

1 DIVISION OF LABOR STANDARDS ENFORCEMENT  
2 Department of Industrial Relations  
3 By Johanna Hsu, Assistant Chief Counsel, SB# 164247  
4 605 W. Santa Ana Blvd., Bldg. 28, Room 625  
5 Santa Ana, California 92701  
6 Telephone: (714) 558-4914  
7 Fax: (714) 558-4564

8 Attorney for the DIVISION OF  
9 LABOR STANDARDS ENFORCEMENT

10  
11 **BEFORE THE DIVISION OF LABOR STANDARDS ENFORCEMENT**  
12 **DEPARTMENT OF INDUSTRIAL RELATIONS**  
13 **STATE OF CALIFORNIA**  
14

15 In the matter of the  
16 Debarment Proceeding Against,  
17  
18 DEL NORTE CONSTRUCTION,  
19  
20 And,  
21 TRINIDAD MANUEL CANALES, an Individual  
22  
23 Respondents.

**Case No.: LB 5533**

ORDER OF THE LABOR  
COMMISSIONER ON STIPULATION  
TO DEBARMENT

24 Whereas, Respondent stipulated to debarment as follows:

25 1. Respondent DEL NORTE CONSTRUCTION is the holder of California  
26 Contractor's license number 945723.

27 2. Respondent TRINIDAD MANUEL CANALES is an individual who is  
28 and was at all relevant times the Sole Owner of DEL NORTE CONSTRUCTION.



**SETTLEMENT AGREEMENT AND RELEASE**

**PARTIES**

The parties to this Agreement, which was made in principle as of the 13th day of June, 2016, consist of the DIVISION OF LABOR STANDARDS ENFORCEMENT, Department of Industrial Relations, State of California (hereafter "DLSE"); TRINIDAD MANUEL CANALES an individual is the Sole Owner of DEL NORTE CONSTRUCTION a contractor licensed by the Contractors State Licensing Board (hereafter "CSLB") under license number 945723 (hereafter "CANALES"); and TRINIDAD MANUEL CANALES in his individual capacity, an individual who is listed with the CSLB as the Sole Owner of CANALES; and is intended to bind any other officers or directors CANALES in his or her position as officer or director of CANALES. DLSE, CANALES, TRINIDAD MANUEL CANALES and the officers or directors of CANALES are hereinafter collectively referred to as "PARTIES."

**RECITALS**

1. On October 7, 2014, DLSE served a Civil Wage and Penalty Assessment (hereafter "CWPA") (attached as Exhibit "1") in DLSE Case No. 40-35907-273, to CANALES, and VENTURA COUNTY PUBLIC WORKS (hereafter "AWARDING BODY"), claiming wages and training funds due in the amount of \$5,347.25; penalties pursuant to Labor Code sections 1775 and 1813 in the amount of \$19,825.00; and potential liquidated damages in the amount of \$5,347.25; said amounts alleged to be due and owing by CANALES as a result of violations of the prevailing wage laws of the State of California involving workers employed by CANALES on a public works project known as HWY 33 SOUTH OF LOMA DRIVE BUS PULLOUT (hereafter "PROJECT"), awarded by the AWARDING BODY, to CANALES, as the general contractor.

2. To the extent that the AWARDING BODY has withheld any funds in response to the CWPA, the AWARDING BODY is duty bound to promptly transmit withheld funds with

respect to the amount found due on the CWPA and/or any final order(s) and/or judgment(s) based thereon, if any, to DLSE pursuant to Labor Code sections 1727 and/or 1742(f).

3. TRINIDAD MANUEL CANALES is an individual doing business as DEL NORTE CONSTRUCTION a contractor licensed by the Contractors State Licensing Board (hereafter "CSLB") under license number 945723 (a printout of the license information from CSLB's website is attached as Exhibit 2). During all times mentioned herein, "TRINIDAD MANUEL CANALES", was listed with the CSLB as the SOLE OWNER of DEL NORTE CONSTRUCTION. As of the date of this Agreement, CANALES is not associated with any other CSLB license. In entering this Agreement, CANALES expressly confirms that the information in this paragraph is true and complete to the best of his knowledge.

4. On or about October 20, 2014, CANALES timely submitted its Request for Review of the CWPA, which resulted in the Director of the Department of Industrial Relations ("DIRECTOR") appointing as the DIRECTOR'S Hearing Officer, Howard Wien, an attorney employed by Department of Industrial Relations, Office of the Director, Legal Unit, to preside over a hearing on CANALES's Request for Review of the CWPA. This matter has now been decided by the DIRECTOR entitled In the Matter of the Request for Review of: Trinidad Manuel Canales, an individual doing business as Del Norte Construction, Case No. 14-0587-PWH (hereafter "THE LITIGATION"). The DIRECTOR issued a Decision of the Director of Industrial Relations on April 15, 2016 (attached as Exhibit 3), finding \$24,501.57 due and owing, representing \$2,993.44 in wages, \$2,993.44 in liquidated damages, \$289.69 in Training Funds, \$18,200.00 in 1775 penalties and \$25.00 for an 1813 penalty (hereafter "THE DECISION").

