Project, each Contractor shall provide a list of his core employees to the Community Workforce Coordinator and the Council. Failure to do so will prohibit the Contractor from using any core employees. Upon request by any Party to this Agreement, the Contractor hiring any core employee shall provide satisfactory proof (i.e., payroll records, quarterly tax records, driver's license, voter registration, postal address and such other documentation) evidencing the core employee's qualification as a core employee to the Community Workforce Coordinator and the Council.

Section 3.8 Time for Referral: If any Union's registration and referral system does not fulfill the requirements for specific classifications requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that Contractor may use employment sources other than the Union registration and referral services, and may employ applicants meeting such standards from any other available source. The Contractors shall inform the Union of any applicants hired from other sources within forty-eight (48) hours of such applicant being hired, and such applicants shall register with the appropriate hiring hall, if any, prior to their first day of work on the Project.

Section 3.9 Lack of Referral Procedure: If a signatory Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. The Contractors shall notify the Union of employees so hired, as set forth in Section 3.5.

Section 3.10 Union Membership: No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of Project Work; provided, however, that any employee who is a member of the referring Union at the time of referral shall maintain that membership in good standing while employed under this Agreement. All employees shall, however, be required to comply with the union security provisions of the applicable MLA for the period during which they are performing on-site Project Work to the extent, as permitted by law, of rendering payment of an amount equal to the applicable monthly window and working dues uniformly required for membership in the Union.

Section 3.11 Individual Seniority: Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on the Project; provided, however, that group and/or classification seniority in a Union's MLA as of the effective date of this Agreement shall be recognized for purposes of layoffs.

Section 3.12 Foremen: The selection and number of craft foreman and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foreman shall be designated as working foreman at the request of the Contractors.

#### **ARTICLE 4 UNION ACCESS AND STEWARDS**

Section 4.1 Access to Project Sites: Authorized representatives of the Union shall have access to Project Work, provided that they do not interfere with the work of employees and further provided that such representatives fully comply with posted visitor, security and safety rules.

Section 4.2 Stewards:

(a) Each signatory Union shall have the right to dispatch a working journey person as a steward for each shift, and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective crafts.

(b) In addition to his/her work as an employee, the steward should have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. A Contractor will not discriminate against the steward in the proper performance of his/her Union duties.

(c) When a Contractor has multiple, non-contiguous work locations at one site, the Contractor may request and the Union shall appoint such additional working stewards as the Contractor requests to provide independent coverage of one or more such locations. In such cases, a steward may not service more than one work location without the approval of the Contractor.

(d) The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

**Section 4.3 Steward Layoff/Discharge:** The relevant Contractor agrees to notify the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. If the steward is protected against such layoff by the provisions of the applicable MLA, such provisions shall be recognized when the steward possesses the necessary qualifications to perform the remaining work. In any case in which the steward is discharged or disciplined for just cause, the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice has been given.

**Section 4.4 Employees on Non-Project Work:** On work where the personnel of the Authority may be working in close proximity to the construction activities covered by this Agreement, the Union agrees that the Union representatives, stewards, and individual workers will not interfere with Authority personnel, or with personnel employed by the any other employer not a Party to this Agreement.

## **ARTICLE 5 WAGES AND BENEFITS**

**Section 5.1 Wages:** All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the Contractor shall pay that rate as of its effective date under the law. Notwithstanding any other provision of this Agreement, this Agreement does not relieve Contractors directly signatory to one or more of the MLAs from paying all wages set forth in such Agreements.

## Section 5.2 Benefits:

(a) Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate MLA and make all employee authorized deductions in the amounts designated in the appropriate MLA; provided, however, that such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. Notwithstanding any other provision of this Agreement, Contractors directly signatory to one or more of the MLAs are required to make all contributions set forth in those MLA without reference to the forgoing. Bona fide benefit plans with joint trustees or authorized employee deduction programs established or negotiated under the applicable MLA or by the Parties to this Agreement during the life of this Agreement may be added.

(b) The Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees. The Contractor authorizes the Parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

(c) Each Contractor and subcontractor is required to certify to the Community Workforce Coordinator that it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, upon timely notification by a Union to the Community Workforce Coordinator, the Community Workforce Coordinator shall work with any prime Contractor or subcontractor who is delinquent in payments to assure that proper benefit contributions are made, to the extent of requesting the Authority or the prime Contractor to withhold payments otherwise due such Contractor, until such contributions have been made or otherwise guaranteed.

Section 5.3 Wage Premiums: Wage premiums, including but not limited to pay based on height of work, hazard pay, scaffold pay and special skills shall not be applicable to work under this Agreement, except to the extent provided for in any applicable prevailing wage determination.

Section 5.4 Compliance with Prevailing Wage Laws: The Parties agree that the Community Workforce Coordinator shall monitor the compliance by all Contractors and subcontractors with all applicable federal and state prevailing wage laws and regulations, and that such monitoring shall include Contractors engaged in what would otherwise be Project Work but for the exceptions to Agreement coverage in Section 2.2. All complaints regarding possible prevailing wage violations shall be referred to the Community Workforce Coordinator for processing, investigation and resolution, and if not resolved within thirty (30) calendar days, may be referred by any party to the state labor commissioner.

## **ARTICLE 6**

### **HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS**

Section 6.1 Hours of Work: Eight (8) hours per day between the hours of 6:00 a.m. and 5:30 p.m., plus one-half (½) hour unpaid lunch approximately mid-way through the shift, shall constitute the standard work day. Forty (40) hours per week shall constitute a regular week's work. The work week will start on Sunday and conclude on Saturday. The foregoing provisions of this Article are applicable unless otherwise provided in the applicable prevailing wage determination, or unless changes are permitted by law and such are agreed upon by the Parties. Nothing herein shall be construed as guaranteeing any employee eight (8) hours per day or forty (40) hours per week, or a Monday through Friday work standard work schedule.

Section 6.2 Place of Work: Employees shall be at their place of work (as designated by the Contractor) at the starting time and shall remain at their place of work, performing their assigned functions, until quitting time. The place of work is defined as the gang or tool box or equipment at the employee's assigned work location or the place where the foreman gives instructions. The Parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor.

Section 6.3 Overtime: Overtime shall be paid in accordance with the requirements of the applicable prevailing wage determination. There shall be no restriction on the Contractor's scheduling of overtime or the nondiscriminatory designation of employees who will work overtime. There shall be no pyramiding of overtime (payment of more than one form of overtime compensation for the same hour) under any circumstances.

Section 6.4 Shifts and Alternate Work Schedules:

(a) Alternate starting and quitting time and/or shift work may be performed at the option of the Contractor upon three (3) days' prior notice to the affected Union(s), unless a shorter notice period is provided for in the applicable MLA, and shall continue for a period of not less than five (5) working days. Saturdays and Sundays, if worked, may be used for establishing the five (5) day minimum work shift. If two shifts are worked, each shall consist of eight (8) hours of continuous work exclusive of a one-half (½) hour non-paid lunch period, for eight (8) hours pay. The last shift shall start on or before 6:00 p.m. The first shift starting at or after 6:00 a.m. is designated as the first shift, with the second shift following.

(b) Contractors, the Council and the Union recognize the economic impact upon the Authority and Authority residents of the massive Project being undertaken by the Authority and agree that all Parties to this Agreement desire and intend Project Work to be undertaken in a cost efficient and effective manner to the highest standard of quality and craftsmanship. Recognizing the economic conditions, the Parties agree that, except to the extent permitted by law, employees performing Project Work shall not be entitled to any differentials or additional pay based upon the shift or work schedule of the employees. Instead, all employees working on Project Work shall be paid at the same base rate regardless of shift or work schedule worked.

(c) Because of operational necessities, the second shift may, at the Authority's direction, be scheduled without the preceding shift having been worked. It is recognized that the Authority's operations and/or mitigation obligations may require restructuring of normal work

schedules. Except in an emergency or when specified in the Authority's bid specification, the Contractor shall give affected Union(s) at least three (3) days' notice of such schedule changes.

Section 6.5 Holidays: Recognized holidays on this Project shall be those set forth and governed by the prevailing wage determination(s) applicable to this Project, unless or until such may be, and are, revised by mutual agreement of the Parties to this Agreement.

Section 6.6 Show-up Pay:

(a) Except as otherwise required by State law, Employees reporting for work and for whom no work is provided, except when given prior notification not to report to work, shall receive two (2) hours pay at the regular straight time hourly rate. Employees who are directed to start work shall receive four (4) hours of pay at the regular straight time hourly rate. Employees who work beyond four (4) hours shall be paid for actual hours worked. Whenever reporting pay is provided for employees, they will be required to remain at the Project Site and available for work for such time as they receive pay, unless released earlier by the principal supervisor of the Contractor(s) or his/her designated representative. Each employee shall furnish his/her Contractor with his/her current address and telephone number, and shall promptly report any changes to the Contractor.

(b) An employee called out to work outside of his/her shift shall receive a minimum of two (2) hours pay at the appropriate rate. This does not apply to time worked as an extension of (before or after) the employee's normal shift.

