

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
Stronghold Engineering Incorporated

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Stronghold Engineering Incorporated's (Stronghold Engineering) construction projects located in the Los Angeles – Long Beach, CA Standard Metropolitan Statistical Area (SMSA), beginning on January 28, 2022. OFCCP found that Stronghold Engineering failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), and its respective implementing regulations at 41 CFR Chapter 60.

OFCCP notified Stronghold Engineering of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on September 1, 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 Stronghold Engineering 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 Stronghold Engineering's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Stronghold Engineering 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 Stronghold Engineering'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. Stronghold Engineering 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 Stronghold Engineering 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. Stronghold Engineering 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 (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 Stronghold Engineering submits its final progress report required in Section IV, below, unless OFCCP notifies Stronghold Engineering in writing before the expiration date that Stronghold Engineering 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 Stronghold Engineering has met all of its obligations under the Agreement.
10. If Stronghold Engineering violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send Stronghold Engineering a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. The Stronghold Engineering 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 Stronghold Engineering 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 the Stronghold Engineering, 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. Stronghold Engineering may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, and/or other appropriate relief for violating this Agreement.
- 11. Stronghold Engineering 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 January 1, 2021 through December 31, 2021, Stronghold Engineering failed to review, at least annually, its EEO policy and affirmative action obligations under the Standard Federal Equal Employment Construction Specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site; and make and maintain a written record identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter, as required by 41 CFR 60-4.3(a) 7.g.

REMEDY: Stronghold Engineering agrees to review, at least annually, its EEO policy and affirmative action obligations under the Standard Federal Equal Employment Construction Specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific

review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter, as required by 41 CFR 60-4.3(a) 7.g.

2. **VIOLATION:** During the period of January 1, 2021 through December 31, 2021, Stronghold Engineering Incorporated failed to document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations, as required by 41 CFR 60-4.3(a)7.o.

Remedy: Stronghold Engineering Incorporated agrees to document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations, as required by 41 CFR 60-4.3(a)7.o.

3. **Remedy:** During the period of January 1, 2021 through December 31, 2021, Stronghold Engineering Incorporated failed to provide written notification to OFCCP within 10 working days of award of any construction subcontract in excess of \$10,000 that was made under a covered federal or federally assisted construction contract, as required by 41 CFR 60-4.2(d)3.

CORRECTIVE ACTION: Stronghold Engineering Incorporated agrees to provide written notification to OFCCP within 10 working days of award of any construction subcontract in excess of \$10,000 that is made under a covered federal or federally assisted construction contract, as required by 41 CFR 60-4.2(d)3. The notification shall list the name, address and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Stronghold Engineering agrees to retain all records relevant to the violation(s) 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. Stronghold Engineering will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. Contractor Reports.

Stronghold Engineering 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 November 1, 2024, covering the period of October 1, 2022 through September 30, 2023.

Documentation of:

- i. Meetings reviewing EEO policy with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions. Documentation should identify the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter, as required.
- ii. Records of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
- iii. Evidence that Stronghold Engineering provided written notification to OFCCP within 10 working days of award of any construction subcontract in excess of \$10,000 that is made under a covered federal or federally assisted construction contract.

Stronghold Engineering will submit the progress report to (b) (7)(C), (b) (6)

(b) (7)(C), (b) (6) Stronghold Engineering 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 Stronghold Engineering provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the Stronghold Engineering believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Stronghold Engineering will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Stronghold Engineering of the FOIA request and provide Stronghold Engineering 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 Stronghold Engineering's final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Stronghold Engineering in writing within sixty (60) days of the date of the final progress report that Stronghold Engineering 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 Stronghold Engineering within

the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Stronghold Engineering has met all of its obligations under the Agreement.

V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Stronghold Engineering Incorporated, 150 W. Walnut Ave., Perris, California.

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

Beverly Bailey
CEO/President
Stronghold Engineering Incorporated
150 W. Walnut Ave.
Perris, California

DATE: 22 Sept. 22

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

Agnes Huang
District Director
Los Angeles District Office
Pacific Region

DATE: October 5, 2022