Citation and Notification of Penalty

To:       
Lone Star Reel Corporation  
and its successors  
300 N. Throckmorton Street  
McKinney, TX 75069

Inspection Number: 881644
Inspection Date(s): 02/12/2013 - 08/12/2013
Issuance Date: 08/12/2013

Inspection Site:  
300 N. Throckmorton Street  
McKinney, TX 75069

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty you either call to schedule an informal conference (see paragraph below) or you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).
If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

**Right to Contest** — You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. **Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.**

**Penalty Payment** — Penalties are due within 15 working days of receipt of this notification unless contested (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to “DOL-OSHA”. Please indicate the Inspection Number on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

**Notification of Corrective Action** — For each violation which you do not contest, you must provide abatement certification to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that abatement documentation is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

**Employer Discrimination Unlawful** — The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

**Employer Rights and Responsibilities** — The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.
Notice to Employees – The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data – You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.
NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 08/12/2013. The conference will be held by telephone or at the OSHA office located at 8344 East R.L. Thornton Freeway, Suite 420, Dallas, TX 75228 on _____________ at _____________. Employees and/or representatives of employees have a right to attend an informal conference.
CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Inspection Number: 881644

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069
Issuance Date: 08/12/2013

List the specific method of correction for each item on this citation in this package that does not read “Corrected During Inspection” and return to: U.S. Department of Labor – Occupational Safety and Health Administration, 8344 East R.L. Thornton Freeway, Suite 420, Dallas, TX 75228

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

Citation Number _____ and Item Number _____ was corrected on ____________________________
By (Method of Abatement): ________________________________

I certify that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement.

_________________________________________  __________________________
Signature                                                   Date

Typed or Printed Name                                      Title

NOTE: 29 USC 666(g) whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than $10,000 or by imprisonment of not more than 6 months or both.

POSTING: A copy of completed Corrective Action Worksheet should be posted for employee review
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1 Item 1 Type of Violation: Serious

Section 5(a)(1) of the Occupational Safety and Health Act of 1970: The employer does not furnish to each of his employees employment and a place of employment which are free from recognized hazards that are causing or likely to cause death or serious physical harm to his employees in that employees were exposed to fire, deflagration, and explosion hazards:

This violation was observed on February 12, 2013, throughout the manufacturing facility; where the employer, by using the following dust collectors inside of the building without explosion protection systems, such as explosion venting or explosion suppression systems, exposed employees to fire, deflagration and explosion hazards:

a. Dust collection system servicing CNC machine number 1.
b. Dust collection system servicing CNC machine number 2.
c. Dust collection system servicing CNC machine number 3.
d. Dust collection system servicing CNC machine number 4.
e. Dust collection system servicing CNC machine number 5.

Among other methods, one feasible and acceptable method to correct this hazard includes following the National Fire Protection Association (NFPA) 664, Standard for the Prevention of Fires and Explosion in Wood Processing and Woodworking Facilities, 2007 Edition, including, but not limited to installing a high speed abort system on the return air ductwork, installing a back flash damper, a deflagration system or a suppression system on the duct collector and/or duct work.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the requirement, including describing the steps it is taking to ensure that dust collectors that are located inside buildings possess proper explosion protection systems, such as explosion venting or explosion suppression systems.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $4900.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation  
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1  Item 2 a  Type of Violation: Serious

29 CFR 1910.22(a)(1): All places of employment, passageways, storerooms, and service rooms were not kept clean and orderly and in a sanitary condition:

The employer does not ensure that equipment, walls, and ledges are kept free from hazardous accumulations of combustible dust, exposing employees to the hazards of fire, deflagration and explosion. This violation was observed on February 12, 2013, located throughout the manufacturing facility; where saw dust had accumulated on equipment, walls, and ledges.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that equipment, walls and ledges are kept free from hazardous accumulations of combustible dust.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $4900.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1  Item 2 b  Type of Violation: Serious

29 CFR 1910.22(a)(2): The floor of every workroom was not maintained in a clean and, so far as possible, a dry condition:

