

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
Garco Construction Inc.

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Garco Construction Inc. (“Garco”) establishment located at 4114 East Broadway Avenue, Spokane, WA 99202-4531, beginning on February 17, 2022. OFCCP found that Garco failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), and Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), and their respective implementing regulations at 41 CFR Sections 60-4 and 60-741.

OFCCP notified Garco of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on August 30, 2022.

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 Garco enter into this Conciliation Agreement (Agreement) and its attachments, and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for Garco’s fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, and/or Section 503, based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Garco 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 Garco’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. Garco 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 Garco of its obligation to fully comply with the requirements of E.O. 11246, Section 503, Vietnam Era Veterans’ Readjustment Assistance Act of 1974 (VEVRAA), their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.

4. Garco 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 the District Director.
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 Garco submits its final progress report required in Section IV, below, unless OFCCP notifies Garco in writing before the expiration date that Garco 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 Garco has met all of its obligations under the Agreement.
10. If Garco violates this Agreement:
 - a. The procedures at *41 C.F.R. 60-1.34*, and/or *41 C.F.R. 60-741.63* will govern:
 - i. OFCCP will send Garco a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Garco 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 Garco 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 Garco, 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. Garco may be subject to the sanctions set forth in *Section 209 of the Executive Order, 41 C.F.R. 60-1.27*, or *41 C.F.R. 60-741.66*, and/or other appropriate relief for violating this Agreement.

11. Garco 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. Violations

1. **Violation 1:** During the period February 1, 2021 through January 31, 2022, Garco failed to encourage current minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of Garco’s workforce, as required by 41 CFR 60-4.3(a) 7.j.

Remedy 1: Garco will encourage current minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of Garco’s workforce, as required by 41 CFR 60-4.3(a) 7.j.

2. **Violation 2:** During the period February 1, 2021 through January 31, 2022, Garco failed to conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities, as required by 41 CFR 60-4.3(a) 7.l.

Remedy 2: Garco will conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities, as required by 41 CFR 60-4.3(a) 7.l.

3. **Violation 3:** During the period February 1, 2021 through January 31, 2022, Garco failed to invite its employees to voluntarily self-identify as an individual with a disability, using the OMB-approved form for this purpose, in violation of 41 CFR 60-741.42(c). Specifically, Garco failed to conduct the initial survey of its employees.

Remedy 3: Garco will immediately invite its employees to voluntarily inform it whether the employee believes that he or she is an individual with a disability, as that term is defined in 41 CFR 60-741.2(g)(1)(i) or (ii). All invitations to self-identify will be made using the OMB-approved form for this purpose (available on the OFCCP website). In addition, Garco will extend this invitation again at five year intervals, thereafter. At least once during each interval, Garco will remind its employees that they may voluntarily update their disability-related self-identification information at any time. Garco will keep all self-identification information confidential and maintain it in a separate data analysis file, rather than in its personnel or medical files, in accordance with 41 CFR 60-741.42(e).

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Garco agrees to retain all records relevant to the violations cited in Section III above and the report 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 report. Garco will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **Garco Report.**

Garco agrees to furnish OFCCP with the following report during the Monitoring Period. The report will contain the documentation specified according to the dates scheduled:

- a. Progress Report 1: Due on May 1, 2023 covering the period of Effective Date through March 31, 2023.

Pursuant to Remedy 1, 2 and 3: (1) Garco will provide records showing they encouraged current minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of Garco's workforce; (2) Garco will provide records that it conducted, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encouraged these employees to seek or to prepare for, through appropriate training, etc., such opportunities; and (3) Garco will provide a list that indicates employee name (or employee ID), hire date, job title, job group, and voluntary self-identification of disability status.

Garco will submit the report to: Quanda Evans, Assistant District Director, Seattle District Office, 300 Fifth Avenue, Suite 1100, Seattle, WA 98104, (b) (7)(C), (b) (6)@dol.gov. Garco and OFCCP have a common interest in the information being provided in the report pursuant to this Agreement. To the extent the report Garco provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and Garco believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Garco will provide such report to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Garco of the FOIA request and provide Garco an opportunity to object to disclosure. OFCCP will withhold disclosure of such report 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 Garco's final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Garco in writing within sixty (60) days of the date of the final progress report that Garco 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 Garco within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Garco has met all of its obligations under the Agreement.

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V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Garco Construction Inc., 4114 East Broadway Avenue, Spokane, WA 99202-4531.

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

Clancy Welsh
President
Garco Construction Inc.
Spokane, WA 99202

DATE: 9/30/2022

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

Leigh D. Jones
District Director
Office of Federal Contract Compliance Programs
Seattle and Portland Offices

DATE: 10/3/2022

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

Quanda Evans
Assistant District Director
Office of Federal Contract Compliance Programs
Seattle Office

DATE: 10/03/2022