(c) When an employee leaves the job or work location of his/her own volition, or is discharged for cause or is not working as a result of the Contractor's invocation of Article XII, Section 12.3, the employee shall only be paid for actual time worked.

Section 6.7 Meal Periods: The Contractor will schedule a meal period of no more than one-half hour duration at the work location at approximately mid-point of the schedule shift; provided, however, that the Contractor may, for efficiency of the operation, establish a schedule which coordinates the meal periods of two or more crafts. An employee may be required to work through his meal period because of an emergency or a threat to life or property, or for such other reasons as are in the applicable MLA, and if he is so required, he shall be compensated in the manner established in the applicable MLA.

Section 6.8 Make-up Days: To the extent permitted by the applicable general wage determination, when an employee has been prevented from working for reasons beyond the control of the employer, including, but not limited to inclement weather or other natural causes, during the regularly scheduled work week, a make-up day may be worked on a non-regularly scheduled work day for which an employee shall receive eight (8) hours pay at the straight time rate of pay or any premium rate required for such hours under the prevailing wage law.

## ARTICLE 7 WORK STOPPAGES AND LOCK-OUTS

Section 7.1 No Work Stoppages or Disruptive Activity: The Council and the Unions agree that neither they, and each of them, nor their respective officers or agents or representatives, shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or in any way related to Project Work, or which interferes with or otherwise disrupts Project Work, or with respect to or related to the Authority or Contractors or subcontractors, including, but not limited to economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is subject to arbitration. Any such actions by the Council, or Unions, or their members, agents, representatives or the employees they represent shall constitute a violation of this Agreement. The Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

Section 7.2 Employee Violations: The Contractor may discharge any employee violating Section 7.1 above and any such employee will not be eligible for rehire under this Agreement.

Section 7.3 Standing to Enforce: The Authority, the Community Workforce Coordinator, or any Contractor affected by an alleged violation of Section 7.1 shall have standing and the right to enforce the obligations established therein.

Section 7.4 Expiration of MLA's: If the MLA, or any local, regional, and other applicable collective bargaining agreements expire during the term of the Project, the Union(s) agree that there shall be no work disruption of any kind as described in Section 7.1 above as a result of the expiration of any such agreement(s) having application on this Project and/or failure of the involved Parties to that agreement to reach a new contract. Terms and conditions of employment established and set at the time of bid shall remain established and set. Otherwise to the extent that such agreement does expire and the Parties to that agreement have failed to reach concurrence on a new contract, work will continue on the Project on one of the following two (2) options, both of which will be offered by the Unions involved to the Contractors affected:

(a) Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contract may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts. The terms of the Union's interim agreement offered to Contractors will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Los Angeles County.

(b) Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Contractor affected by that expiring contract agrees to the following retroactive provisions: if a new MLA, local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who

performed work covered by this Agreement at the Project during the hiatus between the effective dates of such expired and new labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new labor agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. All Parties agree that such affected Contractors shall be solely responsible for any retroactive payment to its employees.

(c) Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph (a) above and other Contractors may elect to continue to work on the Project under the retroactivity option offered under paragraph (b) above. To decide between the two options, Contractors will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractors in writing its specific offer of terms of the interim agreement pursuant to paragraph (a) above, whichever is the later date. If the Contractor fails to timely select one of the two options, the Contractor shall be deemed to have selected option (b).

Section 7.5 No Lockouts: Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provision of this Agreement, or any other agreement, nor does "lock-out" include the Authority's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 7.6 Best Efforts to End Violations:

(a) If a Contractor contends that there is any violation of this Article or Section 8.3, it shall notify, in writing, the Executive Secretary of the Council, the Senior Executive of the involved Union(s) and the Community Workforce Coordinator. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order and use their best efforts to cause the cessation of any violation of the relevant Article.

(b) If the Union contends that any Contractor has violated this Article, it will notify the Contractor and the Community Workforce Coordinator, setting forth the facts which the Union contends violate the Agreement, at least twenty-four (24) hours prior to invoking the procedures of Section 7.8. The Community Workforce Coordinator shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 7.7 Withholding of services for failure to pay wages and fringe benefits: Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular Contractor who:

(a) fails to timely pay its weekly payroll; or



(b) fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable MLA. Prior to withholding its members' services for the Contractor's failure, the Union shall give at least ten (10) days (unless a lesser period of time is provided in the Union's MLA, but in no event less than forty-eight (48) hours) written notice of such failure to pay by registered or certified mail, return receipt requested, and by facsimile transmission to the involved Contractor and the Authority. The applicable Union and contractor shall meet within the ten (10) day period to attempt to resolve the dispute.

(c) Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

**Section 7.8 Expedited Enforcement Procedure:** Any party, including the Authority, which is an intended beneficiary of this Article, or the Community Workforce Coordinator, may institute the following procedures, in lieu of or in addition to any other action at law or equity, when a breach of Section 7.1, 7.5 or Section 8.3 is alleged.

(a) The party invoking this procedure shall notify Lou Zigman, who has been selected by the negotiating Parties, and whom the Parties agree shall be the permanent arbitrator under this procedure. If the permanent arbitrator is unavailable at any time, the party invoking this procedure shall notify one of the alternates selected by the Parties, in that order on an alternating basis. Notice to the arbitrator shall be by the most expeditious means available, with notices to the Parties alleged to be in violation, and to the Council if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by telegram, facsimile, hand-delivery or overnight mail and will be deemed effective upon receipt.

(b) Upon receipt of said notice, the arbitrator named above or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the Council of the involved Union(s) and/or Contractor as required by Section 8.6, above.

(c) The arbitrator shall notify the Parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all Parties. A failure of any Party or Parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

(d) The sole issue at the hearing shall be whether or not a violation of Sections 7.1, 7.5 or Section 8.3 has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such Award, upon issuance, shall be served on all Parties by hand or registered mail.

(e) Such Award shall be final and binding on all Parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In any judicial proceeding to obtain a temporary order enforcing the arbitrator's Award as issued under Section 7.8(d) of this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any Party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all Parties by hand or by delivery to their address as shown on this Agreement (for a Union), as shown in their business contract for work under this Agreement (for a Contractor) and to the representing Union (for an employee), by certified mail by the Party or Parties first alleging the violation.

(f) Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the Parties to whom they accrue.

(g) The fees and expenses of the arbitrator shall be equally divided between the party or Parties initiating this procedure and the respondent Party or Parties.

## **ARTICLE 8**

### **WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES**

Section 8.1 Assignment of Work: The assignment of Project Work will be solely the responsibility of the Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 8.2 The Plan: All jurisdictional disputes on this Project between or among the building and construction trades Unions and the Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

(a) If a dispute arising under this Article involves the Southwest Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the applicable Building and Construction Trades Council within fourteen (14) days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

Section 8.3 No Work Disruption Over Jurisdiction: All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and

the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 8.4 Pre-Job Conferences: As provided in Article 16, each Employer will conduct a pre-job conference with the Council prior to commencing work. The Primary Employer and the Owner will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Employers may be held together.

Section 8.5 Resolution of Jurisdictional Disputes: If any actual or threatened strike, sympathy strike, work stoppage, slow down, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or interference with the progress of Project Work by reason of a jurisdictional dispute or disputes occurs, the Parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the plan then currently in effect, or otherwise as in Article 7 above.

## **ARTICLE 9 MANAGEMENT RIGHTS**

Section 9.1 Contractor and Authority Rights: The Contractors and the Authority have the sole and exclusive right and authority to oversee and manage construction operations on Project Work, as set forth in this Section, without any limitations unless expressly limited or required by a specific provision of this Agreement or an MLA. In addition to the following and other rights of the Contractors enumerated in this Agreement, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractor's rights include, but are not limited to, the right to:

- (a) Plan, direct and control operations of all work;
- (b) Hire, promote, transfer and layoff their own employees, respectively, as deemed appropriate to satisfy work and/or skill requirements;
- (c) Promulgate and require all employees to observe reasonable job rules and security and safety regulations;
- (d) Discharge, suspend or discipline their own employees for just cause;
- (e) Utilize, in accordance with Authority approval, any work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion; and
- (f) Assign overtime, determine when it will be worked and the number and identity of employees engaged in such work.

Section 9.2 Specific Authority Rights: In addition to the following and other rights of the Authority enumerated in this Agreement, the Authority expressly reserves its management rights

and all the rights conferred on it by law. The Authority's rights (and those of the Contractor Administrator on its behalf) include but are not limited to the right to:

- (a) Inspect any construction site or facility to ensure that the Contractor follows the applicable safety and other work requirements;
- (b) Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project Work at a particular location;
- (c) At its sole option, terminate, delay and/or suspend any and all portions of the Project Work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the Authority's educational facilities and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities. (In order to permit the Contractors and Unions to make appropriate scheduling plans, the Authority will provide the Community Workforce Coordinator, and the affected Contractor(s) and Union(s) with reasonable notice of any changes it requires pursuant to this section; provided, however, that if notice is not provided in time to advise employees not to report for work, show-up pay shall be due pursuant to the provision of Article 6, Section 6.6);
- (d) Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or customs; and
- (e) Investigate and process complaints, through its Community Workforce Coordinator, in the matter set forth in Articles 7 and 10.

