

SIXTH AMENDED AND RESTATED AGREEMENT

between the

**ELECTED OFFICIAL POLICY BOARD
of the
SOUTHEAST LOS ANGELES COUNTY LOCAL AREA**

and

**WORKFORCE DEVELOPMENT CORPORATION
OF
SOUTHEAST LOS ANGELES COUNTY, INC**

The Sixth Amended and Restated Agreement is entered into effect as of July 1, 2020, by and between the Policy Board of the Southeast Los Angeles County Local Area ("Policy Board"), as defined in that certain Sixth Amended and Restated Joint Exercise of Powers Agreement Among the Cities of Artesia, Bellflower, Cerritos, Downey, Hawaiian Gardens, Lakewood, Norwalk, and Paramount for Workforce Development Services, as amended ("JPA"), and Workforce Development Corporation of Southeast Los Angeles County, Inc. (the "WDB"), with reference to the following facts:

A. The Cities that are signatories to the JPA as they now exist or may hereafter be increased or decreased, are hereinafter collectively referred to as "the Cities." The Policy Board is the public entity established under the JPA to carry out the JPA's purpose to develop, finance, and administer programs for the delivery of employment and training services, business engagement, economic development and human services and to undertake such programs as the Policy Board may authorize, to support these purposes. It is comprised of one elected official, or alternate, appointed by each of the Cities. The Policy Board is also the "Chief Elected Official" for the State-designated "Local Workforce Investment Area" comprised of the Cities or the "Local Elected Officials" for the Cities designated by the State of California as the Southeast Los Angeles County Service Delivery Area ("SELACO SDA"), as such quoted terms are defined by the federal Workforce Investment Act of 1998, 29 USC §2801 *et seq* as superseded by the Workforce Innovation and Opportunity Act of 2014, or any successor to that legislation ("WIOA") and implementing legislation, and is responsible for exercising the authority and performing the functions of the WIOA Chief Elected Official and Local Elected Officials. The Policy Board's authority and functions are further defined herein.

B. The WDB is the entity designated to administer the JPA, under the direction of the Policy Board, unless and until such time the Policy Board appoints another entity to do so. It is also the "Local Workforce Development Board" (as defined by WIOA) for the Local Area, and shall be responsible to exercise the authority and perform the functions of such a Local Board as well as its general corporate authority and functions, under the directions of its Board of Directors, who are appointed by the Policy Board as further described herein. The Board of Directors is to be comprised of business representatives and representatives of various educational and public service entities and organized labor, as required by WIOA and reflected in Attachment A to the

WDB Bylaws (as amended and restated concurrently with approval of this Agreement) or as otherwise determined pursuant to the Agreement.

C. The Policy Board and the WDB have heretofore further defined and described their respective roles in overseeing and implementing WIOA-authorized workforce development services within the Local Area, to foster improved economic circumstances for jobseekers and employers.

D. It is the intent of the parties to this Agreement to amend, restate and replace any prior agreements in their entirety, and to continue the cooperative and consultative relationship between them so that, to the maximum extent permitted by law, their respective powers shall be exercised consistently with a common vision for the local area. Thus, where the law does not require unilateral action by one or another of the parties, consultation shall occur before action is taken.

NOW, THEREFORE, pursuant to the above-stated facts and in compliance with WIOA requirements, the Policy Board and the WDB hereby amend, restate and replace any prior agreements that govern the relationship of the Parties in their entirety, and agree as follows:

J. Purpose. The purpose of this Agreement is to establish the respective roles of the Policy Board and the WDB with regard to the activities and operations of the WDB, including, but not limited to, WDB-authorized and related workforce development services within the Local Area. The roles and responsibilities established by this Agreement shall be in addition to those established by the WIOA, its implementing regulations, and other applicable federal, state and local laws. Notwithstanding anything to the contrary herein or in the articles of incorporation of the WDB or under applicable law, the WDB shall not engage in any activities or operations other than those directly involving, or reasonably necessary in supporting, workforce development services within the Local Area except with the written consent of the Policy Board. A determination of the WDB that the provision of other services or services in other areas is reasonably necessary to support workforce development services within the Local Area shall require the consent of the Policy Board, which shall have the power to give conceptual and/or conditional approval to any such services. Except to the extent required by preemptive state or federal law and except where the WDB remains designated the service provider for a City after its withdrawal from the SELACO workforce area, neither the Policy Board nor the WDB shall operate any program or service in any of the Cities over the objection of the City Council of that City.