The employer does not ensure that workroom floors are kept free of hazardous accumulations of combustible dust, exposing employees to the hazards of fire, deflagration, and explosion. This violation was observed on February 12, 2013, throughout the manufacturing facility; where saw dust had accumulated on the workroom floors.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to establish, communicate and implement written procedures to ensure that hazardous accumulations of combustible dust are removed from all floors concurrently with operations.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 3 a Type of Violation: Serious

29 CFR 1910.147(c)(4)(ii): The energy control procedures did not clearly and specifically outline the scope, purpose, authorization, rules, and techniques to be utilized for the control of hazardous energy, and the means to enforce compliance including, but not limited to, 29 CFR 1910.147(c)(4)(ii)(A), (c)(4)(ii)(B), (c)(4)(ii)(C) and (c)(4)(ii)(D):

The employer does not ensure that the energy control procedures clearly and specifically outline the scope, purpose, authorization, rules, and techniques to be utilized for the control of hazardous energy, and the means to enforce compliance including, but not limited to, having a specific statement of the intended use of the procedure; specific procedural steps for shutting down, isolating, blocking and securing machines or equipment to control hazardous energy; specific procedural steps for the placement, removal and transfer of lockout devices or tagout devices and the responsibility for them; and specific requirements for testing a machine or equipment to determine and verify the effectiveness of lockout devices, tagout devices, and other energy control measures. This violation was discovered on March 4, 2013 for the following machines and equipment:

a. T-Nut Machine  
b. Crouch Sander #1  
c. Crouch Sander #2  
d. CNC 1  
e. CNC 2  
f. CNC 3  
g. CNC 4  
h. Torit Dust Cyclone for CNC 1  
i. Torit Dust Cyclone CNC 3 East Wall  
j. Dustek Dust Collection CNC Department  
k. Tube Punch  
l. Crow Machine & Dust Collector in CNC Area  
m. Conveyor Lines
n. KUFO Dust Collector for Belt Sander

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard. Including describing the steps that it is taking to ensure that the energy control procedures clearly and specifically outline the scope, purpose, authorization, rules, and techniques to be utilized for the control of hazardous energy, and the means to enforce compliance including, but not limited to, having a specific statement of the intended use of the procedure; specific procedural steps for shutting down, isolating, blocking and securing machines or equipment to control hazardous energy; specific procedural steps for the placement, removal and transfer of lockout devices or tagout devices and the responsibility for them; and specific requirements for testing a machine or equipment to determine and verify the effectiveness of lockout devices, tagout devices, and other energy control measures.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $4900.00
Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation and Notification of Penalty

Type of Violation: Serious

29 CFR 1910.147(c)(7)(i): The employer did not training to ensure that the purpose and function of the energy control program were understood by employees and that the knowledge and skills required for the safe application, usage, and removal of the energy controls were acquired by employees.

The employer does not provide training to ensure that the purpose and function of the energy control program are understood by employees, and that the knowledge and skills required for the safe application, usage, and removal of the energy controls are acquired by employees. This violation was discovered on March 04, 2013, located throughout the manufacturing and assembly areas; where employees serviced and maintained machines and equipment, but the employer did not ensure that the employees understood the purpose and function of the energy control program, and that they had acquired the knowledge and skills necessary for the safe application, usage, and removal of the energy controls.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that employees understand the purpose and function of the energy control program, and that they acquire the knowledge and skills necessary for the safe application, usage, and removal of the energy controls.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1 Item 4 Type of Violation: Serious

29 CFR 1910.176(b): Materials were not stored in a stable or secure manner:

The employer does not ensure that materials are stored in a stable and or secure manner. This violation was discovered on February 12, 2013, in the manufacturing and warehousing areas; where industrial steel storage racks that were used store materials were not anchored to the floor.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must provide documentation showing that it is in compliance with the standard, including describing the steps it is taking to ensure that industrial steel storage racks base plates are securely anchored to the floor as specified in ANSI MH16.1: 2008, Specification for the Design, Testing and Utilization of Industrial Steel Storage Racks, Section 7, Beam Connections and Column Base Plates.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $4900.00
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1 Item 5 Type of Violation: Serious