**Section 9.3 Use of Materials:** There should be no limitations or restriction by Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools or other labor saving devices, subject to the application of the State Public Contracts and Labor Codes as required by law in reference to offsite construction. Generally, the onsite installation or application of such items shall be performed by the craft having jurisdiction over such work. The Authority and its Community Workforce Coordinator shall advise all Contractors of, and enforce as appropriate, the off-site application of the prevailing wage law as it affects Project Work.

**Section 9.4 Special Equipment, Warranties and Guaranties:**

- (a) It is recognized that certain equipment of a highly technical and specialized nature may be installed at Project Work sites. The nature of the equipment, together with the requirements for manufacturer's warranties, may dictate that it be prefabricated, pre-piped and/or

pre-wired and that it be installed under the supervision and direction of the Authority's and/or manufacturer's personnel. The Unions agree to install such equipment without incident.

(b) The Parties recognize that the Contractor will initiate from time to time the use of new technology, equipment, machinery, tools, and other labor-savings devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such devices or work methods. The Unions will accept and will not refuse to handle, install or work with any standardized and/or catalogue: parts, assemblies, accessories, prefabricated items, preassembled items, partially assembled items, or materials whatever their source of manufacture or construction.

(c) If any disagreement between the Contractor and the Unions concerning the methods of implementation or installation of any equipment, or device or item, or method of work, arises, or whether a particular part or pre-assembled item is a standardized or catalog part or item, the work will precede as directed by the Contractor and the Parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 10.

## **ARTICLE 10 SETTLEMENT OF GRIEVANCES AND DISPUTES**

### **Section 10.1 Cooperation and Harmony on Site:**

(a) This Agreement is intended to establish and foster continued close cooperation between management and labor. The Council shall assign a representative to this Project for the purpose of assisting the Unions, and working with the Community Workforce Coordinator, together with the Contractors, to complete the construction of the Project economically, efficiency, continuously and without any interruption, delays or work stoppages.

(b) The Community Workforce Coordinator, the Contractors, Unions, and employees collectively and individually, realize the importance to all Parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article or, as appropriate, those of Article 7 or 8.

(c) The Community Workforce Coordinator shall oversee the processing of grievances under this Article and Articles 7 and 8, including the scheduling and arrangements of facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

**Section 10.2 Processing Grievances:** Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the MLA's, but not jurisdictional disputes or alleged violations of Section 7.1 and 7.5 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures.

Step 1.        Employee Grievances: When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his Union business representative or, job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business representative of the Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to adjust the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within ten (10) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances: Should the Union(s) or any Contractor have a dispute with the other Party(ies) and, if after conferring within ten (10) working days after the disputing Party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and processed to Step 2 in the same manner as outlined in 1(a) above for the adjustment of an employee complaint.

Step 2.        The business manager of the involved Union or his designee, together with the site representative of the involved Contractor, and the labor relations representative of the Community Workforce Coordinator, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the Parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days after the initial meeting at Step 2.

Step 3.        (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor Party may request in writing to the Community Workforce Coordinator (with copy (ies) to the other Party (ies)) within seven (7) calendar days after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the agreed upon list below, on a rotational basis in the order listed. Those arbitrators are: (1) Louis Zigman; (2) Sara Adler; (3) Fredric Horowitz; (4) Edna Francis; (5) William Rule; (6) Walt Daugherty; and (7) Michael Rappaport. The decision of the arbitrator shall be final and binding on all Parties and the fee and expenses of such arbitrations shall be borne equally by the involved Contractor(s) and the involved Union(s).

(b)        Failure of the grieving Party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the Parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

(c) The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the Parties (i.e., conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and Contractor(s) involved.

Section 10.3 Limit on Use of Procedures: Procedures contained in this Article shall not be applicable to any alleged violation of Articles 7 or 8, with a single exception that any employee discharged for violation of Section 7.2, or Section 8.3, may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 10.4 Notice: The Community Workforce Coordinator (and the Authority, in the case of any grievance regarding the Scope of this Agreement) shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the Community Workforce Coordinator shall, upon its own request, be permitted to participate fully as a party in all proceedings at such steps.

## **ARTICLE 11 REGULATORY COMPLIANCE**

Section 11.1 Compliance with All Laws: The Council and all Unions, Contractors, subcontractors and their employed shall comply with all applicable federal and state laws, ordinances and regulations including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the Authority, the Community Workforce Coordinator or the Contractor. Employees must promptly report any injuries or accidents to a supervisor.

Section 11.2 Monitoring Compliance: The Parties agree that the Authority shall require, and that the Community Workforce Coordinator and Council shall monitor, compliance by all Contractors and subcontractors with all federal and state laws regulation that, from time to time may apply to Project Work. It shall be the responsibility of both the Council and the Community Workforce Coordinator (on behalf of the Authority) to investigate or monitor compliance with these various laws and regulations. The Council may recommend to the Community Workforce Coordinator and/or the Authority procedures to encourage and enforce compliance with these laws and regulations.

Section 11.3 Prevailing Wage Compliance: The Council or Union shall refer all complaints regarding any potential prevailing wage violation to the Community Workforce Coordinator, who on its own, or with the assistance of the Authority's labor compliance program, shall process, investigate and resolve such complaints, consistent with Article 5, Section 5.4. The Council or Union, as appropriate, shall be advised in a timely manner with regard to the facts and resolution, if any, of any complaint. It is understood that this Section does not restrict any individual rights as established under the State Labor Code, including the rights of an individual to file a complaint with the State Labor Commissioner or to file a grievance for such violation under the grievance procedure set forth in this Agreement.

Section 11.4 Violations of Law: Based upon a finding of violation by the Authority of a federal and state law, and upon notice to the Contractor that it or its subcontractors are in such violation, the Authority, in the absence of the Contractor or subcontractor remedying such

violation, shall take such action as it is permitted by law or contract to encourage that Contractor to come into compliance, including, but not limited to, assessing fines and penalties, and/or removing the offending Contractor from Project Work. Additionally, in accordance with the Agreement between the Authority and the Contractor, the Authority may cause the Contractor to remove from Project Work any subcontractor who is in violation of state or federal law.

## **ARTICLE 12 SAFETY AND PROTECTION OF PERSON AND PROPERTY**

### **Section 12.1 Safety:**

(a) It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the Authority, the Community Workforce Coordinator or the Contractor. It is understood that employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and the Authority.

(b) Employees shall be bound by the safety, security and visitor rules established by the Contractor, the Community Workforce Coordinator and/or the Authority. These rules will be published and posted. An employee's failure to satisfy his/her obligations under this section will subject him/her to discipline, up to and including discharge.

(c) The Parties to this Agreement adopt the Los Angeles/Orange Counties Building and Construction Trades Council Approved Drug and Alcohol Testing Policy, a copy of which is attached hereto as **Attachment "D,"** and which shall be the policy and procedure utilized under this Agreement.

**Section 12.2 Suspension of Work for Safety:** A Contractor may suspend all or a portion of the job to protect the life and safety of employees. In such cases, employees will be compensated only for the actual time worked; provided, however, that where the Contractor requests employees to remain at the site and be available for work, the employees will be compensated for stand-by time at their basic hourly rate of pay.

**Section 12.3 Water and Sanitary Facilities:** The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees as required by state law or regulation.

## **ARTICLE 13 TRAVEL AND SUBSISTENCE**

Travel expenses, travel time, subsistence allowances, zone rates and parking reimbursements shall be paid in accordance with the applicable MLA unless superseded by the applicable prevailing wage determination.

## **ARTICLE 14 APPRENTICES**



Section 14.1 Importance of Training: The Parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the Authority, and the opportunities to provide continuing work under the construction program. To these ends, the Parties will facilitate, encourage, and assist local residents to commence and progress in Labor/Management Apprenticeship and/or training Programs in the construction industry leading to participation in such apprenticeship programs. The Authority, the Community Workforce Coordinator, other Authority consultants, and the Council, will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help prepare them for the formal joint labor/management apprenticeship programs maintained by the signatory Unions.

Section 14.2 Use of Apprentices:

(a) Apprentices used on Projects under this Agreement shall be registered in Joint Labor Management Apprenticeship Programs approved by the State of California. Apprentices may comprise up to thirty percent (30%) of each craft's work force at any time, unless the standards of the applicable joint apprenticeship committee confirmed by the Division of Apprenticeship Standards ("DAS"), establish a lower or higher maximum percentage, and where such is the case, the applicable Union should use its best efforts with the Joint Labor Management apprenticeship committee and, if necessary, the DAS to permit up to thirty percent (30%) apprentices on the Project.

(b) The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall be in compliance, at a minimum, with the applicable provisions of the Labor Code relating to utilization of apprentices. The Authority shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers, the Community Workforce Coordinator will work with the Council to assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

(c) The Parties agree that apprentices will not be dispatched to Contractors working under this Agreement unless there is a journeyman working on the project where the apprentice is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he is participating.