///

///

///

**SETTLEMENT AGREEMENT**

5. DLSE and CANALES agree to resolve all disputes between them concerning the CWPA identified in Paragraph 1 above and THE LITIGATION and THE DECISION identified in Paragraph 4 above, as follows:

- A. CANALES will refrain from entering a Writ of Mandate on THE DECISION, and THE DECISION will become final;
- B. CANALES will pay DLSE the sum of **\$15,000.00** (hereafter "SETTLEMENT AMOUNT") in two payments, \$7,500.00 to be due on or before June 15, 2016 and \$7,500.00 to be due on or before July 15, 2016. Both payments will be made by delivering a check made payable to "DIVISION OF LABOR STANDARDS ENFORCEMENT" to counsel for DLSE at the following address:

DIVISION OF LABOR STANDARDS ENFORCEMENT  
ATTN: Max D. Norris  
300 OCEANGATE, SUITE 850  
LONG BEACH, CA. 90802

C. DEL NORTE CONSTRUCTION and TRINIDAD MANUEL CANALES, as an individual and in his capacity as the Sole Owner of DEL NORTE CONSTRUCTION also stipulate as follows (these terms are hereafter referred to as the terms of the "DEBARMENT STIPULATION"):

- 1) DEL NORTE CONSTRUCTION is the holder of California Contractor's license number 945723;
- 2) TRINIDAD MANUEL CANALES, an individual, is the SOLE OWNER of this license number;
- 3) DEL NORTE CONSTRUCTION and TRINIDAD MANUEL CANALES, as an individual and in his capacity as SOLE OWNER of DEL NORTE CONSTRUCTION stipulate to debarment pursuant to Labor Code section 1777.1, subdivision (a) **for a period of 1 year beginning on June 1, 2016,**

following the filing of the Determination and Order of the Labor Commissioner in this matter. During that 1 year period, DEL NORTE CONSTRUCTION; TRINIDAD MANUEL CANALES, as an individual and in his capacity as Sole Owner of DEL NORTE CONSTRUCTION; any officer or director of DEL NORTE CONSTRUCTION; and any firm, corporation, partnership, or association in which any of said persons has any interest as defined in Labor Code section 1777.1, subdivision (f), or any substantial interest as defined in California Code of Regulations, Title 8, section 16800, shall be ineligible to do either of the following:

- (a) Bid on or be awarded a contract for a public works project; or,
- (b) Perform work as a subcontractor on a public works project.

D. In return for the successful completion of the foregoing and the timely payment of the SETTLEMENT AMOUNT, DLSE will release DEL NORTE CONSTRUCTION and TRINIDAD MANUEL CANALES from further liability on the CWPA identified in Paragraph 1 above.

6. DLSE and CANALES agree that in the event DEL NORTE CONSTRUCTION; TRINIDAD MANUEL CANALES as an individual or in his capacity Sole Owner of DEL NORTE CONSTRUCTION; any officer or director of DEL NORTE CONSTRUCTION; or any firm, corporation, partnership, or association in which any of said persons have any interest as defined in Labor Code section 1777.1, subdivision (f), or any substantial interest as defined in California Code of Regulations, Title 8, section 16800, fail to abide by the terms of their debarment, DLSE will enter judgment for the full amount of THE DECISION against TRINIDAD MANUEL CANALES in his personal capacity less any credits for payments made on the SETTLEMENT AMOUNT.

7. The PARTIES agree that signatures to this agreement may be effective upon electronic transmission whether by email, facsimile transmission, or as a PDF attachment to

email; that all signatures need not be affixed to a single document to be effective as to the PARTY whose signature is affixed so long as each PARTY signs this Settlement Agreement and Release; that the signatures are valid even if they are not dated; and that where this Settlement Agreement and Release is signed by counsel and/or other agent for the PARTY, such counsel and/or agent warrants that he/she/they are expressly authorized by their client or principal to execute this document on their client's or principal's behalf.

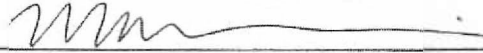
### **RELEASES**

8. DLSE agrees that, conditioned upon the timely payment of the SETTLEMENT AMOUNT to DLSE according to paragraph 5 (B); and the successful completion of the terms of the DEBARMENT STIPULATION in paragraph 5 (C), DLSE does upon said completion of the debarment hereby release CANALES, their employees, officers, stockholders, successors and assigns, attorneys and agents from all CLAIMS arising out of DLSE Case No. 40-35907-273. This is a full release of all such CLAIMS against CANALES arising out of said CWPA whether known or unknown, suspected or unsuspected. DLSE agrees that upon timely payment of the SETTLEMENT AMOUNT; and the successful completion of the terms of the DEBARMENT STIPULATION in paragraph 5 (C), DLSE will issue a Release of Civil Wage and Penalty Assessment as to CANALES.

**SIGNATURES**

I certify that I have read this Settlement Agreement and Release and fully understand and agree to it, and in witness I have executed this Release on this 20<sup>th</sup> day of June, 2016, at Long Beach, California. The undersigned represents and warrants that he has full authority to execute this Settlement Agreement and Release on behalf of the Division of Labor Standards Enforcement, Department of Industrial Relations, State of California, and that no legislative act or judicial act or approval is necessary to give effect to this Release.

DIVISION OF LABOR STANDARDS ENFORCEMENT  
Department of Industrial Relations State of California

By:   
MAX D. NORRIS, Esq.  
Attorney for the Labor Commissioner

I hereby certify that I have read this Settlement Agreement and Release and fully understand and agree to it, and on behalf of myself as an individual and as the Sole Owner of DEL NORTE CONSTRUCTION, I agree to be bound by the terms of this Agreement including the DEBARMENT STIPULATION. In witness thereof, I have executed this Agreement this \_\_\_ day of June, 2016, at VENTURA, California.

By:   
TRINIDAD MANUEL CANALES