HONORABLE JAMES L. ROBART

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| 2 | A. LUIS LUCERO, JR. REGIONAL ATTOKNEY | | |
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| 4 | EQUAL EMPLOYMENT OPPORTUNITY COMP 909 FIRST AVENUE, SUITE 400 | MISSION DEC 3 2004 | |
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| 8 | UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE | | |
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| 10 | EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, |) CASE NO. CV03-2768JLR | |
| 11 | Plaintiff, | \(\) | |
| 12 | ν. |) CONSENT DECREE AND) [PROPOSED] ORDER OF | |
| 13 | ELDORADO STONE, LLC, and ELDORADO STONE OPERATIONS, LLC, | DISMISSAL | |
| 14 | Defendants, |) | |
| 15 | and |) | |
| 16 | ABIGAY FULGENCIO BELMONTE, a.k.a. | } | |
| 17 | MARIA CHAVEZ; KAREN HUNT; ANDREA WEBER, EVA CORTEZ; GREG JOHNSON; |) | |
| 18 | and BRADY PROUTY, | | |
| 19 | Plaintiff-Intervenors, | (| |
| 20 | v. |) 03-CV-02768-ORD | |
| 21 | ELDORADO STONE, LLC; ELDORADO | <u> </u> | |
| 22 | STONE OPERATIONS, LLC; TIMOTHY O'DELL; and ELMER RODRIGUEZ, | \ | |
| 23 | Defendants. | { | |
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U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION Swattle District Office 909 First Avenue, Seise 400

RTUNITY COMMISSION Seattle District Office 909 First Avenue, Soire 400 Scalle, Washington 98104-1061 Telephone: (306) 220-6833 Facsimile: (206) 220-6811 TDD: (206) 220-6882

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- 1. This action originated with discrimination charges filed by Maria C. Chavez, Karen Hunt, Eva Cortez, Andrea Weber, Greg Johnson and Brady Prouty ("Charging Parties") with the Equal Employment Opportunity Commission. The Charging Parties alleged that ELDORADO STONE, LLC ("Eldorado Parent") and ELDORADO STONE OPERATIONS, LLC, ("Eldorado Stone") discriminated against them on the basis of sex by subjecting them to sexual harassment, retaliation, and/or constructive discharge, in violation of Title VII of the Civil Rights Act of 1964, as amended ("Title VII"), 42 U.S.C. § 2000c et seq.
- 2. The EEOC sent Defendants Eldorado Parent and Eldorado Stone a Letter of Determination with findings of reasonable cause that it had violated Title VII.
- The Commission filed this lawsuit on September 5, 2003 in the United States
 District Court for the Western District of Washington at Seattle on behalf of the charging parties.
- 4. The EEOC, Charging Parties, Defendant Eldorado Parent, Defendant Eldorado Stone, Defendant O'Dell, and Defendant Rodriguez want to conclude all claims of the charging parties without expending further resources in contested litigation.

II. NON-ADMISSION OF LIABILITY AND NON-DETERMINATION BY THE COURT

5. This Consent Decree is not an admission of wrongdoing or an adjudication or finding on the merits of the case. This Consent Decree shall not be used as evidence of liability or for purposes of res judicata or collateral estoppel in any legal proceeding against any Defendant. Neither the agreement to enter this Decree, nor the Decree shall be admissible in any proceeding as an admission by any Defendant of any violation of, failure to comply with, interference, retaliation or obstruction of compliance with Title VII or any other employment law or order.

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III. SETTLEMENT SCOPE

6. This Consent Decree is the final and complete resolution of all Title VII allegations of unlawful employment practices contained in the complaint filed herein on behalf of the charging parties by the EEOC including all claims for attorney fees and costs. The terms of this Consent Decree shall apply to employees at Defendant Eldorado Stone's Carnation, Washington facility. The Consent Decree resolves all issues and claims arising out of this Complaint and is binding and final as to all such issues and claims.