(d) All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship], Section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeship occupation. Should a question arise as to a journeyman's qualification under this subsection, the Contractor shall provide adequate proof evidencing the worker's qualification as a journeyman to the Construction Manager and the Council.

## **ARTICLE 15 WORK OPPORTUNITIES PROGRAM**

Section 15.1 The Parties to this Agreement support the development of increased numbers of skilled construction workers from among the Area Residents residing within the geographic area serviced by the Authority, as well as the City of Palmdale, to meet the labor needs of the Project, specifically, and the requirements of the local construction industry generally. Towards that end the Parties agree to cooperate respecting the establishment of a work opportunities program for these Area Residents, the primary goals of which shall be to maximize construction work opportunities for traditionally underrepresented members of the community. In furtherance of the foregoing, the Unions specifically agree to:

- a) Encourage the referral and utilization, to the extent permitted by law and hiring hall practices, of qualified Area Residents as journeymen, and apprentices on the Project and entrance into such qualified apprenticeship and training programs as may be operated by signatory Unions; and
- b) Assist Area Residents in contacting pre-apprenticeship programs that utilize the Building Trades multi-craft core curriculum (MC3) and the Apprenticeship Training Committees for the crafts and trades they are interested in. The Unions shall assist Area Residents who are seeking Union jobs on the Project and Union membership in assessing their work experience and giving them credit for provable past experience in their relevant craft or trade, including experience gained working for non-union Contractors. The Unions shall put on their rolls qualified bona fide Area Residents for work on this Project; and
- c) Support local events and programs designed to recruit and develop adequate numbers of competent workers in the construction industry.

## **ARTICLE 16 WORKING CONDITIONS**

Section 16.1 Meal and Rest Periods: There will be no non-working times established during working hours except as may be required by applicable state law or regulations. Meal periods and Rest periods shall be as provided for in Wage Order 16. Individual coffee containers will be permitted at the employees' work location; however, there will be no organized coffee breaks.

Section 16.2 Work Rules: The Authority, the Community Workforce Coordinator, and/or relevant Contractor shall establish such reasonable work rules as they deem appropriate and not inconsistent with this Agreement. These rules will be posted at the work sites by the Contractor and may be amended thereafter as necessary. Failure to observe these rules and regulations by employees may be grounds for discipline up to and including discharge.

Section 16.3 Emergency Use of Tools and Equipment: There should be no restrictions on the emergency use of any tools by any qualified employee or supervisor, or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can

safely use the tools and/or equipment involved and is compliance with applicable governmental rules and regulations.

Section 16.4 Access Restrictions for Cars: Recognizing the nature of the work being conducted on the site, employee access by a private automobile may be limited to certain roads and/or parking areas.

## **ARTICLE 17 PRE-JOB CONFERENCES**

Each Contractor will conduct a pre-job conference with the appropriate affected Union(s) prior to commencing work. The Council and the Construction Manager shall be advised in advance of all such conferences and may participate if they wish. All work assignments shall be disclosed by the Contractor at a pre-job conference held in accordance with industry practice. Should there be any formal jurisdictional dispute raised under Article VIII, the Construction Manager shall be promptly notified.

## **ARTICLE 18 LABOR/MANAGEMENT COOPERATION**

Section 18.1 Joint Committee: The Parties to this Agreement may establish a six (6) person Joint Administrative Committee (JAC). This JAC shall be comprised of three (3) representatives selected by the Authority and three (3) representatives selected by the Council to monitor compliance with the terms and conditions of this Agreement. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement.

Section 18.2 Functions of Joint Committee: The Committee shall meet on a schedule to be determined by the Committee or at the call of the joint chairs, to discuss the administration of the Agreement, the progress of the Project, general labor management problems that may arise, and any other matters consistent with this Agreement. Substantive grievances or disputes arising under Articles 7, 8 or 10 shall not be reviewed or discussed by this Committee, but shall be processed pursuant to the provisions of the appropriate Article. The Community Workforce Coordinator shall be responsible for the scheduling of the meetings, the preparation of the agenda topics for the meetings, with input from the Unions the Contractors and the Authority. Notice of the date, time and place of meetings, shall be given to the Committee members at least three (3) days prior to the meeting. The Authority should be notified of the meetings and invited to send a representative(s) to participate. The Community Workforce Coordinator shall prepare quarterly reports on apprentice utilization and the training and employment of Authority residents, and a schedule of Project Work and estimated number of craft workers needed. The Committee or an appropriate subcommittee, may review such reports and make any recommendations for improvement, if necessary, including increasing the availability of skilled trades, and the employment of local residents or other individuals who should be assisted with appropriate training to qualify for apprenticeship programs.

Section 18.3 Subcommittees: The Committee may form subcommittees to consider and advise the full Committee with regard to safety and health issues affecting the Project and other similar issues affecting the overall Project, including any workers' compensation program initiated under this Agreement.

## **ARTICLE 19**

### **SAVINGS AND SEPARABILITY**

Section 19.1 Savings Clause: It is not the intention of the Authority, the Community Workforce Coordinator, Contractor or the Union parties to violate any laws governing the subject matter of this Agreement. The Parties hereto agree that in the event any provision of this Agreement is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Parties agree that if and when any provision(s) of this Agreement is finally held or determined to be illegal or void by a court of competent jurisdiction, the Parties will promptly enter into negotiations concerning the substantive effect of such decision for the purposes of achieving conformity with the requirements of any applicable laws and the intent of the Parties hereto. If the legality of this Agreement is challenged and any form of injunctive relief is granted by any court, suspending temporarily or permanently the implementation of this Agreement, then the Parties agree that all Project Work that would otherwise be covered by this Agreement should be continued to be bid and constructed without application of this Agreement so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 19.2 Effect of Injunctions or Other Court Orders: The Parties recognize the right of the Authority to withdraw, at its absolute discretion, the utilization of the Agreement as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute which could result, temporarily or permanently in delay of the bidding, awarding and/or construction on the Project. Notwithstanding such an action by the Authority, or such court order or statutory provision, the Parties agree that the Agreement shall remain in full force and the fact on covered Project Work to the maximum extent legally possible.

## **ARTICLE 20**

### **WAIVER**

A waiver of or a failure to assert any provisions of this Agreement by any or all of the Parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the Agreement or change in the terms and conditions of the Agreement and shall not relieve, excuse or release any of the Parties from any of their rights, duties or obligations hereunder.

## **ARTICLE 21**

### **AMENDMENTS**

The provisions of this Agreement can be renegotiated, supplemented, rescinded or otherwise altered only by mutual agreement in writing, hereafter signed by the negotiating Parties hereto.

## **ARTICLE 22 DURATION OF THE AGREEMENT**

### **Section 22.1 Duration:**

(a) This Agreement shall be effective from the date signed by all Parties and shall remain in effect for a period of five (5) years and shall continue in effect from year to year thereafter unless either Party provides written notice of its intent to terminate, sent no earlier than ninety (90) days or later than sixty (60) days prior to the termination date or successor termination date. Any covered Project awarded during the term of this Agreement shall continue to be covered hereunder, until completion of the Project, notwithstanding the expiration date of this Agreement.

(b) This Agreement may be extended by mutual consent of the Authority and the Unions for such further periods as the Parties shall agree to.

### **Section 22.2 Turnover and Final Acceptance of Completed Work:**

(a) Construction of any phase, portion, section, or segment of Project Work shall be deemed complete when such phase, portion, section or segment has been turned over to the Authority by the Contractor and the Authority has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the Authority or third parties with the approval of the Authority, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the Authority to engage and repairs or modifications required by its contract(s) with the Authority.

(b) Notice of each final acceptance received by the Contractor will be provided to the Council with the description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a "punch" list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the Authority and Notice of Acceptance is given by the Authority or its representative to the Contractor. At the request of the Union, complete information describing any "punch" list work, as well as any additional work required of a Contractor at the direction of the Authority pursuant to (a) above, involving otherwise turned-over and completed facilities which have been accepted by the Authority, will be available from the Community Workforce Coordinator.

IN WITNESS whereof the Parties have caused this Continuity of Work Agreement to be executed as of the date and year above stated.

**PALMDALE RECYCLED WATER  
AUTHORITY**

**LOS ANGELES/ORANGE COUNTIES  
BUILDING & CONSTRUCTION**

TRADES COUNCIL

By: \_\_\_\_\_

By: \_\_\_\_\_  
Ron Miller, Executive Secretary

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

DRAFT

Asbestos Heat & Frost Insulators (Local 5)  
Boilermakers (Local 92)  
Bricklayers & Allied Craftworkers (Local 4)  
Cement Masons (Local 600)  
Electricians (Local 11)  
Elevator Constructors (Local 18)  
Gunitite Workers (Local 345)  
Iron Workers (Reinforced – Local 416)  
Iron Workers (Structural – Local 433)  
District Council of Laborers  
Laborers (Local 300)  
Operating Engineers (Local 12)  
Operating Engineers (Local 12)  
Operating Engineers (Local 12)  
Painters & Allied Trades DC 36  
Pipe Trades (Local 250)  
Pipe Trades (Local 345)  
Pipe Trades (Plumbers Local 761)  
Pipe Trades (Sprinkler Fitters Local 709)  
Pipe Trades (Road Sprinkler Fitters Local 66)  
Plasterers (Local 200)  
Plaster Tenders (Local 1414)  
Roofers & Waterproofers (Local 36)  
Sheet Metal Workers (Local 105)  
Teamsters (Local 986)  
Southwest Regional Council of Carpenters

**ATTACHMENT A  
LETTER OF ASSENT**

To be signed by all contractors awarded work covered by the  
Community Workforce Agreement prior to commencing work.