29 CFR 1910.178(c)(2)(vi)(a): Approved power operated industrial trucks designated as EX were not used in atmospheres in which combustible dust was or may be in suspension continuously, intermittently, or periodically under normal operating conditions, in quantities sufficient to produce explosive or ignitable mixtures, or where mechanical failure or abnormal operations of machinery or equipment might cause such mixtures to be produced:

The employer does not ensure only approved power operated industrial trucks designated as EX are used in atmospheres in which combustible dust is present. This violation was observed on February 12, 2013, throughout the facility, where employee operated powered industrial trucks in areas with combustible dust that were not designated as EX:

a. Employees used a Mitsubishi FG30N-LP in areas that contained combustible dust;
b. Employees used a Mitsubishi FG25N-LP in areas that contained combustible dust;
c. Employees used a Mitsubishi FG25K-LP in areas that contained combustible dust.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that only powered industrial trucks designated as EX are used in atmospheres in which combustible dust is or may be in suspension continuously, intermittently, or periodically under normal operating conditions, in quantities sufficient to produce explosive or ignitable mixtures, or where mechanical failure or abnormal operations of machinery or equipment might cause such mixtures to be produced.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $4900.00
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation  
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1 Item 6   Type of Violation: **Serious**

29 CFR 1910.212(a)(1): One or more methods of machine guarding was not provided to protect the operator and other employees in the machine area from hazards such as those created by point of operation, ingoing nip points, rotating parts, flying chips and sparks:

The employer does not ensure that one or more methods of machine guarding are provided to protect employees from the hazards such as those created by ingoing nip points. This violation was observed on February 12, 2013, in the assembly areas; where employees, who used a Roach conveyor line, model no.: 450BOS, were not protected from ingoing nip points:

a. Un-guarded pinch points located between the bearing ends of the head pulley, roller assembly on the number 1 Roach Conveyor.
b. Un-guarded pinch points located between the bearing ends of the head pulley, roller assembly on the number 2 Roach Conveyor.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that employees, who used the Roach conveyor line, are protected from ingoing nip points.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $3500.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1  Item 7 a  Type of Violation: Serious

29 CFR 1910.305(b)(1)(ii): Unused openings in cabinets, boxes, and fittings were not effectively closed:

The employer does not ensure that unused openings in cabinets, boxes and fittings are effectively closed. This violation was observed on February 12, 2013, in the stave cutting area; where employees were exposed to electrical hazards while working in areas where unused openings in cabinets, boxes and fittings were not effectively closed, one (1) 110 volt electrical outlet.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that unused openings in cabinets, boxes and fittings are effectively closed.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $3500.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1  Item 7 b  Type of Violation: Serious

29 CFR 1910.305(b)(2)(i): Each pull boxes, junction boxes, and fittings in completed installations did not have a cover, face plate, or fixture canopy:

The employer does not ensure that each pull boxes, junction boxes and fittings in completed installation have a cover, face plate or fixture canopy. This violation was discovered on February 12, 2013, in the chipping area; where employees are exposed to the live electrical conductors, a 440VAC motor controller controlling electrical power to the Chipper machine that did not have the cover, face plate or fixture canopy secured.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that each pull boxes, junction boxes, and fittings in completed installations have a cover, face plate, or fixture canopy.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 8 a Type of Violation: Serious

29 CFR 1910.307(c)(2)(i): Equipment in hazardous locations was not approved for the class of location, due to the presence of combustible dust:

The employer does not ensure that equipment located in hazardous locations are approved for the class of location, due to the presence of combustible dust. This violation was discovered on February 12, 2013, in the manufacturing facility, where the employer used electrical equipment that was not approved for use in areas where there was combustible dust:

- a. CNC Machine number 1, a Square D 220 volt electrical disconnect, supplying power to a Multi Cam power distribution panel, Model No. MC416SF31385, providing electrical power to the CNC control pad.

- b. CNC Machine number 2, a Square D 220 volt electrical disconnect, supplying power to a Multi Cam power distribution panel, Model No. MC416SF31385, providing electrical power to the CNC control pad.