IV. JURISDICTION AND VENUE

7. Jurisdiction of this Court is invoked pursuant to 28 U.S.C. §§451, 1331, 1337, 1343 and 1345. Plaintiff EEOC's action is authorized pursuant to Section 706(f)(1) and (3) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§2000e-5(f)(1) and (3) and 2000e-6 ("Title VII") and Section 102 of the Civil Rights Act of 1991, 42 U.S.C. §1981a. The employment practices alleged to be unlawful in the EEOC's Complaint filed herein occurred within the jurisdiction of the United States District Court for the Western District of Washington.

V. DEFINITION OF TERMS

For the purposes of this Consent Decree, the following definitions shall apply:

- 8. "The Effective Date of the Consent Decree" is the date the United States District Court for the Western District of Washington at Seattle enters the Consent Decree and (Proposed) Order of Dismissal.
 - 9. Unless otherwise indicated, the word "days" refers to calendar days.
- 10. "Formal or Informal Complaints" includes any complaint, whether written or oral, made to a manager or supervisor with the Defendant.
 - 11. "Defendant Eldorado Stone" is defined as being Eldorado Stone Operations, LLC.

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VI. MONETARY RELIEF

12. In settlement of the EEOC's and the Plaintiff-Intervener's claims in this lawsuit, Defendant Eldorado Stone has agreed to pay the Charging Parties the total lump sum of \$475,000 on behalf of all Defendants.

VII. <u>INJUNCTIVE RELIEF</u>

A. Compliance with Title VII

- 13. Defendant Eldorado Stone reaffirms its commitment to comply with Title VII. To further this commitment, the Defendant Eldorado Stone shall monitor the affirmative obligations of this Consent Decree. The terms of this Consent Decree apply to all employees of Defendant Eldorado Stone as defined above.
- 14. Defendant Eldorado Stone will not retaliate against any employee for opposing a practice deemed unlawful by Title VII or for making a charge, testifying, assisting, or participating in any investigation, proceeding, or hearing associated with this action.
- 15. Defendant Eldorado Stone, its officers, agents, and employees are hereby enjoined from engaging in personnel practices which unlawfully discriminate against applicants and employees in violation of Title VII. In recognition of its obligations under Title VII, Defendant Eldorado Stone will institute the policies and practices set forth below.

B. Re-distribution of Enhanced Sexual Harassment and Complaint Procedures

- 16. Defendant Eldorado Stone will distribute the expanded sexual harassment policy (attached as Exhibit 2) in English and Spanish to all employees within 45 days after entry of this decree.
- 17. This policy will be distributed to all present and future employees, both management and non-management, in Defendant Eldorado Stone's facilities, beginning 45 days after entry of this decree and continuing for the duration of the decree. Distribution to temporary employees may consist of notification of the existence and the location of the policy.

18. Defendant Eldorado Stone affirms the following "Statement of Zero-Tolerance Policy and Workplace Objectives":

Eldorado Stone is firmly committed to developing and maintaining a zero-tolerance policy concerning sex discrimination, sexual harassment and retaliation against individuals who report discrimination or harassment in the company's workplace; to swiftly and firmly responding to any acts of sex discrimination, sexual harassment or retaliation of which the company becomes aware; to implementing a disciplinary system that is designed to strongly deter future acts of sex discrimination, sexual harassment or retaliation; and to actively monitoring its workplace in order to ensure tolerance, respect and dignity for all people.

19. In order to effectuate the objectives embodied in the Defendant Elderado Stone's Statement of Zero-Tolerance Policy and Workplace Objectives and this Decree, the Defendant Eldorado Stone will ensure the following policies, procedures, and practices are in effect:

(a) Complaint Procedures,

(i) Defendant Eldorado Stone agrees that it will provide the name, job title, work location, and telephone number of the management employees charged with investigating such issues in its written expanded sexual harassment policy.