2. Policy Board Roles. The Policy Board shall:

a. WDB Director Appointment. Appoint the members of the Board of Directors of the WDB ("WDB Directors"). The membership shall be maintained in compliance with the then-current requirements of WIOA. Each City within the Local Area shall be represented by an equal number of WDB Directors who are owners or executives of private-sector employers and who exercise optimum policy-making authority within their respective businesses, each of whom shall be nominated by the respective City Council. Other nominees for WDB Director shall be

identified by the WIOA- or State-required nominating entity or, in the absence of such a requirement, may be nominated by any person. The WDB shall give written notice to the Policy Board no later than March 1 of each year specifying the names and categories of representation of each WDB Director whose term is to expire on the following June 30; and shall give such notice within fifteen (15) days after there occurs any vacancy in a WDB Director position. Each WDB Director shall be appointed by the Policy Board for a fixed term of two (2) years commencing on July 1, except that the term of a WDB Director appointed to fill a vacancy shall be the unexpired portion of the term of that WDB Director's predecessor (i.e., ending on June 30 of the applicable year). Such terms (including the terms of the business representatives from each City) shall be staggered to provide for appointment of about half of the WDB Directors each year. Once appointed by the Policy Board, the rights and duties of members of the WDB Board of Directors shall be governed by the WDB Bylaws, this Agreement and applicable laws.

b. Local Plan Approval. Review, comment on, and approve jointly with the WDB for submittal to the State the WIOA-required and State-designed Local Workforce Investment Plan for the Local Area ("Local Plan") within the deadline established by the State, including any amendments thereto. The WDB shall be responsible to draft and issue the Local Plan as further provided below, whereupon any public comments received thereon shall be presented to the Policy Board for its review and consideration, together with any WDB comments. The final Local Plan, incorporating all such comments approved by the Policy Board and the WDB for inclusion, shall be submitted to the State jointly by the Policy Board and the WDB according to time limitations established by the State. The Local Plan shall include: (i) a description of the "One Stop Delivery System," designation of the "One Stop Operator(s)" and the form of "One Stop Memorandum of Understanding" as defined by WIOA; (ii) the membership of the Committees established by the WDB, with Policy Board approval, to advise the WDB regarding service delivery activities; (iii) the mix of services to be offered to youth, adult and dislocated worker customers, and the methods of their delivery; and (iv) how the Local Area will comply with applicable administrative requirements. Any designation of the WDB as a provider of core services or intensive services, or as a One Stop Operator, shall require the prior approval of the Policy Board. The Local Plan shall not be submitted to the State without prior approval by the Policy Board.

c. Annual Budget Approval. Review, comment on and approve the WDB's annual budget for all programs, services, revenues and expenditures of the WDB ("Budget"), including, but not limited to, WIOA-funded programs and programs funded by any other sources. Subject to timely issuance of annual allocations by the State and other funding entities the proposed annual Budget shall be presented to the Policy Board for review and comment at a regularly-noticed meeting thereof during the month of May, followed by final approval at a regularly-noticed meeting thereof during the month of June of each calendar year. In the event that allocations are not available in a timely manner, a provisional Budget shall be presented to the Policy Board during the month of May, and a final proposed Budget shall be presented as soon as is practicable after the availability of allocations from the State and other funding entities. The provisions of this paragraph 2.c. shall apply to provisional Budgets as they do to final proposed Budgets. Any Bonus Payment (as defined below) and any change to the Budget during the program year caused by the WDB's receipt of additional funds or reduced funding in the amount of \$100,000 (or such other amount as the Policy Board may establish in writing after

consultation with the WDB) or more shall be submitted to the Policy Board in writing, and the Policy Board shall be considered to have approved the Budget change unless, within two (2) weeks after its receipt of written notice thereof, the Policy Board notifies the WDB of its disapproval. For purpose of this paragraph, the term "Bonus Payment" shall mean any payment of compensation (regardless of amount) or any adjustment of benefits to or for the benefit of the chief operational employee or the chief policy employee unless the payment or adjustment is specifically required under a Major Contract theretofore approved by the Policy Board pursuant to Paragraph 2.e.

