

CONCILIATION AGREEMENT

BETWEEN

**U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS**

And

**CH2M HILL Plateau Remediation Company
2420 Stevens Center Place
Richland, WA 99352**

PART I: GENERAL PROVISIONS

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and CH2M HILL Plateau Remediation Company (hereinafter CH2M Hill PRC) located at 2420 Stevens Center Place, Richland, WA 99352.
2. The violation identified in this Agreement was found during a compliance review of CH2M Hill PRC which began on January 7, 2011 and was specified in a Notice of Violation issued February 29, 2012. OFCCP alleges that CH2M Hill PRC has violated Executive Order 11246, as amended and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by CH2M Hill PRC of any violation of Executive Order 11246, as amended and implementing regulations.
4. The provisions of this agreement will become part of CH2M Hill PRC's written AAP. Subject to the performance by CH2M Hill PRC of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of CH2M Hill PRC with all OFCCP programs will be deemed resolved. However, CH2M Hill PRC is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. CH2M Hill PRC agrees that OFCCP may review compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to CH2M Hill PRC's compliance. CH2M Hill PRC shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve CH2M Hill PRC from the obligation to comply with the requirements of Executive Order 11246, as amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212), and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

7. CH2M Hill PRC agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).
8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the District Director for OFCCP, unless the Regional Director or Director of OFCCP indicates otherwise within 45 days of the District Director's signature on this Agreement.
9. If at any time in the future, OFCCP believes that CH2M Hill PRC has violated any portion of this Agreement during the term of this Agreement, CH2M Hill PRC will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide CH2M Hill PRC with 15 days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this agreement may be initiated at any time after the 15-day period has elapsed (or sooner, if irreparable injury is alleged) without issuing a Show Cause Notice.

Where OFCCP believes that CH2M Hill PRC has violated this Conciliation Agreement, OFCCP may seek enforcement of the agreement itself and shall not be required to present proof of the underlying violations resolved by the agreement.

Liability for violation of this Agreement may subject CH2M Hill PRC to sanctions set forth in Section 209 of the Executive Order, and/or other appropriate relief.

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PART II: SPECIFIC PROVISIONS

VIOLATION:

CHM2 Hill PRC failed to ensure that its employees were compensated without regard to their race and/or gender, as required by 41 CFR 60-1.4(a)(1). Specifically, OECCP's compliance review of compensation practices for the (b) (7)(C) and (b) (7)(C) positions revealed a compensation disparity that shows two female employees were compensated at a lesser rate than similarly situated male employees. In addition, the review revealed a compensation disparity that shows a minority employee was compensated at a lesser rate than similarly situated non-minority employees. OFCCP's cohort analysis of CHM2 Hill PRC's compensation practices which takes into account factors which CHM2 Hill PRC identified as influencing pay, revealed that two female employees in the (b) (7)(C) job title earned less in annual salary than their male counterparts, without a legitimate non-discriminatory reason. In addition, the review revealed that one minority employee in (b) (7)(C) job title earned less in annual salary than his non-minority counterparts, without a legitimate non-discriminatory reason.

REMEDY:

CHM2 Hill PRC agrees to revise its compensation practices and take steps to ensure that the application of its compensation system does not treat employees differently based on their race and/or gender. CHM2 Hill PRC will provide an equal opportunity to all of its employees, irrespective of race and/or gender. This applies to all aspects of compensation, including, but not limited to, initial salary at the time of hire, subsequent pay increases and internal equity among employees. In order to resolve this violation, CHM2 Hill PRC must agree to the following:

- a. Within 45 days from the effective date of this Agreement, but no later 60 days from the effective date, CHM2 Hill PRC will provide total back pay in the amount of \$52,145.54, interest in the amount of \$3,630.46 and 401K contributions in the amount of \$2,038.36 to (b) (7)(C) as described in Attachment A. Additionally, effective November 14, 2011, CHM2 Hill PRC has agreed to make \$26,365.47 in salary adjustments as detailed in Attachment A.
- b. Conduct an audit and analysis of its compensation practices as they impact all employees included in the CHM2 Hill PRC AAP.
- c. Follow compensation policies and procedures that will not differentiate compensation on the basis of race and/or gender of employees.

- d. Provide training to those managers who participate in the application of any component of CHM2 Hill PRC's compensation system. The purpose of this training is to familiarize those managers with principles underlying the uniform application of criteria, which are used to establish compensation.

CHM2 Hill PRC agrees not to repeat the above violation.

PART III: REPORTING

In order for the OFCCP to monitor compliance with this Conciliation Agreement, CHM2 Hill PRC agrees to furnish the U.S. Department of Labor, Office of Federal Contract Compliance Programs, Seattle District Office, 300 Fifth Ave, Suite 1100, Seattle, WA 98104, with the following report:

	<u>REPORT DUE DATE</u>	<u>PERIOD COVERED</u>
Report 1:	August 31, 2012	Effective date of CA through June 30, 2012

The progress report shall contain the following:

1. Evidence of back pay and pay increase given to the affected class members listed in the attachment.
2. Evidence of training provided to the managers who participate in the application of any component of the compensation process, including the date and location of the training, names and positions of the trainers, names and positions of the managers who attended and copies of the sign-in sheet and training materials.

TERMINATION DATE:

This Agreement will expire on the September 30, 2012 or the date that the District Director of OFCCP provides written notice to CHM2 Hill PRC that it has satisfied the reporting requirements, whichever date is later.

PART IV: SIGNATURES

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and CH2M Hill, Plateau Remediation Company, 2420 Stevens Center Place, Richland, WA 99352.

Date: 3/8/12

(b) (7) (c)
[Redacted Signature]

John Lenew
Chief Executive Officer
CH2M HILL Plateau Remediation Company
2420 Stevens Center Place
Richland, WA 99352

Date: 3/12/12

(b) (7) (e)
[Redacted Signature]

Compliance Officer
Seattle District Office

Date: 3/19/12

(b) (7) (c)
[Redacted Signature]

Quanda Evans
Assistant District Director
Seattle District Office

Date: 3/21/12

(b) (7) (c)
[Redacted Signature]

Deigh Jones
District Director
Seattle & Portland District Office

Attachment A

	Job Title	Previous Annual Pay Rate	Adjusted Annual Pay Rate	Salary Adjustment	Back Pay without interest	Interest	CH2M Hill 401K Contributions adjustment	Total Back Pay (Salary, Interest, 401)
(b) (7)(C)				\$4,888.00	\$9,266.23	\$650.81	\$346.80	\$10,263.84
				\$4,636.49	\$9,599.75	\$722.55	\$377.11	\$10,699.41
				\$16,840.98	\$33,279.56	\$2,257.10	\$1,314.45	\$36,851.11
			Totals:	\$26,365.47	\$52,145.54	\$3,630.46	\$2,038.36	\$57,814.36