That information will also be routinely and continuously posted. If the name or designation of the management employees charged with investigating issues of sexual discrimination, sexual harassment, and retaliation change, defendant will re-post his or her name, job title, work location, and telephone number. Also as part of its

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procedure, Defendant Eldorado Stone agrees that it shall keep a Complaint Box in the employee cafeteria, lunchroom, or other place within Defendant Eldorado Stone premises where employees tend to gather and which is not in the managerial area of Defendant Eldorado Stone's offices. The management employees designated by Defendant Eldorado Stone as charged with investigating complaints of discrimination will gather the complaints from the Complaint Box.

- (ii) Defendant Eldorado Stone agrees that it shall enable complaining parties to be interviewed by Defendant Eldorado Stone about their complaints in such a manner that permits the complaining party, at such party's election, to remain inconspicuous to all of the employees in such party's work area. Defendant Eldorado Stone agrees that its complaint procedure shall not impose upon individuals seeking to make a complaint alleging sex discrimination, sexual harassment and/or retaliation any requirements that are more burdensome than are imposed upon individuals who make other complaints of comparable gravity.
- (iii) Defendant Eldorado Stone agrees that it shall ensure that its policies and procedures provide that complaint handling and disciplinary procedures regarding all complaints of sex discrimination, sexual harassment and/or retaliation are investigated and addressed promptly. Specifically,

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Defendant Eldorado Stone agrees that it shall investigate all complaints of sex discrimination, sexual harassment and/or retaliation promptly and to complete investigations within three (3) weeks. Defendant Eldorado Stone will further make its best effort to prepare its written findings of the results of each investigation and the remedial actions proposed within seven (7) days after completion of the investigation, and shall thereupon promptly communicate to the complaining party the results of the investigation and the remedial actions taken or proposed, if any. Such communication will reasonably take into account the privacy of the accused.

(iv) Defendant Eldorado Stone agrees that it shall make its best effort to ensure that appropriate remedial action is taken to resolve complaints and to avoid the occurrence of sex discrimination, sexual harassment and/or retaliation.
 Defendant Eldorado Stone further agrees that it shall provide for substantial discipline up to and including termination -- including, but not limited to, suspensions without pay as a possible consequence for violations of its sexual harassment policy.

(b) Policies Designed To Promote Supervisor Accountability.

 (i) Defendant Eldorado Stone agrees that it shall impose substantial discipline — up to and including demotion,
 suspension without pay or termination upon any supervisor

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or manager who engages in sex discrimination or sexual harassment or permits any such conduct to occur in his or her work area or among employees under his or her supervision, or who retaliates against any person who complains or participates in any investigation or proceeding concerning any such conduct. Defendant Eldorado Stone shall communicate this policy to all of its supervisors and managers.

- (ii) Defendant Eldorado Stone agrees that it shall continue to advise all managers and supervisors of their duty to actively monitor their work areas to ensure employees' compliance with the company's sex discrimination and harassment policy, and to report any incidents and/or complaints of sex harassment, sexual harassment and/or retaliation of which they become aware to the department charged with handling such complaints.
- (iii) Defendant Eldorado Stone agrees that any failure to comply with this policy will be considered in evaluating its managers, including when they are being considered for promotions.

(c) <u>Sexual Harassment Training</u>.

(i) Defendant Eldorado Stone agrees that it shall continue to provide annual sex discrimination and sexual harassment training to all employees, and supervisors; to provide sex

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discrimination and sexual harassment training to all new employees during employee orientation; to provide sex discrimination and sexual harassment training to all senior managers; and to provide training to all persons charged with the handling of complaints of sex discrimination, sexual harassment and/or retaliation in the workplace, and the techniques for investigating and stopping it. This training shall include issues regarding sex discrimination and sexual harassment as it may affect employees and/or customers of Defendant Eldorado Stone. Defendant Eldorado Stone understands and agrees that this training, particularly that directed towards senior managers, may require one-on-one training or educational sessions.