The Budget, as it may be amended, shall contain sufficient detail to allow the Policy Board to fully appreciate the activities and financial commitments of the WDB and shall be consistent with this Agreement. Each WDB Budget presented to the Policy Board from time to time as provided in this Paragraph 2.c. shall be in substantially the same format as the example attached hereto as Exhibit "B" unless the Policy Board acts by a 2/3 vote of its entire membership to direct otherwise after consultation with the WDB and provided that no such direction shall cause the WDB to fail to comply with applicable and current requirements of granting agencies.

d. Create Policy and Procedure for Competitive Bidding Process for One-Stop Operation as needed. Create, implement, and manage policy and procedure for competitive bidding process for One-Stop Operator if needed. This policy and procedure, as carried out by the Policy Board and as delegated or contracted out by approval of the Policy Board, shall serve as the firewall as required under WIOA and its implementing regulations. Procurement for the One-Stop Operator shall be the power of the Policy Board unless delegated to the WDB. The Policy Board may not delegate this power if WDB seeks to compete in the competitive bidding process. Designate the One Stop Operator and terminate the One Stop Operator for cause as appropriate. Oversee and coordinate the services provided through the local "One Stop Delivery System" as defined by WIOA. The responsibility for designation and/or termination will be the function of the Policy Board if they carry out the procurement process. However, if the WDB carries out the procurement process, the responsibility for designation and/or termination will be the function of the WDB.

e. Performance Standards Negotiation. Direct or delegate the authority to staff to negotiate with the State the standards for achieving customer satisfaction and positive program outcomes that will be applicable to the Local Area's WIOA service delivery system. The WDB shall not participate in negotiation for performance standards if it is, or will bid to become, the One-Stop Operator for the Local Area.

f. Oversight and Evaluation. Create a policy and procedure for the selection, oversight, monitoring, and evaluation of service providers such that it is not conducted by the same provider. Thus, if the Local Board submits a bid in response to a procurement for a One-Stop Operator, the Local Board may not have oversight over, monitor, or evaluate itself. Review the monthly and quarterly reports provided by the WDB with respect to program performance (including without limitation performance in adult, dislocated worker and youth programs) and use of funds, together with such other information as the Policy Board may request from time to time for purposes of evaluating the effectiveness of the WDB's services to residents and business

in the Local Area. The WDB's periodic reports to the Policy Board of WDB expenditures and financial affairs shall be in a format which corresponds to the Budget and permits the Policy Board to readily compare actual and planned WDB expenditures to Budget line items. The WDB's periodic reports to the Policy Board of WDB services to customers shall be substantially in the format approved by the Policy Board, unless the Policy Board acts by 2/3 vote of its entire membership to direct otherwise after consultation with WDB.

The WDB shall consult with the Policy Board with regard to any proposed "Major Contract" (as hereinafter defined) and shall not enter into any Major Contract without obtaining the prior approval of the proposed Major Contract by the Policy Board.

"Major Contract" means a contract of the WDB involving a major strategic matter or action that is not a routine part of the WDB's business affairs. Major Contracts include without limitation the following:

1. A lease of space which is: (i) for an initial term longer than five (5) years, or (ii) for an initial term of five (5) years or less and not subject to State or Federal competitive procurement requirements.

2. A contract which is for purposes other than delivering services to the WDB's customers by a third party under the terms of grants reflected in the SELACO WDB's Budget, and which obligates the WDB to pay more than \$100,000 during a single twelve-month period. These dollar figures may be adjusted by the Policy Board in writing after consultation with the WDB.