[Contractor's Letterhead]  
Community Workforce Coordinator  
C/O Palmdale Recycled Water Authority  
39129 North 10<sup>th</sup> Street East  
Palmdale, California 93550  
Attn: \_\_\_\_\_

Re: Community Workforce Agreement - Letter of Assent

Dear Sir:

This is to confirm that [name of company] agrees to be party to and bound by the Palmdale Recycled Water Authority Community Workforce Agreement effective \_\_\_\_\_, 2017, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the Agreement undertaken by this Company on the project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical Letter of Assent prior to their commencement of work.

Sincerely,

[Name of Construction Company]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Contractor State License No. \_\_\_\_\_

[Copies of this letter must be submitted to the Community Workforce Coordinator and to the Council per Section 2.5(b).]



**ATTACHMENT B**

**AUTHORITY SERVICE AREA ZIP CODES**

**(Tier 1)**

93550, 93551 and 93552

**GREATER ANTELOPE VALLEY AREA ZIP CODES**

**(Tier 2)**

91390	93534	93554
93501	93535	93560
93510	93536	93591
93523	93543	
93532	93553	

**(Tier 3)**

93561	92394	92372
93505	92395	92329
93516	92340	92371
93524	92344	92397
92392	92345	
92393	92301	

As well as the remaining area zip codes in Los Angeles County

## ATTACHMENT C

### PALMDALE RECYCLED WATER AUTHORITY CRAFT REQUEST FORM

**TO THE CONTRACTOR:** Please complete and fax this form to the applicable union to request craft workers that fulfill the hiring requirements for this project. After faxing your request, please call the Union to verify receipt and substantiate their capacity to furnish workers as specified below. Please print your Fax Transmission Verification Reports and keep copies for your records.

The Palmdale Recycled Water Authority Community Workforce Agreement establishes a goal that 30% of all of the labor and craft positions shall be from qualified workers residing, as well as Veterans regardless of where they reside: first, in those first tier zip codes which overlap the Authority's service area and the City of Palmdale, as attached hereto, second, within the Greater Antelope Valley area, as reflected on the attached list of zip codes, third, certain surrounding area zip codes, as reflected on the attached list of zip codes, as well as the remainder of the County of Los Angeles. For Dispatch purposes, employees residing within any of these three (3) areas, as well as Veterans, regardless of where they reside, shall be referred to as Local Residents.

**TO THE UNION:** Please complete the "Union Use Only" section on the next page and fax this form back to the requesting Contractor. Be sure to retain a copy of this form for your records.

#### CONTRACTOR USE ONLY

**To:** Union Local # \_\_\_\_\_ **Fax#** ( ) \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Cc:** Community Workforce Coordinator  
**From:** Company: \_\_\_\_\_ **Issued By:** \_\_\_\_\_  
**Contact Phone:** ( ) \_\_\_\_\_ **Contact Fax:** ( ) \_\_\_\_\_

#### PLEASE PROVIDE ME WITH THE FOLLOWING UNION CRAFT WORKERS.

Craft Classification (i.e., plumber, painter, etc.)	Journeyman or Apprentice	Local Resident, Veteran or General Dispatch	Number of workers needed	Report Date	Report Time
<b>TOTAL WORKERS REQUESTED =</b> _____					

Please have worker(s) report to the following work address indicated below:

**Project Name:** \_\_\_\_\_ **Site:** \_\_\_\_\_ **Address:** \_\_\_\_\_  
**Report to:** \_\_\_\_\_ **On-site Tel:** \_\_\_\_\_ **On-site Fax:** \_\_\_\_\_  
**Comment or Special Instructions:** \_\_\_\_\_

**UNION USE ONLY**

Date dispatch request received:
Dispatch received by:
Classification of worker requested:
Classification of worker dispatched:

**WORKER REFERRED**

Name:		
Date worker was dispatched:		
Is the worker referred a: (check all that apply)		
JOURNEYMAN	Yes ____	No ____
APPRENTICE	Yes ____	No ____
LOCAL RESIDENT	Yes ____	No ____
VETERAN	Yes ____	No ____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes ____	No ____

[This form is not intended to replace a Union's Dispatch or Referral Form normally given to the employee when being dispatched to the jobsite.]

## **ATTACHMENT D**

### **LOS ANGELES/ORANGE COUNTIES BUILDING AND CONSTRUCTION TRADES COUNCIL APPROVED DRUG AND ALCOHOL TESTING POLICY**

The Parties recognize the problems which drug and alcohol abuse have created in the construction industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the Parties agree that in order to enhance the safety of the work place and to maintain a drug and alcohol free work environment, individual Employers may require applicants or employees to undergo drug and alcohol testing.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances, as well as being under the influence of alcohol and the possession or consuming alcohol is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Community Workforce Agreement ("CWA").

2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of this Policy.

3. No Employer may implement drug testing at any jobsite unless written notice is given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Supervisor. Said notice shall be addressed to the office of each Union signing the CWA. Said notice shall be delivered in person or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the CWA, and the Employer may not implement any form of drug testing at such jobsite for the following six months.

4. An employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the Project to be tested. With respect to individuals who become employed on the Project subsequent to the proper implementation of this drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of this drug testing program may only be subjected to testing for the reasons set forth in Paragraph 5(f) (1) through 5(f) (3) of this Policy. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.

5. The following procedure shall apply to all drug testing:

a. The Employer may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or

in any way become involved in the chain of custody of urine or blood specimens. A Union Representative, subject to the approval of the individual applicant or employee, shall be permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. The testing shall be done by a laboratory approved by the National Institute on Drug Abuse (NIDA), which is chosen by the Employer and the Union.

c. An initial test shall be performed using the Enzyme Multiplied Immunoassay Technique (EMZT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by the National Institute on Drug Abuse. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

d. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by NDA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

e. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the Project.

f. No individual who tests negative for drugs or alcohol pursuant to the above procedure and becomes employed on the Project shall again be subjected to drug testing with the following exceptions:

1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/herself or others may be tested pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the applicable Union. Notice to the applicable Union shall be as set forth in Paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as exhibiting aberrant or unusual behavior, the type of which

is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a Supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the job steward. If the job steward is unavailable or there is no job steward on the project the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Employer's payroll.

g. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the applicable Union's Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The employers will be allowed to conduct periodic job site drug testing on the Project under the following conditions:

- a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;
- b. Jobsite testing cannot commence sooner than thirty (30) days after start of the work on the Project;
- c. Prior to start of periodic testing, a business representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;
- d. Testing shall be conducted by a N.I.D.A. certified laboratory, pursuant to the provisions set forth in Paragraph 5 hereinabove.
- e. Only two periodic tests may be performed in a twelve month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the CWA.

9. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the

parties, the remaining portions of the Agreement shall be unaffected and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If work for which the employee is qualified exists he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs shall be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

14. This Memorandum, of Understanding shall constitute the only Agreement in effect between the parties concerning drug and alcohol abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

SIDE LETTER OF AGREEMENT  
TESTING POLICY FOR DRUG ABUSE

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the quick screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the quick screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.



CITY OF PALMDALE  
CITY CLERK ORIGINAL

A-4113

**JOINT EXERCISE OF POWERS AGREEMENT CREATING THE  
PALMDALE RECYCLED WATER AUTHORITY**

This Agreement is made this 26<sup>th</sup> day of Sept, 2012, by and between the City of Palmdale, a California Charter City ("City") and Palmdale Water District, an Irrigation District under Division 11 of the California Water Code ("PWD").

**RECITALS**

WHEREAS, the Joint Exercise of Powers Act, codified at California Government Code sections 6500 *et seq.*, authorizes public agencies by agreement to exercise jointly any power common to the contracting parties;

WHEREAS, the City and PWD are each "public agencies" as that term is defined in California Government Code section 6500;

WHEREAS, the City and PWD have each determined that it is in the public interest to create the Palmdale Recycled Water Authority, an entity separate from the City and PWD to, among other things, jointly study, promote, develop, distribute, construct, install, finance, use and manage recycled water resources created by the Los Angeles County Sanitation District Nos. 14 and 20 for any and all reasonable and beneficial uses, including irrigation and recharge, and to finance the acquisition and construction or installation of recycled water facilities, recharge facilities and irrigation systems;

WHEREAS, the City and PWD have entered into a Settlement Agreement dated September 6, 2012, that calls for the creation of the Authority. Under the Settlement Agreement, the City and PWD agreed to use their best efforts to accomplish a reallocation of the recycled water supply produced by County Sanitation Districts Nos. 14 and 20 such that the effluent generated within the City of Palmdale that is tributary to the Palmdale Treatment Plant (Sanitation District No. 20) and to the Lancaster Treatment Plant (Sanitation District No. 14), less that previously allocated for environmental projects by both Sanitation Districts Nos. 14 and 20 and 4,000 acre-feet for the Palmdale Power Plant, is available to the Authority for purchase.