- (ii) Defendant Eldorado Stone agrees that all training required by this Decree shall be conducted in both English and Spanish by educators, consultants or attorneys experienced in the area of sexual harassment training.
- (iii) Defendant Eldorado Stone agrees that it shall require Eldorado Parent's Human Resources Director to introduce the annual sexual harassment training to communicate Defendant Eldorado Stone's commitment to its Statement of Zero-Tolerance Policy and anti-harassment policy.

C. Expunging Records

- 20. Defendant Eldorado Stone will not disclose any information or make references to any charges of discrimination or this lawsuit in responding to employment reference requests for information about Maria C. Chavez, Karen Hunt, Eva Cortez, Andrea Weber, Greg Johnson and Brady Prouty. In response to any inquiries, Defendant Eldorado Stone shall provide employment references that includes only dates of employment and positions held. Eldorado Stone will provide each of the Plaintiff-Intervenors a reference letter on Eldorado Stone letterhead confirming dates of employment, positions held, final rate of pay, and a statement that the employee "performed satisfactorily." Defendant Eldorado Stone may produce personnel information involving these charging parties if it is responding to any third party lawful subpoena.
- 21. Defendant Eldorado Stone will expunge from the Charging Parties' personnel files, any references to a charge of discrimination against Defendant Eldorado Stone and this lawsuit. Defendant Eldorado Stone will not add any information or references to charging parties' personnel files or records regarding their charge of discrimination and this lawsuit after such references have been expunged. Files containing information about the charging parties that have been developed during the subject litigation will be maintained at the offices of Defendant Eldorado Stone's counsel, Dorsey & Whitney. Defendant Eldorado Stone will make the charging parties' personnel files available for inspection by their counsel or the individual charging parties either at the Defendant Eldorado Stone's Carnation facility or at the offices of Dorsey & Whitney.

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 D. Reporting

- 22. Six months following the entry of this Decree and every six months thereafter for the duration of the Decree, Defendant Eldorado Stone will send the EBOC a written report of individuals who complained of sexual harassment during the prior sixmonth period, along with an explanation as to all actions taken with regards to such complaints.
- 23. Defendant Eldorado Stone shall submit a final report to the EEOC 30 days before the Consent Decree expires containing a statement that it has complied with all the terms of this Consent Decree.

E. Posting

24. Within two (2) weeks after entry of this Decree, Defendant Eldorado Stone shall post a notice in the form of Exhibit 1 attached to this Decree in prominent and conspicuous location(s) in or near the employee cafeteria, lunchroom or other place within Defendant Eldorado Stone's facilities where employees tend to gather. The notice shall remain posted for the duration of this Decree. In the event that the persons and/or departments to whom individuals should make complaints alleging discrimination and/or retaliation change during the term of the Decree, such that the information contained on the notice is no longer accurate, Defendant Eldorado Stone shall immediately prepare a new notice that contains the correct information. Defendant Eldorado Stone shall thereupon promptly replace the old notices with the revised notices. Defendant Eldorado Stone shall maintain a copy of this decree in its Personnel Office for any employee who wishes to review it.

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CONSENT DECREE - PAGE 12

25. If the EEOC concludes that Defendant Eldorado Stone has breached this agreement, it may bring an action in the United States District Court for the Western District of Washington at Seattle to enforce this Consent Decree. Before bringing an action for breach of the Decree, the EEOC shall first give Defendant Eldorado Stone ten (10) days notice. The EEOC and Defendant Eldorado Stone shall use that 10-day period for good faith efforts to resolve the matter.

IX. RETENTION OF JURISDICTION

26. The United States District Court for the Western District of Washington at Seattle shall retain jurisdiction over this matter for the duration of the Decree.

X. <u>DURATION AND TERMINATION</u>

27. This Decree shall be in effect for three (3) years, commencing with the date the Decree is filed. If the EEOC petitions the court for breach of agreement, and the court finds Defendant Eldorado Stone to be in violation of the terms of the Consent Decree, the court may extend this Consent Decree.