3. A settlement of a formal legal proceeding to which the WDB or any of its Directors or employees is a party in his or her official capacity.

4. The formation directly by the WDB or with active WDB support of an entity to assist the WDB in performing its responsibilities.

5. The employment of a chief operational employee of the WDB whether that position is entitled "Executive Director" or otherwise, and the employment of a chief policy employee of the WDB whether that position is entitled "Policy Director" or otherwise.

6. The provision of services other than within the Local Area, unless the Policy Board has previously given its conceptual consent thereto in accordance with paragraph 1 of this Agreement.

Upon the WDB's submittal of the particulars of a Major Contract in writing to the Policy Board for approval, the Policy Board shall have four (4) weeks to act thereon and communicate to the WDB its disapproval; and absent such disapproval and notice the Major Contract shall be considered approved by the Policy Board. Such time for Policy Board action may be shortened to no less than one (1) week if necessary to avoid the loss of the WDB's capability to complete the Major Contract, but only if the WDB's initial submittal of the particulars thereof to the Policy Board for approval states a reasonable rationale (excluding any unreasonable delay in submittal by the WDB) for shortening the Policy Board's time for review and action and if that submittal is

also provided to the City Managers of each of the Cities. The time in which the Policy Board may act pursuant to this paragraph shall commence upon receipt by the Policy Board Members and, if required, the City Managers, of the contract to be approved or disapproved at such addresses as they may individually specify in writing to the WDB or, failing such specification, at their respective City Halls.

In interpreting the Paragraph 2.t: it is the intention of the parties to involve the Policy Board in major strategic decisions such as real estate transactions, the settlement of lawsuits, the incorporation or other establishment of other entities, and non-routine and financially significant contracts and significant activities and commitments which affect programs outside the Cities. The parties do not intend to involve the Policy Board in routine administrative decisions of the WDB. The Policy Board or its designees will, however, have responsibility to implement, and manage policy and procedure for competitive bidding process for One-Stop Operator as discussed above.

g. WDB Articles of Incorporation and Bylaws Approval. Approve or disapprove any amendments to the articles of incorporation or bylaws of the WDB. Copies of the articles of incorporation and bylaws, as amended and restated and effective at the time of approval of this Agreement, are attached to this Agreement as Exhibits "A-1" and "A-2" and hereby approved by both parties.

h. Consideration of Matters. Place on its meeting agenda and consider in good faith any matter requested by the WDB provided, however, that this paragraph shall not be deemed to require the Policy Board to take any specific action regarding the matter.

3. WDB Roles. The WDB shall:

a. WIOA Grant Recipient; Fiscal Agent. Receive directly from the State of California the Local Area's allocation of WIOA funds, and act as the "Fiscal Agent" (as defined by WIOA) for the Local Area with respect to those funds. In performing these functions, the WDB, and its designees and contractors, shall strictly comply in every respect with all WIOA requirements applicable to the receipt and disbursement of WIOA funds, and with any additional State regulations issued in compliance with WIOA and State law. The Policy Board may, upon giving six (6) months' notice to the WDB and subject to applicable State requirements, revoke the WDB's Grant Recipient and/or Fiscal Agent status; provided that such revocation action shall require approval by a three-fourths (3/4) majority of the then-existing membership of the Policy Board.

b. Plan Preparation. Prepare and issue for public comment and Policy Board review and approval the Local Plan in accordance with WIOA requirements and State instructions, including substantive amendments thereto; coordinate distribution to the Policy Board of any public comments received thereon; prepare the final Local Plan; and, pursuant to agreement with the Policy Board on the Local Plan's final contents, jointly with the Policy Board submit the Local Plan to the State for approval.