NOW, therefore, in consideration of the mutual promises, covenants and conditions hereinafter contained, the members and each of them do hereby agree as follows:

**Article 1 Definitions**

- 1.1 Definitions. As used herein, the following terms have the meaning ascribed thereto, unless the context requires otherwise.

"Act" means the Joint Exercise of Powers Act, codified at California Government Code sections 6500 *et seq.*

"Agreement" means this Joint Powers Agreement.

"Authority" means the Palmdale Recycled Water Authority.

"Authority Document(s)" means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.

"Board" means the Board of Directors, which is the governing body of the Authority.

"Bonds" means bonds, notes, commercial paper, floating rate, and variable maturity securities, and any other evidences of indebtedness and also includes certificates of participation, lease-purchase agreements or loan agreements.

"Sanitation Districts" means the Los Angeles County Sanitation Districts Nos. 14 and 20.

"Director" means a member of the Board of Directors.

"Effective Date" means the date on which this Agreement shall become effective and the Authority shall exist as a separate public agency.

"Members" means the City and PWD.

"Operating Rules and Regulations" means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.

"Public Agency" means those public entities set forth in Section 6500 of the Act.

"Public Capital Improvements" means one or more projects specified in Section 6546 of the Act.

"Waterworks" means the Los Angeles County Waterworks District No. 40.

"Working Capital" means money to be used by, or on behalf of, a Member for any purpose for which a Member may borrow money pursuant to California Government Code Section 53852.

## **Article 2 Formation and Purpose**

- 2.1 Effective Date and Term. This Agreement shall become effective and the Authority will come into existence as a separate public agency on the date this Agreement is executed by the City and PWD. The Authority will continue to exist and this Agreement will remain in effect, until this Agreement is terminated pursuant to Article 8.
- 2.2 Formation. There is formed as of the Effective Date a public agency named the "Palmdale Recycled Water Authority." Pursuant to Sections 6506 and 6507 of the Act, the Authority is an independent public agency separate from the Members. Unless otherwise agreed by the Members, the debts, liabilities, and obligations of the Authority are not debts, liabilities or obligations of the Members.

- 2.3 Purpose. The purpose of the Agreement is to establish an independent public agency in order to study, promote, develop, distribute, construct, install, finance, use and manage recycled water resources created by the Sanitation Districts for any and all reasonable and beneficial uses, including irrigation and recharge, and to finance the acquisition and construction or installation of recycled water facilities, recharge facilities and irrigation systems.
- 2.4 Boundary. The boundary of the Authority shall be the jurisdictional boundary of PWD, and shall encompass that portion of the City within the jurisdictional boundary of PWD.

### Article 3 Powers

- 3.1 General Powers. The Authority shall have the powers common to the Members and such additional powers set forth in the Act and other statutes applicable to the Authority, and is hereby authorized to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to each of the following:
- a. Distributing recycled water for reasonable and beneficial uses, including irrigation and recharge;
  - b. Charging fees for recycled water;
  - c. Making and entering into contracts;
  - d. Employing employees, agents, consultants, legal counsel and other experts;
  - e. Conducting studies, including but not limited to environmental studies;
  - f. Promoting or advertising the services provided by the Authority;
  - g. Promoting legislation helpful to the goals of the Authority;
  - h. Applying for, receiving and complying with requirements for state or federal grants;
  - i. Acquiring, owning, holding title to, constructing, managing, maintaining, operating, disposing of or donating real or personal property or other assets;
  - j. Incurring debts, liabilities or obligations and issuing Bonds;
  - k. Adopting, levying, collecting and/or administering assessments to the extent allowed by law, or assisting the Members to do so;
  - l. Suing and being sued in its own name, including initiating or otherwise participating in proceedings to validate its actions;

- m. Applying for and executing appropriate grants or contracts of financial assistance.
- n. Applying for, negotiating and obtaining commercial loans as allowed by law;
- o. Administering the funds of the Members for the purposes set out here subject to rules adopted by the Authority for such administration;
- p. Coordinating programs provided by the Members to carry out the goals of the Authority;
- q. Adopting budgets;
- r. Adopting rules, regulations, policies, bylaws and procedures governing the operation of the Authority;
- s. Accepting donations;
- t. Carrying out and enforcing all provisions of this Agreement and any related agreements.
- u. Imposing impact or development fees, including, but not limited to, fees under the Mitigation Fee Act (Government Code sections 66000 *et seq.*)

#### Article 4 Organization

- 4.1 Board of Directors. The governing body of the Authority shall be the Board, which shall consist of five Directors. The governing body of each Member shall appoint and designate in writing two Directors who shall be authorized to act for and on behalf of the Member on matters within the powers of the Authority. The person appointed and designated as Director shall be a member of the Member's governing body. The fifth Director shall be appointed jointly by both Members.
- 4.2 Powers of the Board. The Board shall conduct or authorize to be conducted all business and activities of the Authority consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law.
- 4.3 Operating Rules and Regulations. The Board may adopt from time to time such Operating Rules and Regulations, including but not limited to policies, procedures, bylaws, rules or regulations, for the conduct of its affairs as deemed necessary by the Board.
- 4.4 Term of Office. Each Director who is a member of the Member's governing body shall serve on the Board for renewable one year terms and shall cease to serve on the Board if such Director ceases to be an elected official of the Member. Vacancies on the Board shall be filled in the same manner as the original appointment. Notwithstanding anything in this Section to the contrary, each Director shall serve at the pleasure of the

Member that the Director is representing and such Member may remove and replace the Director at any time.

- 4.5 Meetings of the Authority. Meetings of the Authority shall be governed by the Ralph M. Brown Act (Govt. Code Section 54950 *et seq.*, the "Brown Act"). At its organizational meeting, the Authority shall adopt provide for its regular meetings at dates, times and places set out by resolution. That Resolution shall be provided to all Members. The Board shall hold at least one regular meeting during each fiscal year. Pursuant to the Brown Act, the Secretary of the Authority shall cause minutes to be prepared for all regular and special meetings (but not any closed sessions) and copies of such minutes shall be provided to the Directors as soon as possible.
- 4.6 Conflict of Interest Code. The Authority shall adopt a conflict of interest code.
- 4.7 Quorum. A majority of the Directors shall constitute a quorum.
- 4.8 Voting. Except as otherwise provided by law or in section 4.9 below, any action taken by the Authority shall require the affirmative vote of a majority of the quorum present and voting on the item. A Director who has announced a conflict of interest is not considered a part of the quorum. An abstention for other than conflict reasons shall be considered a no vote. Notwithstanding anything in this paragraph to the contrary, less than a quorum may adjourn from time to time in accordance with law.
- 4.9 Special Voting Situations. The following Board actions require the affirmative vote of at least one Director from the City and one from the PWD:
  - a. Agreements to provide recycled water to any person or entity other than the City or PWD.
  - b. Capital expenditures exceeding \$100,000.
  - c. Adoption or modification of any combined recycled water master plan.
  - d. Settlement of lawsuits over \$10,000.
  - e. Adoption of its initial and all annual operating budgets.
  - f. Setting recycled water rates.
  - g. Disposition of assets and funds upon termination, pursuant to section 5.8(d).
- 4.10 Chair and Vice Chair. The Board shall elect from among themselves a Chair and Vice Chair. The Chair shall be the presiding officer of all Board meetings and shall represent the Authority and execute any contracts and other documents when required by the Operating Rules and Regulations. The Vice Chair shall serve in the absence of the Chair. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair.

The office of either the Chair or Vice Chair shall be declared vacant and a new election shall be made if the person serving dies, resigns, or the Member that the person represents removes the person as its representative on the Board.

- 4.11 Director Compensation. Compensation for work performed by Directors on behalf of the Authority shall be borne by the Member that appointed the Director. The Board, however, may adopt by resolution a policy relating to the reimbursement of expenses incurred by Directors. Members may provide for compensation and/or reimbursement of expenses to the fifth director, as allowed by law.
- 4.12 Secretary. The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes and other records of the Authority and shall perform such other duties as specified by the Board.
- 4.13 Treasurer and Auditor. The Authority shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. If the Board so designates, and in accordance with the provisions of applicable law, a qualified person may hold both the office of Treasurer and Auditor.

A qualified person shall be (i) the treasurer or chief financial officer of one of the Members; (ii) a certified public accountant; or (iii) such other consultant, officer or employee of the Authority or an administrative services provider as the Authority deems qualified to act as Treasurer or Auditor, respectively. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act.