> U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION Sentile District Office

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TDD: (206) 220-6892

XI. CONCLUSION

28. The provisions of this Consent Decree are not binding on the parties until the authorized representatives for the Plaintiff EEOC and Defendant Eldorado Stone sign and the court enters the Consent Decree in the court.

| DATED this 2nd day of Dece | <u>mber,</u> 2004. |
|--|--|
| A. LUIS LUCERO, JR. | ERIC S. DRIEBAND |
| Regional Attorney | General Counsel |
| KATHRYN OLSON | JAMES L. LEE |
| Supervisory Trial Attorney | Deputy General Counsel |
| CARMEN FLORES | GWENDOLYN YOUNG REAL |
| Senior Trial Attorney | Associate General Counsel |
| By: /S/ A. Luis Lucero EQUAL EMPLOYMENT OPPORTUN COMMISSION Seattle District Office 909 First Avenue, Suite 400 Seattle, Washington 98104 Telephone (206) 220-6920 | Office of the General Counsel 1801 "L" Street, N.W. Washington, D.C. 20507 |
| BY: /S/ Gregory Hendershott Gregory Hendershott | |
| DORSEY & WHITNEY | |
| 1420 Fifth Avenue, Ste. 3400 | |
| Seattle, WA 98101-3920 | |
| | |
| Attorneys for Defendant | |

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION SEARCE DISTRICT OFFICE

Seattle District Office 909 First Avenue, Suite 400 Seattle, Washington 98:104-1064 Telephone: (206) 220-6883 Facsimile: (206) 220-681 TDD: (206) 220-6882

ORDER

The Court having considered the foregoing stipulated agreement of the parties. IT IS HEREBY ORDERED THAT the foregoing consent decree be, and the same is, approved as the final decree of this Court in full settlement of this action. This lawsuit is hereby dismissed with prejudice and without costs or attorneys' fees to any party. The Court retains jurisdiction of this matter for purposes of enforcing the consent decree approved herein.

DATED this and day of December , 2004.

UNITED STATES DISTRICT JUDGE

CONSENT DECREE - PAGE 14

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION Seattle District Office 909 First Avenue, Suite 400 909 First Avenue, Saine 400 Seattle, Washington 98104 1061 Telephone: (200) 220 6883 Facsimile: (206) 220-6811 TDD: (206) 220-6882

ELDORADO STONE, LLC, and ELDORADO

STONE, OPERATIONS, LLC.

NOTICE TO ALL EMPLOYEES POSTED PURSUANT TO A CONSENT DECREE

This notice has been posted pursuant to an Order of the Court, approving the Consent Decree entered in resolution of a lawsuit brought by the U.S. Equal Employment Opportunity Commission ("EEOC") against Eldorado Stone, LLC ("Eldorado Parent") and Eldorado Stone Operations, LLC ("Eldorado Stone") on September 5, 2003 in the Federal District Court for the Western District of Washington at Seattle, CV-03-2768JLR. The Consent Decree resolves EEOC's claims of sex discrimination and retaliation against Eldorado Parent and Eldorado Stone and enjoins Eldorado Stone from certain conduct prohibited by law. Eldorado Stone denies the allegations of the EEOC and affirms its commitment to compliance with laws against discrimination.

Federal law and the Consent Decree prohibit discrimination against any individual because of his or her sex.

Federal law also prohibits retaliation against any individual by an employer because of the individual complains of discrimination, cooperates with any Eldorado Stone or government investigation of a charge of discrimination, participates as a witness or potential witness in any investigation or legal proceeding, or otherwise exercises his or her rights under law.

Any employee who is found to have retaliated against any other employee because such employee participated in this lawsuit will be subject to substantial discipline, up to and including immediate discharge.