c. Budget Approval. Coordinate with the Policy Board in preparing the annual Budget, in compliance with applicable federal and State requirements and subject to WIOA allocations received from the State and receipt of funds from other sources. To the extent allocations are available before April 15 of any calendar year, a draft Budget for the following Program year (commencing July 1) shall be timely presented to the WDB and Policy Board for review and comment at properly noticed meetings thereof held during the first week of May. Comments and direction of the WDB and Policy Board shall be incorporated into the draft Budget, which shall be re-submitted to the WDB and Policy Board for adoption at properly noticed meetings thereof held during the first two weeks of June. Should allocations not be available in a timely manner, the local Boards' review and approval processes shall be adjusted as provided in paragraph 2.c. above, including in exceptional circumstances the possibility that the WDB will operate under a provisional Budget until formal adoption of a final Budget by both boards.

d. Financial and Program Reporting. Timely comply with Federal and State requirements for controlling, tracking and reporting revenues and expenditures, and for tracking and reporting program activities and outcomes; and submit a copy of all such reports to the Policy Board. In addition, WDB internal monthly financial reports, tracking revenues and expenses against the Budget, and WDB internal monthly program activity and customer service reports, shall be provided to the Policy Board at its regularly scheduled meeting. All reports submitted will demonstrate year to date activity. The WDB shall comply with all Federal and State procurement requirements applicable to selection of its independent audit firm and preparation of its annual audits; shall ensure that the firm so selected is qualified and reputable; shall re-procure its independent audit firm no less frequently than every five (5) years, commencing with the audit of Program Year 2000-01; and shall provide each final audit report on WDB activities to the Policy Board for review and comment prior to release to the State or Federal government. The chief operational employee of the WDB and the Chair of the Board of Directors of the WDB shall meet with the Policy Board not less frequently than twice each year to review program and planning status as well as the reports provided by the WDB and to answer questions posed by members of the Policy Board.

e. Executive Director and Policy Board Director Selection and Evaluation. Select, evaluate and retain: (i) its chief operational employee, whether denoted "Executive Director" or otherwise, and (ii) its chief policy employee, whether denoted "Policy Director" or otherwise, in both cases in coordination with the Policy Board, through a Joint Personnel Committee comprised of two (2) Policy Board members and two (2) WDB private-sector Directors appointed by their respective bodies, plus one (1) additional Policy Board member appointed by the Policy Board to chair the Committee and to cast a vote only to break a tie in any Committee action. The Joint Personnel Committee shall: (i) meet at least twice annually, at which meetings action may be taken only if at least three (3) Committee members are present, including at least one (1) member representing each of the Policy Board and the WDB; (ii) approve in advance the WDB's procedures for recruitment of each such employee; (iii) interview the top six (6) candidates determined by the WDB to be qualified for each position; (iv) recommend to the WDB at least two (2) such candidates for each position for hire by the WDB, which shall make the final selection; and (v) evaluate the performance of each such employee on an annual basis or more frequently if requested by either party hereto and make appropriate

recommendations to the WDB regarding salary and conditions of employment. To enable the Joint Personnel Committee to perform its evaluation responsibility, it shall have access to all personnel records of each such employee and to otherwise confidential WDB records relating to that employee's actions in her/his official capacity, including without limitation personnel and litigation matters; provided that the Committee and each of its members shall at all times keep all such records and all information derived therefrom in the strictest confidence, and shall be subject to all available legal remedies should it or any of them fail to do so. The WDB shall maintain directors and officers liability insurance for all members of the Joint Personnel Committee to the same extent as such insurance is maintained for WDB Directors. The parties recognize that the WDB may fill the position of chief policy employee pursuant to a contract with one of the Cities or with another entity. In such case, the Joint Personnel Committee shall provide its advice and recommendations regarding the chief policy employee to both the WDB and to the governing authority of the entity which contracts with the WDB to provide the services of the chief policy employee. The WDB and any governing entity that contracts with the WDB to provide the services of the chief policy employee shall consider the comments of the Joint Personnel Committee in annual evaluation of the chief operational employee and the chief policy employee. The chief operating employee and the chief policy employee shall each have primary authority in his/her area of responsibility; each shall report directly to the WDB Board of Directors.

