

**Conciliation Agreement
Between the
U.S. Department of Labor
Office of Federal Contract Compliance Programs
And
Precision Mechanical Services, LLC
9213 James Street
Philadelphia, PA 19114
OFCCP Case No. C00306644**

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Precision Mechanical Services, LLC's (Precision) establishment located at 9213 James Street, Philadelphia, PA 19114, beginning on April 8, 2022. OFCCP found that Precision failed to comply with Executive Order 11246, as amended (E.O. 11246), and its respective implementing regulations at 41 C.F.R. Sections 60-1 through 60-4.

OFCCP notified Precision of the specific violations and the corrective actions required in a Notice of Violations (NOV) issued on March 27, 2023.

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 Precision 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 Precision's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Precision 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 Precision'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. Precision 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 Precision 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.

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4. Precision 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 Precision submits its final progress report required in Section IV, below, unless OFCCP notifies Precision in writing before the expiration date that Precision 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 Precision has met all of its obligations under the Agreement.
10. If Precision violates this Agreement:
 - a. The procedures at 41 C.F.R. §60-1.34 will govern:
 - i. OFCCP will send Precision a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Precision 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 Precision 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 Precision, 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. Precision 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. Precision does not admit any violation of the Executive Order, 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 April 1, 2021 through March 31, 2022, Precision 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.

Remedy: Precision will 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 will 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.

2. **Violation:** During the period April 1, 2021 through March 31, 2022, Precision failed to establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community

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organizations when Precision or its unions have employment opportunities available, as required by 41 CFR §60-4.3(a) 7.b.

Remedy: Precision will establish and maintain a current list of female and minority recruitment sources and community organizations and provide written notification to the recruitment sources when Precision or its unions have employment opportunities available. Precision must also maintain a record of responses from the organizations.

3. **Violation:** During the period April 1, 2021 through March 31, 2022, Precision failed to direct its recruitment efforts, both oral and written to minority and female recruitment sources and community organizations serving its recruitment area and employment needs, as required by 41 CFR §60 4.3 (a) 7. i.

Remedy: Precision will direct its recruitment efforts, both oral and written to minority and female recruitment sources and community organizations serving its recruitment area and employment needs. Efforts must include, but will not be limited to, ongoing contacts with the following organizations to seek their aid in identifying and referring qualified minority and female applicants no later than one month prior to the date for the acceptance of applications for apprenticeship or other training.

Somerset County Vocational & Technical Institute
14 Vogt Drive
P.O. Box 6350
Bridgewater, NJ 08807
Telephone: (908) 526-8900

Community College of Philadelphia
1700 Spring Garden Street,
Philadelphia, PA
Telephone: (215) 751-8010

Women's Right Information Center
108 West Palisades Ave.
Englewood, NJ 07631
Telephone: (201) 568-1166

She Contractor
Website: <https://shecontractor.com/>
Attn: Tamika Lowe, Chairwoman and President
E-mail: (b) (6), (b) (7)(C)@shecontractor.com
Telephone: (888) 640-1737

4. **Violation:** During the period April 1, 2021 through March 31, 2022, Precision failed to disseminate its EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting Precision in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed, as required by 41 CFR §60-4.3(a)7.f.

Remedy: Precision must disseminate its EEO policy by providing notice of the policy to all of its unions, training programs, other contractors and subcontractors whom it does or anticipates doing business, as required by 41 CFR §60-4.3(a)7.f. In addition, Precision must keep a record of the action taken with respect to disseminating its EEO policy.

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Precision 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. Precision will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Precision Reports.**

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

- a. Progress Report 1: Due on April 30, 2024, covering the period of April 1, 2023 through March 31, 2024.
- i. Pursuant to Remedy 1: Documentation that Precision has provided 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.
- ii. Pursuant to Remedies 2 and 3: Documentation of Precision's outreach and recruitment efforts, targeting minority and female recruitment sources and community organizations serving its recruitment area and employment needs for construction craft trade vacancies, including (a) Precision's current list of minority and female recruitment sources; (b) notifications to and responses from minority and female recruitment sources on Precision's current list; (c) notifications to and responses from recruitment sources identified in Remedy 3 of Part II above; (d) the number of off-the-street applicants and applicants

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referred, broken out by trade, gender, and recruitment source; and (e) the number of applicants hired, broken out by trade, gender, and recruitment source.

- iii. Pursuant to Remedy 4: Documentation of Precision's dissemination of their EEO policy and notice of the policy to unions and training programs requesting their cooperation in assisting Precision in meeting its EEO obligations.

Precision will submit the progress report to District Director Joanne Karayiannidis at 200 Sheffield Street, Suite 102, Mountainside, NJ 07092 or to e-mail addresses at (b) (6), (b) (7)(C)@dol.gov and (b) (6), (b) (7)(C)@dol.gov.

Precision 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 Precision provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely held, and that Precision believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Precision will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Precision of the FOIA request and provide Precision 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 Precision's final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Precision in writing within sixty (60) days of the date of the final progress report that Precision 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 Precision within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Precision has met all of its obligations under the Agreement.

V. Signatures

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Precision Mechanical Services, LLC, 9213 James Street Philadelphia, PA 19114.

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

Mr. Sean McDermott
President
Precision Mechanical Services, LLC
Philadelphia, PA

Date: 03/27/2023

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

Joanne Karayiannidis
New Jersey District Director
OFCCP – Northeast Region

Date: 4/12/2023

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

Kevin Kollgaard
Assistant District Director
OFCCP – Northeast Region

Date: 04/04/2023

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

(b) (6), (b) (7)(C)
Compliance Officer
OFCCP – Northeast Region

Date: 3/28/2023