Employees have the right to bring complaints of discrimination and/or harassment to the U.S. Equal Employment Opportunity Commission, Seattle District Office at 909 1st Avenue, Suite 400, Seattle, WA 98104-1061, 206/220-6883, 1-800-699-4000, or the Washington Human Rights Commission at 711 S. Capital Way, Suite 402, Olympia, WA 98504-2490, 360/753-6770.

This is an official notice and shall not be defaced by anyone. This notice shall remain prominently posted in the employee lunchroom/break room at all Northwest region facilities for Eldorado Stone until 11/31/07. This Official Notice shall not be altered, defaced, covered or obstructed by any other material.

EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is the policy of the Company to provide equal employment opportunity for all applicants and employees, as well as independent contractors, without regard to race, color, religion, national origin, sex, age, ancestry, marital status, status as a Vietnam-era veteran, or physical or mental disability, use of a trained guide dog as required under applicable state / federal employment laws. We will provide reasonable accommodation, as required, for the known physical or mental limitation of an otherwise qualified disabled employee.

Employees are reminded that the Company will not tolerate, and specifically prohibits, any employment-based retaliation against anyone who brings a complaint of discrimination or who speaks as a witness in the investigation of a complaint of discrimination. Anyone found to be engaging in any type of unlawful discrimination or retaliation will be subject to disciplinary action, up to and including immediate termination of employment.

STATEMENT OF ZERO TOLERANCE POLICY AND WORKPLACE OBJECTIVES

The Company is firmly committed to developing and maintaining a zero-tolerance policy concerning sex discrimination, sexual harassment and retaliation against individuals who report discrimination or harassment in the company's workplace; to swiftly and firmly responding to any acts of sex discrimination, sexual harassment or retaliation of which the company becomes aware; to implementing a disciplinary system that is designed to strongly deter future acts of sex discrimination, sexual harassment or retaliation; and to actively monitoring its workplace in order to ensure tolerance, respect and dignity for all people.

POLICY AGAINST HARASSMENT

In keeping with the zero tolerance policy, the Company maintains a strict policy prohibiting unlawful harassment on the basis of any legally protected status. (Please refer to the Equal Employment Opportunity Policy, above).

Types of harassment may include: epithets, slurs, negative stereotyping, threats, intimidation, hostile acts or denigrating or hostile written or graphic material posted or circulated in the workplace.

Any employee who thinks that he or she has been harassed, should report the incident to one of the following individuals, or their successor, as posted from time-to-time: Human Resources Coordinator Wen Santana (wsantana@eldoradostone.com, (ph.) 425.333.6722), Plant Manager Dave Poirier (dpoirier@eldoradostone.com, (ph.) 425.333.6722), or Parent Company Eldorado Stone, LLC's Human Resources Director Elizabeth Roche (eorche@eldoradostone.com, (ph.) 760.736.3232).

SEXUAL HARASSMENT

Sexual Harassment includes, but is not limited to, unwanted sexual advances, or visual or physical conduct of a sexual nature. Specifically, no supervisor shall threaten or insinuate either explicitly or implicitly that an employee's submission to or refusal to submit to sexual advances may affect any condition of the employee's employment.

Other sexually harassing conduct in the workplace, whether committed by supervisors or non-supervisory personnel, is also prohibited. This includes sexual flirtations, propositions, or other words or conduct of a sexual nature which may interfere with work performance or create an intimidating, hostile, or offensive work environment.

Any employee who thinks he or she has been sexually harassed by a supervisor, another employee, or agent of the company, should report the facts to his/her supervisor, the plant manager, or the Director of Human Resources.

INVESTIGATION AND NON-RETALIATION

Every harassment complaint will be investigated thoroughly and promptly, and the Company will attempt to keep the investigation confidential to the extent possible. If appropriate, disciplinary action will be taken against the harasser up to and including termination. Employees are assured that no employee who reports an incident of alleged harassment or who participates in an investigation of sexual harassment will be punished or otherwise retaliated against in any way. Employees who feel they have been retaliated against or witness any retaliation shall use the above complaint procedure. Employees are expected to cooperate fully in any investigation.