- c. CNC Machine number 3, a Square D 220 volt electrical disconnect, supplying power to a Multi Cam power distribution panel, Model No. MC416SF31385, providing electrical power to the CNC control pad.

- d. CNC Machine number 4, a Square D 220 volt electrical disconnect, supplying power to a Multi Cam power distribution panel, Model No. MC416SF31385, providing electrical power to the CNC control pad.

- e. CNC Machine number 4, a Square D 220 volt electrical disconnect, supplying power to a Multi Cam power distribution panel, Model No. MC416SF31385, providing electrical power to the CNC control pad.

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that equipment in hazardous locations are approved for the class of location, due to the presence of combustible dust.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $4900.00
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 1 Item 8 b Type of Violation: Serious

29 CFR 1910.307(d): All conduits were not threaded and made wrench-tight:

The employer does not ensure that all conduits are threaded and made wrench-tight. This violation was discovered on February 12, 2013, throughout the facility; where the employer used conduits that were not threaded and made wrench-tight in areas where combustible dust was located:

a. One (1) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to CNC machine number one (1); one-half (1/2) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to a Grizzly Model No. G0601 dust collection system;

b. One (1) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to CNC machine number two (2); one-half (1/2) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to a Grizzly Model No. G0601 dust collection system;

c. One (1) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to CNC machine number three (3); one-half (1/2) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to a Grizzly Model No. G0601 dust collection system;

d. One (1) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to CNC machine number four (4); one-half (1/2) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to a Grizzly Model No. G0601 dust collection system;

e. One (1) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to CNC machine number five (5); one-half (1/2) inch electrical magnetic tubing that was connected to a Square D electrical disconnect that provided electrical power to a Grizzly Model No. G0601 dust collection system.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that all conduits are threaded and made wrench-tight.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 2  Item 1  Type of Violation: Willful

29 CFR 1910.147(c)(4)(i): Procedures were not developed, documented and utilized for the control of potentially hazardous energy when employees were engaged in activities covered by 29 CFR 1910.147:

The employer does not ensure that procedures are developed, documented and utilized for the control of potentially hazardous energy when employees service and maintain machines and equipment. This violation was discovered on March 04, 2013, in the manufacturing and assembly areas; where the employer did not develop, document and utilize procedures for the control of potentially hazardous energy when employees serviced and maintained the following machines and equipment:

a. Tyler Manufacturing power press located in the production / assembly areas.
b. Stafast power press located in the production / assembly areas.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that procedures for the control of potentially hazardous energy are developed, documented and utilized when employees service and maintain machines and equipment.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $56000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, McKinney, TX 75069

Citation 2 Item 2  Type of Violation: Willful

29 CFR 1910.212(a)(3)(ii): The point of operation of machines whose operation exposed an employee to injury, was not guarded:

The employer does not ensure that point(s) of operation of machinery are guarded to prevent employee(s) from having any part of their body in the danger zone(s) during operating cycle(s). This violation was discovered on February 12, 2013, in the manufacturing and assembly areas; where at least two (2) employees were exposed to point of operation hazards:

a. While operating a Tyler Machinery power press in the assembly area.
b. While operating a Stafast t-nut press located in the assembly area.

Pursuant to 29 CFR 1903.19, within ten (10) calendar days of the abatement date, the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that point(s) of operation of machinery are guarded to prevent employee(s) from having any part of their body in the danger zone(s) during operating cycles.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 08/19/2013
Proposed Penalty: $56000.00

Stephen Boyd
Area Director

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
INVOICE /
DEBT COLLECTION NOTICE

Company Name: Lone Star Reel Corporation
Inspection Site: 300 N. Throckmorton Street, Mckinney, TX 75069
Issuance Date: 08/12/2013

Summary of Penalties for Inspection Number 881644
Citation 1, Serious $36400.00
Citation 2, Willful $112000.00
TOTAL PROPOSED PENALTIES $148400.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: “DOL-OSHA”. Please indicate OSHA’s Inspection Number (indicated above) on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to 2 times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.
**Interest:** Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is one percent (1%). Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

**Delinquent Charges:** A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

**Administrative Costs:** Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.


**Stephen Boyd**

Area Director

**August 12, 2013**

Date