The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

- 4.14 Staff. The Authority may appoint, by contract or otherwise, an Executive Director and other staff as necessary. The Executive Director shall have all powers delegated to the Executive Director by the Authority. In addition the Executive Director shall have the power to appoint and remove all employees of the Authority, except for the Auditor, Treasurer and those providing expert services, such as legal counsel, financing consultants, accountants, engineers, architects and other advisors, who shall be appointed by the Board.
- 4.15 Bonding Persons Having Access to Property. The Members hereby designate the Executive Director and Treasurer, and designee or designees of each of them, as the persons who shall have charge of, handle, or have access to any property of the Authority. Such persons shall file an official bond in an amount to be fixed by the Board.

- 4.16 Provision of Administrative Services Provider. The Board may approve the use of staff of the Members for purposes of planning, implementing, operating and administering any of the programs approved by the Board.
- 4.17 Committees. The Authority may appoint *ad hoc* and standing committees to carry out the business of the Board, as deemed necessary and in the manner determined by the Board.
- 4.18 Technical Advisory Committee. The Board may elect to form a Technical Advisory Committee that will provide assistance and advice to the Board and exercise any powers delegated to it by the Board. The Technical Advisory Committee shall be comprised of three representatives appointed by each Member. The Member's governing body may appoint its representatives to the Technical Advisory Committee, and one alternate representative, in the manner determined to be appropriate by the Member. Such representative or alternate may be any person resident within the jurisdictional boundaries of the Member, or a person possessing knowledge and interests in California water policy.

The Technical Advisory Committee will be subject to the Operating Rules and Regulations established by the Board.

- 4.19 Authority Documents. The Members acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board through Board resolution, including but not necessarily limited to the Operating Rules and Regulations, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Members agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board.
- 4.20 Authority Legal Counsel. The Board may retain and appoint legal counsel for the Authority.

## Article 5 Financial Provisions

- 5.1 Fiscal Year. The Authority's fiscal year shall begin January 1 and shall include the period from then through December 31st. The first year of operation of the Authority shall be a partial year of operation.
- 5.2 Member Contributions. Except as otherwise prohibited, any Member may make contributions of money or assets to the Authority; make or advance payments of public funds to defray the cost of Authority operation; and contribute personnel, equipment or property instead of or in addition to other contributions or advances. Such contributions shall be paid to and disbursed by the Authority as set out in separate agreements between the Authority and the Member and approved by the Board and the governing body of the Member.

It is hereby acknowledged that the City, at the time of Authority's formation, has contributed the recycled water infrastructure installed to date known as Phase I which provides recycled water to McAdam Park, Palmdale, CA.

5.3 Member Loans. By official action of a Member's governing body, any Member may loan or advance funds to the Authority to meet the Authority's necessary budgeted expenses. Such loans shall bear interest until repaid at a rate agreed upon by the Member and the Authority. All such loans shall be repaid with interest from legally available funds of the Authority. It is anticipated that such funding may continue for an extended period of time. Nothing in this Agreement shall be deemed to obligate or require any of the Members to loan money, advance funds or provide property, assets, staffing or in lieu services to the Authority.

5.4 Depository.

- a. All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Member or any other person or entity.
- b. All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the Fiscal Year. The books and records of the Authority shall be open to inspection by the Members at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6505 of the Act.
- c. All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

5.5 Budget. The Board shall adopt an annual budget for the Authority's activities within ninety (90) days of the effective date of this Agreement and by January 1 of each succeeding year. The Board may revise the budget from time to time as may be necessary to address changed circumstances, contingencies and unexpected expenses.

Public funds may not be disbursed by the Authority without adoption of the approved budget and all receipts and disbursements shall be in strict accordance with the approved budget. The budget shall identify the programs of the Authority and allocate funds by the program. The budget and accounting system shall account for direct and overhead costs by program. The Board shall allocate these costs for each program with the adoption of the annual budget.

5.6 Debts and Liabilities. As permitted under Section 6508.1 of the Act, no debt, liability, or obligation of the Authority shall constitute a debt, liability, or obligation of any Member and each Member's obligation hereunder is expressly limited only to the appropriation



and contribution of such funds as may be levied pursuant to this Agreement or as the Members hereto may agree.

- 5.7 Credit. Notwithstanding the preceding section, the Members agree to pledge their credit as necessary or appropriate to obtain financing for the Authority.
- 5.8 Disposition of Authority Property, Funds and Other Assets Upon Termination.
- a. In the event of termination of the Authority where there is a successor public entity which will carry on the activities of the Authority and assume its obligations, Authority property, funds, and other assets, including any interest earned in deposits, remaining upon termination of the Authority and after payment of all obligations, shall be transferred to the successor public entity.
  - b. If there is no successor public entity which would carry on any of the activities of the Authority or assume any of its obligations, Authority property, funds, and other assets, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, shall first be used to return any unreimbursed contribution of each Member, and the remainder shall be divided equally between the Members.
  - c. If there is a successor public agency which would undertake some of the functions of the Authority and assume some of its obligations, Authority property, funds, and other assets, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, shall be allocated by the Board between the successor public entity and Members.
  - d. In the event the Authority is terminated and remaining funds must be allocated under the circumstances falling with (b) or (c) above, all decisions of the Board with regard to determination of amounts to be transferred to Members or any successor shall be final.

## Article 6 Operations

- 6.1 Recycled Water Contract. Within 65 days after the execution of this Agreement, the City shall assign to the Authority its existing contract with Los Angeles County Sanitation Districts Nos. 14 and 20 to purchase up to 2,000 acre-feet of recycled water, dated July 1, 2009. This shall not be considered to be a Member contribution under section 5.2.
- 6.2 Master Plan. The Authority shall adopt a master plan for recycled water combining the City's and PWD's existing master plans, following environmental review.
- 6.3 Price of Recycled Water. The price of recycled water sold to the City or PWD shall be set to cover the purchase price of the recycled water, operation and maintenance costs of the Authority, and financing costs.

- 6.4 Impact Fee. The Authority shall adopt an impact fee in order to pay capital costs, including reimbursement to the City of the cost of the recycled water infrastructure installed to date known as Phase I, which provides recycled water to McAdam Park.

#### Article 7 Amendments

- 7.1 Amendments. This Agreement may be amended only upon the affirmative vote of both Members.

#### Article 8 Termination

- 8.1 Termination. This Agreement may be terminated by the mutual agreement of both Members at any time, or by one Member after the tenth anniversary of the execution of this Agreement; provided, however, that prior to any termination by one Member, the Members agree to engage in the dispute resolution procedure under section 9.10, and such termination shall not be effective until six months after the completion of that procedure. Upon termination, payment of the obligations and division of the property of the Authority shall be conducted pursuant to this Agreement.

#### Article 9 Miscellaneous Provisions

- 9.1 Liability of Directors, Officers, and Employees. The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 *et seq.* Nothing in this section shall be construed to limit the defenses available under the law, to the Members, the Authority, or its Directors, officers, or employees.
- 9.2 Indemnification of Members. The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Members and the public. The Authority shall defend, indemnify and hold harmless the Members and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.
- 9.3 Severability. If one or more clauses, sentences, paragraphs, or provisions of this Agreement or its application to any person or circumstances shall be held invalid, unlawful or unenforceable, the remainder of this Agreement and the application of the provision to other persons or circumstances shall not be affected thereby. Such clauses, sentences, paragraphs or provisions shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

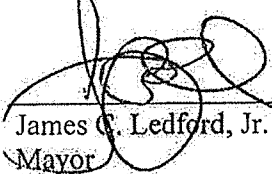
- 9.4 Assignment. Except as otherwise expressly provided in this Agreement, the rights and duties of the Members may not be assigned or delegated without the advance written consent of all of the other Members, and any attempt to assign or delegate such rights or duties in contravention of this Section is null and void. This Agreement inures to the benefit of, and be binding upon, the successors and assigns of the Members.
- 9.5 No Rights In Third Parties. All of the terms, conditions, rights and duties provided for in this Agreement are, and will always be, solely for the benefit of the Members. It is the intent of the Members that no third party shall ever be the intended beneficiary of any performance, duty or right created or required pursuant to the terms and conditions of this Agreement.
- 9.6 Agreement Complete. The foregoing constitutes the full and complete Agreement of the Members. There are no oral understandings or agreements not set forth in writing herein.
- 9.7 Further Assurances. Each Member agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.
- 9.8 Execution by Counterparts. This Agreement may be executed in any number of counterparts, and upon execution by all Members, each executed counterpart shall have the same force and effect as an original instrument and as if all Members had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.
- 9.9 Members to be Served Notice. Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Member, as the case may be, or such other person designated in writing by the Authority or Member. Notices given to one Member shall be copied to all other Members. Notices given to the Authority shall be copied to all Members.
- 9.10 Dispute Resolution. Representatives of the Members shall meet and use their best efforts to settle any dispute, claim, question or disagreement ("a Dispute") arising from or relating to this Agreement or to the interpretation of this Agreement. To that end, representatives of the Parties shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both Parties. If the Parties do not reach such a solution within a period of thirty (30) days after the first meeting regarding a Dispute, then the Parties shall convene a meeting of the Board within sixty (60) days after the first meeting of the Party

representatives regarding a Dispute and attempt to settle the Dispute before the Board meeting. If the Parties do not settle the Dispute within five (5) calendar days after the Board meeting, the Parties shall submit to mediation of the Dispute to be held within thirty (30) days of the request for mediation. If mediation is not successful, any Party may pursue any and all legal and equitable remedies that may be available. Any Party with a Dispute over the amount of money to be paid to the Authority or a Party shall first pay the disputed amount to the Authority or other Party under protest before commencing dispute resolution under this section.