f. Policy Board Staff Support. A primary responsibility of the WDB's Executive Director shall be creating and maintaining effective communications with the Policy Board and ensuring the WDB otherwise fully complies with the cooperative spirit and letter of this Agreement. As part of the duties under separate agreement, the Policy Board Administrator shall, in coordination with the Executive Director, ensure that Policy Board meetings are called, agendaed and noticed consistently with the requirements of the Brown Act (Government Code Section 54950 *et seq.*), materials are timely prepared, minutes are accurately recorded and timely distributed, Policy Board information requests receive a timely response.

g. One Stop System Administration. Identify One Stop Partners and enter into agreements with each, subject to Policy Board approval as needed; develop a priority system for serving those most in need of WIOA services, to the extent that WIOA funding is insufficient to serve all applicants; identify eligible providers of customer services, conduct procurement and enter into contracts in compliance with applicable Federal, State and local requirements; develop policies and procedures for issuing and controlling individual training accounts; coordinate outreach and services to the employer community; coordinate workforce development activities with the economic development community and otherwise. To the extent reasonably feasible, the WDB shall coordinate its programs with the economic development efforts of the Cities represented on the Policy Board and with regional economic development organizations designated by the Policy Board from time to time, initially including the Gateway Cities Council of Governments and the Gateway Cities Public Private Regional Partnership as defined by the Metro Local Service Council. To that end, the WDB shall consult with economic development staff of each of the Cities and other entities designated by the Policy Board not less than annually and prior to the development of the Local Plan.

h. Establish Standing Committee. Appoint, as needed, Standing Committees, from among nominations solicited from the community (including WDB Directors, employers, community-based organizations, educators, housing service providers and other relevant public service agencies, to act as an advisory body to the WDB in designing/maintaining a comprehensive service system, selecting appropriate service contractors as needed overseeing the effectiveness of the service system design adopted by the WDB; and oversee and coordinate services provided to adult and youth in the local area.

i. Performance Standards Negotiation. Direct or delegate the authority to staff to negotiate with the State the standards for achieving customer satisfaction and positive program outcomes which will be applicable to the Local Area's service delivery system except to the extent those standards for achieving customer satisfaction and positive program outcomes would also apply to the WDB if it served or intended to bid to serve as the One-Stop Operator. Because the WDB may not evaluate itself, to avoid the appearance of impropriety that could arise if it selected the criteria for evaluation in those circumstances, the Policy Board or its staff by delegation shall negotiate with the State standards for achieving customer satisfaction and positive program outcomes.

j. Program Evaluations. Oversee and evaluate the effectiveness of services to job-seekers and employers, based on WIOA performance standards established through negotiation with the State and on WDB internal, continuous-improvement and quality standards; except to the extent evaluations of the effectiveness of service to job seekers and performers would also apply to the WDB if it served or intended to bid to serve as the One-Stop Operator. Because the WDB may not evaluate itself, the Policy Board shall oversee and evaluate the effectiveness of services to jobseekers, employers, and other patrons. The WDB shall provide regular reports to the Policy Board on evaluation results and improvement objectives.

k. Articles and Bylaws Amendments. Notify the Policy Board in writing at least thirty (30) days before approving any proposed amendment to the WDB's article of incorporation or bylaws, which notice shall include the language of the proposed amendment and any descriptive information necessary to understand its background; and take formal action to approve or disapprove any articles of incorporation or bylaws amendment proposed by the Policy Board, which action must occur at the next regular meeting of the WDB's Board of Directors occurring at least thirty (30) days after it receipt of the proposed amendment. No amendment to those sections of the articles of incorporation or bylaws listed in Paragraph 2.t above shall be effective unless the Policy Board also approves the amendment.

l. Consideration of Matters. Place on its meeting agenda and consider in good faith any matter requested by the Policy Board; provided, however, that this paragraph shall not be deemed to require the WDB to take any specific action regarding the matter.

m. Compliance with Conflict of Interest Laws. The WDB shall comply, and shall cause its contractors, agents and employees to comply, with all applicable Federal, State, and local laws and regulations governing conflicts of interest, including the Political Reform Act (Government Code Section 81000 et seq.), Government Code Section 1090 et seq..

the implementing regulations of WIOA, and the conflict of interest provisions of other applicable laws.

n Indemnification.

