

CONCILIATION AGREEMENT

Between

THE U.S. DEPARTMENT OF LABOR

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

and

GOLDEN STATE WATER CO.

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Golden State Water Co.'s (Golden State Water) establishment located at 630 E. Foothill Boulevard, San Dimas, California beginning on May 29, 2020. OFCCP found that Golden State Water failed to comply with Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503) and its implementing regulations at 41 C.F.R. § 60-741.

OFCCP notified Golden State Water of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on February 1, 2021.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient consideration described in this document, OFCCP and Golden State Water enter into this Conciliation Agreement (Agreement) and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for Golden State Water's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under Section 503 based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Golden State Water violates any provision of this Agreement, as set forth in Paragraph 10, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Golden State Water's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Golden State Water will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents OFCCP requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Golden State Water of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing

regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.

4. Golden State Water agrees that it will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This Agreement constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
7. This Agreement becomes effective on the day it is signed by District Director of the Los Angeles District Office (Effective Date).
8. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement will expire sixty (60) days after Golden State Water submits its final progress report required in Section IV, below, unless OFCCP notifies Golden State Water in writing before the expiration date that Golden State Water has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Golden State Water has met all of its obligations under the Agreement.
10. If Golden State Water violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send Golden State Water a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Golden State Water shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If Golden State Water is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.

- iv. In the event of a breach of this Agreement by Golden State Water, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms in the Agreement.
 - b. Golden State Water may be subject to the sanctions set forth in 41 C.F.R. 60-741.66, and/or other appropriate relief for violating this Agreement.
- 11. Golden State Water does not admit any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
- 12. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
- 13. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
- 14. Each party shall bear its own fees and expenses with respect to this matter.
- 15. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation, or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
- 16. All references to “days” in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

III. Technical Violations and Remedies

- 1. **VIOLATION:** During the period of July 1, 2019 through June 30, 2020, Golden State Water failed to include the equal opportunity clause for Section 503 in its subcontracts and purchase orders, either directly or by reference, in the prescribed manner, in violation of 41 CFR 60-741.5(a)-(d).

REMEDY: Golden State Water will include or reference the provisions of the equal opportunity clause in its subcontracts and purchase orders, as required by 41 CFR 60-741.5(a)-(d). If Golden State Water incorporates the equal opportunity clause in its subcontracts and purchase orders by reference, rather than by restating the clause verbatim, it must incorporate the clause in the manner prescribed by 41 CFR 60-741.5(d).

- 2. **VIOLATION:** During the period of July 1, 2019 through June 30, 2020, Golden State Water failed to document and maintain the required data pertaining to applicants and hires for the required three years in violation of 41 CFR 60-741.44(k). Golden State

Water stated that they did not maintain the required data because they believed that they were not federal contractors.

REMEDY: Golden State Water will document the following computations or comparisons pertaining to applicants and hires, on an annual basis, and will maintain this data for three (3) years, as required by 41 CFR 60-741.44(k): the number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities; the total number of job openings and total number of jobs filled; the total number of applicants for all jobs; the number of applicants with disabilities hired; and the total number of applicants hired.

3. **VIOLATION:** During the period of July 1, 2019 through June 30, 2020, Golden State Water failed to annually review the effectiveness of the outreach and recruitment efforts it took over the previous twelve months to identify and recruit qualified individuals with disabilities as required by 41 CFR 60-741.44(f)(3). Specifically, Golden State Water did not assess each individual outreach and recruitment activity during their AAP year. Golden State Water provided a document that had a general assessment, but did not list or assess specific activities.

REMEDY: Golden State Water will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 CFR 60-741.44(f)(3). If Golden State Water concludes that the totality of its efforts were not effective in identifying and recruiting qualified individuals with disabilities, it shall identify and implement alternative efforts listed in 41 CFR 60-741.44(f)(1) or (f)(2).

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Golden State Water agrees to retain all records relevant to the violations cited in Section III above and the reports submitted in compliance with Paragraph 2, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Golden State Water will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Golden State Water Reports.**

Golden State Water agrees to furnish OFCCP with the following reports during the Monitoring Period. Each report will contain the documentation specified according to the dates scheduled:

- a. Progress Report 1: Due on **July 31, 2022** covering the period of July 1, 2020 through June 30, 2022.
 - 1) Documentation demonstrating that Golden State Water has developed and implemented an assessment of its outreach and recruitment activities for

individuals with disabilities conducted between July 1, 2021 and June 30, 2022 in accordance with 41 C.F.R. § 60-741.44(f)(3);

- 2) Documentation of equal opportunity clause for Section 503 for all covered subcontracts and/or purchase orders entered into for the covered period;
- 3) Documentation demonstrating the number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities; the total number of job openings and total number of jobs filled; the total number of applicants for all jobs; the number of applicants with disabilities hired; and the total number of applicants hired between July 1, 2021 and June 30, 2022.
- 4) Documentation of the number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities; the total number of job openings and total number of jobs filled; the total number of applicants for all jobs; the number of applicants with disabilities hired; and the total number of applicants hired between July 1, 2020 and June 30, 2021.

Golden State Water will submit reports to District Director Agnes Huang at (b) (7)(C), (b) (6)@dol.gov. Golden State Water and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Golden State Water provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and Golden State Water believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Golden State Water will provide such reports to OFCCP marked as “Confidential”. In the event of a FOIA request, OFCCP will promptly notify Golden State Water of the FOIA request and provide Golden State Water an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Golden State Water’s final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Golden State Water in writing within sixty (60) days of the date of the final progress report that Golden State Water has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Golden State Water within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Golden State Water has met all of its obligations under the Agreement.

V. SIGNATURES

The person signing this Agreement on behalf of Golden State Water personally warrants that he or she is fully authorized to do so, that Golden State Water has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Golden State Water.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Golden State Water Co., located at 630 E Foothill Boulevard, San Dimas, California.

(b) (7)(C), (b) (6)

Robert Sprowls
President & CEO
Golden State Water Co.

DATE: February 25, 2021

(b) (7)(C), (b) (6)

Agnes Huang
District Director
OFCCP – Los Angeles District Office

DATE: March 2, 2021