- 9.11 Governing Law. This Agreement is to be governed by and construed according to the laws of California.

IN WITNESS WHEREOF, the Members hereto have caused this Agreement to be executed by their proper officers thereunder duly authorized and effective as of the date of execution of all Members hereto.

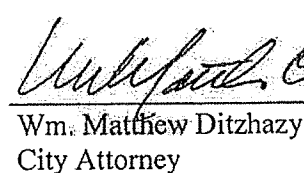
CITY OF PALMDALE

  
James C. Ledford, Jr.  
Mayor

PALMDALE WATER DISTRICT

  
Gordon Dexter  
President

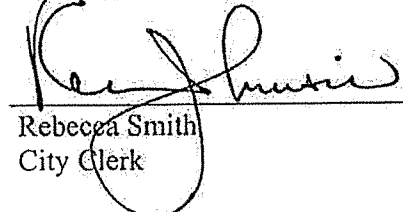
APPROVED AS TO FORM:

  
Wm. Matthew Ditzhazy  
City Attorney

APPROVED AS TO FORM:

  
Thomas L. Brown III

ATTEST:

  
Rebecca Smith  
City Clerk

CITY OF PALMDALE  
CITY CLERK ORIGINAL

FIRST AMENDMENT TO THE  
JOINT EXERCISE OF POWERS AGREEMENT CREATING THE PALMDALE  
RECYCLED WATER AUTHORITY  
DATED SEPTEMBER 26, 2012 (CITY AGREEMENT NO. A-4113)

Dated March 6, 2013

This First Amendment to the "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" dated September 26, 2012 (hereinafter "Agreement") is made and entered into this 6 day of March 2013, by and between the City of Palmdale, State of California, a California Charter City (hereinafter "City") and the Palmdale Water District, an Irrigation District under Division 11 of the California Water Code (hereinafter "District").

WITNESSETH:

**WHEREAS**, pursuant to Section 1.1, "Definitions", of the Agreement, the District and the City are the constituent "Members" of the Palmdale Recycled Water Authority (hereinafter "PRWA" or "Authority"); and

**WHEREAS**, Section 7.1, "Amendments", of the Agreement states, "This Agreement may be amended only upon the affirmative vote of both Members."; and

**WHEREAS**, pursuant to the Agreement provides for a five-member Authority Board wherein each of the two Members appoint two members from their respective governing boards to serve on the Authority Board and jointly appoint the "Fifth Director", and

**WHEREAS**, it is the desire of the City and the District as Members of the Authority to amend the Agreement to clarify the conditions under which the Fifth Director may be removed from the Authority Board.

**NOW THEREFORE**, the City and the District agree as follows:

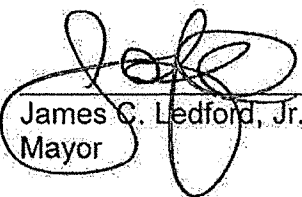
**SECTION 1.** Article 4 "Organization", sub-section 4.4 of the Agreement, is amended to add the following paragraph to read as follows:

*"The fifth Director shall serve for renewable one-year terms at the pleasure of both Members. In the case of removal of the fifth Director before the expiration of his or her term, both Members would be required to adopt resolutions for removing said director. Cause for removal need not be stated in the resolutions as the fifth Director serves at the joint pleasure of both Members."*

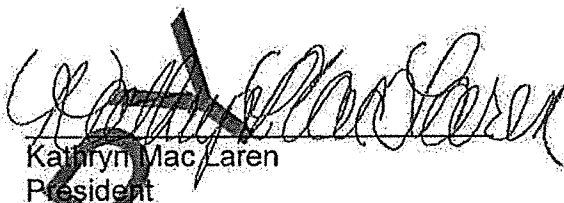
**SECTION 2. EFFECTIVE DATE.** This First Amendment to the Agreement shall become effective when approved by the City Council of the City of Palmdale and the Palmdale Water District Board of Directors and is duly signed by both of those parties.

IN WITNESS WHEREOF, each of the parties have caused this "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" dated September 26, 2012," to be executed by their duly authorized representatives as signed below.

**CITY OF PALMDALE**

  
James C. Ledford, Jr.  
Mayor

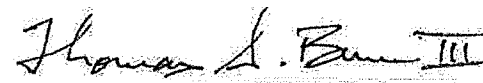
**PALMDALE WATER DISTRICT**

  
Kathryn MacLaren  
President

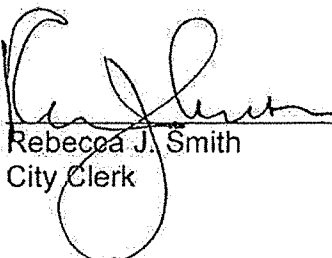
**APPROVED AS TO FORM:**

  
Wm. Matthew Ditzhazy  
City Attorney

**APPROVED AS TO FORM:**

  
Thomas S. Bunn, III  
District Counsel

**ATTEST:**

  
Rebecca J. Smith  
City Clerk

CITY OF PALMDALE  
CITY CLERK ORIGINAL

**SECOND AMENDMENT TO THE  
JOINT EXERCISE OF POWERS AGREEMENT CREATING THE PALMDALE  
RECYCLED WATER AUTHORITY  
DATED SEPTEMBER 26, 2012 (CITY AGREEMENT NO. A-4113)**

Dated October 2, 2013

This Second Amendment to the "Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" dated September 26, 2012 (hereinafter "Agreement") is made and entered into this 2nd day of October, 2013, by and between the City of Palmdale, State of California, a California Charter City (hereinafter "City") and the Palmdale Water District, an Irrigation District under Division 11 of the California Water Code (hereinafter "District").

**WITNESSETH:**

**WHEREAS**, pursuant to Section 1.1, "Definitions", of the Agreement, the District and the City are the constituent "Members" of the Palmdale Recycled Water Authority (hereinafter "PRWA" or "Authority"); and

**WHEREAS**, Section 7.1, "Amendments", of the Agreement states, "This Agreement may be amended only upon the affirmative vote of both Members."; and

**WHEREAS**, pursuant to the Agreement Section 4.19 "Authority Documents", the affairs of the Authority must be implemented through duly adopted resolutions approved by the Authority Board, and

**WHEREAS**, it is the desire of the City and the District as Members of the Authority to amend the Agreement to simplify the adoption of general and routine items of the Authority by eliminating the need for a formal resolution except in more extraordinary matters..

**NOW THEREFORE**, the City and the District agree as follows:

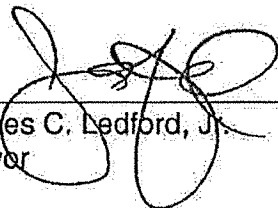
**SECTION 1.** Article 4 "Organization", sub-section 4.19 of the Agreement, is amended to add on the following paragraph as follows:

*"All actions of the Authority Board pursuant to Section 4.9 "Special Voting Situations" shall be via written resolution formally adopted at a regular or adjourned regular meeting of the Authority. All other Authority Board matters may be adopted via motion and vote and so noted in the minutes."*

**SECTION 2. EFFECTIVE DATE.** This Second Amendment to the Agreement shall become effective when approved by the City Council of the City of Palmdale and the Palmdale Water District Board of Directors and is duly signed by both of those parties.

IN WITNESS WHEREOF, each of the parties have caused this "2<sup>nd</sup> Amendment to the Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority" dated September 26, 2012," to be executed by their duly authorized representatives as signed below.

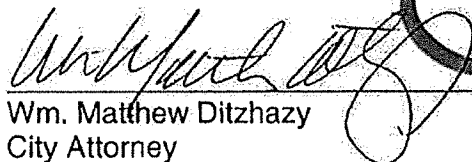
**CITY OF PALMDALE**

  
James C. Ledford, Jr.  
Mayor

**PALMDALE WATER DISTRICT**

  
Kathryn MacLaren  
President

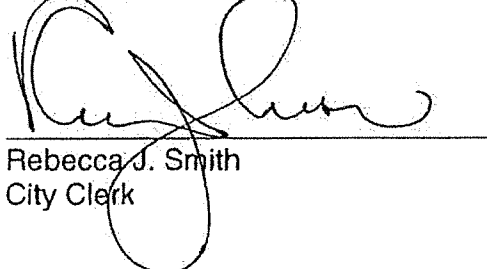
**APPROVED AS TO FORM:**

  
Wm. Matthew Ditzhazy  
City Attorney

**APPROVED AS TO FORM:**

  
James D. Ciampa  
District Counsel

**ATTEST:**

  
Rebecca J. Smith  
City Clerk