(1) To the full extent permitted by law, the WDB shall indemnify, hold harmless and defend the Policy Board and the Cities, and their respective officers, agents, employees and volunteers, from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of the WDB or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of the indemnitee's choice.

(2) The WDB's obligations under this or any other provisions of this Agreement will not be limited by the provisions of any Workers compensation act or similar act. The WDB expressly waives its statutory immunity under such statutes or laws as to the Policy Board, the Cities, and their respective officers, agents, employees and volunteers.

(3) The Policy Board and the Cities do not, and shall not, waive any rights that either may possess against the WDB because of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense. The WDB agrees that the WDB's covenant under this section shall survive the termination of this Agreement.

o Insurance

(1) The WDB shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(a) Commercial General Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence and in the aggregate for any personal injury, death, loss or damage.

(b) Automobile Liability Insurance for any owned, non-owned or hired vehicle used by the WDB or its agents or employees, with minimum limits of Two Million Dollars (\$2,000,000) per accident for bodily injury and property damage.

(c) Worker's Compensation as required by the State of California.

(2) The policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

(3) The WDB shall provide proof that policies of insurance expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

(4) All insurance coverage provided pursuant to this Agreement shall not prohibit the WDB, and the WDB's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. The WDB hereby waives all rights of subrogation against the Policy Board, the Cities, and their respective officers, employees, agents and volunteers.

(5) Any deductibles or self-insured retentions must be approved by the Policy Board.

(6) Procurement of insurance by the WDB shall not be construed as a limitation of the WDB's liability or as full performance of the WDB's duties to indemnify, hold harmless and defend under Section 3.n of this agreement.

4. Open Records. In addition to the monthly, quarterly and annual reports from the WDB to the Policy Board required above, all records of the WDB, including without limitation financial records, customer service records, Federal and State monitoring reports and Board of Directors meeting agendas and minutes, shall be open to inspection during business hours by any authorized Policy Board representative upon written request to the WDB three (3) days in advance of the desired date of inspection specifying the records to be inspected; provided that any such records which are confidential under Federal or State laws (including without limitation employee files, personal information on customers and records of closed Board sessions permitted by the Brown Act) shall not be subject to inspection or disclosure except as permitted by law.

Notwithstanding anything else in this paragraph 4 to the contrary, Joint Personnel Committee members shall have access to the personnel and other records specified in paragraph 3.e. of this Agreement, subject to the confidentiality requirements thereof; and Policy Board members shall have access to WDB documents generated with respect to litigation or other formal legal proceedings that are not subject to the attorney-client privilege or the work product doctrine, including without limitation any document served on opposing counsel or filed with any court or tribunal other than under seal. Any document provided to a Joint Personnel Committee member or a Policy Board member, respectively, pursuant to this paragraph 4, shall be promptly provided to every other member of the Joint Personnel Committee or the Policy Board, as applicable.

The WDB shall promptly report to the Policy Board any lawsuit or other formal legal proceeding to which the WDB or any of its Directors or employees in their official capacities may be or become a party. The settlement of any such formal legal proceeding shall constitute a "major contract" within the meaning of paragraph 3.(e) above provided that, if the Policy Board does not approve settlement of the proceeding on reasonable terms proposed by the WDB, then the Policy Board shall defend, indemnify and hold harmless the WDB and its Directors, Officers, agents and employees with respect to all costs, expenses, fees (including

without limitation attorney's fees), damages and liabilities which may arise due to continuing the proceeding thereafter. As used in the preceding sentence, settlement terms shall be "reasonable" if their approval by the WDB would be consistent with the duties of care imposed on WDB Directors by the California Corporations Code and other applicable law.

5. Term of Agreement; Dissolution of WDB

a. This Agreement shall be effective for a two (2)-year period ("Term") commencing on July 1, 2020. The Term shall automatically be extended for additional periods of two (2) years on July 1, 2022, and each following July 1 biennial anniversary, unless either party gives notice of termination at least six (6) months prior to the scheduled expiration of the Term. Notwithstanding the foregoing, the Term shall terminate upon the earliest of: (i) the date that provisions mandating local public-private cooperation in delivering workforce investment services are no longer in effect under WIOA or comparable legislation; (ii) a date mutually agreed upon by the parties; and (iii) the date of any State action removing the designation of the Local Area as such under WIOA.

b. Upon termination of this Agreement for any reason in the absence of a written agreement between the Policy Board and the WDB to the contrary, the WDB may elect to dissolve and to wind up its affairs as promptly as reasonably possible. If the WDB does not elect to so dissolve and wind up its affairs, it shall seek agreement with the Policy Board to provide for its continuation as a nonprofit corporation for such lawful purposes as the Policy Board and the WDB may agree upon. If six months after the termination of this agreement and in the absence of a written agreement to the contrary, the WDB has not elected to dissolve or not wound up its affairs and has not reached agreement with the Policy Board for its continuation as a nonprofit corporation, then, the terms of all Directors of the WDB shall terminate, the number of Directors shall be reduced to the number of Cities at that time, and all Directors shall thereafter be appointed by the Policy Board in its sole discretion (i.e., without regard to any restrictions or requirements under WIOA, the Articles of Incorporation, the Bylaws, or any other provision of this Agreement).

6. Remedies

a. Chief Operational Employee. If the chief operational employee of the WDB fails to cause the WDB to perform to the satisfaction of the Policy Board any of its responsibilities under Paragraphs 3.a, 3.b, 3.c, 3.d, 3.e, 3.f, 3.g, 3.h, 3.i, 3.j, 3.k, 3.l, 3.m, 3.n, 3.o, and 4, the Policy Board may notify the Personnel Committee of its dissatisfaction. Upon receipt of such notice, the Personnel Committee shall discuss the dissatisfaction of the Policy Board with the chief operational employee, and the WDB shall consider the dissatisfaction of the Policy Board as a significant factor in considering the compensation of the chief operational employee.

b. WDB. If the WDB fails to perform to the satisfaction of the Policy Board any of its responsibilities under this Agreement, the Policy Board may notify the WDB of its dissatisfaction. Upon receipt of such notice, the Board of Directors of the WDB shall discuss the dissatisfaction with the Policy Board, and shall attempt to resolve the dissatisfaction.

c. Policy Board. If the Policy Board fails to perform to the satisfaction of the WDB any of its responsibilities under this Agreement, the WDB may notify the Policy Board of its dissatisfaction. Upon receipt of such notice, the Policy Board shall discuss the dissatisfaction with the WDB, and shall attempt to resolve the dissatisfaction.


7. Amendment: Construction. This Agreement may be amended only in writing signed by both parties hereto following approval by: (i) not less than a two-thirds (2/3) majority of the Policy Board (i.e., two-thirds (2/3) of the full authorized membership of the Policy Board, including vacancies, absences and abstentions), and (ii) a majority of the total number of directors of the WDB then in office, each at a properly-noticed meeting of the applicable entity. Any amendment to this Agreement shall be subject to compliance with WIOA requirements applicable to the Chief Elected Official, the Local Workforce Investment Board and the WIOA-funded service delivery system. This Agreement shall be construed consistently with the requirements of all applicable laws, including without limitation WIOA. Should any term or provision of this Agreement be determined by a court of competent jurisdiction to be illegal or unenforceable, the validity of the remainder of this Agreement shall not be affected thereby.

8. Authority. Each person signing this Agreement certified that (s)he is authorized by formal action of the party so represented to do so and to thereby bind that party (i.e., not less than two-thirds of the Directors of WDB and two-thirds of members of the Policy Board).

AGREED AND EXECUTED effective as of July 1, 2020 by:

The Policy Board of Southeast
Los Angeles County Local Area

By:



Jeff Wood
Chair

Date:

ATTEST:

By:




Jack Joseph
Policy Board Director

Date:

8/18/20

The Workforce Development Corporation
of Southeast Los Angeles County, Inc.
(WB)


By:



Aaron Drake
Chair

Date:

By:



Mark Dameron
Secretary

Date:

