

U.S. Department of Labor Occupational Safety and Health Administration
1600 167th Street, Suite 9
Calumet City, IL 60409
Phone: 708-891-3800 Fax: 708-862-9659



01/09/2014

PAN OCEANIC ENGINEERING CO., INC.
8501 West Higgins Road Suite 630
Chicago, IL 60631
Attention: Gulzar Singh

Inspection #922686

Dear Mr. Singh:

Enclosed you will find citations for violations of the Occupational Safety and Health Act of 1970 (the Act) which may have accompanying proposed penalties. Also enclosed is a booklet entitled, "Employer Rights and Responsibilities Following an OSHA Inspection", (OSHA 3000) revised 1990, which explains your rights and responsibilities under the Act. If you have any questions about the enclosed citations and penalties, I would welcome further discussions in person or by telephone.

You will note on page 6 of the booklet that, for violations which you do not contest, you must (1) notify this office promptly by letter that you have taken appropriate corrective action within the time set forth on the citation; and (2) pay any penalties assessed. Please inform me of the abatement steps you have taken and of their dated together with adequate supporting documentation; e.g., drawings or photographs of corrected conditions, purchase/work orders related to abatement actions, air sampling results. This information will allow us to close the case.

As indicated on page 8 of the booklet, you may request an informal conference with me during the 15-working-day notice of contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation or the penalty.

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 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 the citation. The running of this contest period is not interrupted by an informal conference. You must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so.

If you decide to request an informal conference, please complete the attached notice at the bottom of this letter and post it next to the Citations as soon as the time, date and the place of the informal conference have been determined. Be sure to bring to the conference with you any and all supporting documentation of existing conditions as well as of 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.

You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of 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.

Under a law passed by Congress in 1996, the Small Business Administration (SBA) has established an SBA Ombudsman and SBA Regional Fairness Boards to investigate small business complaints about federal agency enforcement actions.

If you are a small business and believe you have been treated unfairly by the Occupational Safety and Health Administration (OSHA), you may file a written, signed complaint with the SBA Ombudsman at:

SBA Office of the National Ombudsman
409 3rd Street, SW
MC 2120
Washington, D.C. 20416

Or, call Toll Free: 1-888-REGFAIR

NOTE: Filing a complaint with the SBA Ombudsman does not affect any obligation you may have to comply with an OSHA citation or other enforcement actions.

Your support of occupational safety and health is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary J. Anderson". The signature is written in a cursive style with a large initial "G".

Gary J. Anderson
Area Director

Enclosures

U.S. Department of Labor
Occupational Safety and Health Administration
1600 167th Street
Suite 9
Calumet City, IL 60409
Phone: 708-891-3800 Fax: 708-862-9659



Citation and Notification of Penalty

To:
PAN OCEANIC ENGINEERING CO., INC.
8501 West Higgins Road Suite 630
Chicago, IL 60631

Inspection Number: 922686
Inspection Date(s): 07/22/2013 - 07/22/2013
Issuance Date: 01/09/2014

Inspection Site:
1008 N. Leclaire
Chicago, IL 60651

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

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. You can also make your payment electronically on www.pay.gov. On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type “OSHA” and click Go. From the results, click on **OSHA Penalty Payment Form**. The direct link is:

<https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>.

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$50,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will process the payments as if these restrictions or conditions 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 01/09/2014. The conference will be held by telephone or at the OSHA office located at 1600 167th Street, Suite 9, Calumet City, IL 60409 on _____ at _____.

Employees and/or representatives of employees have a right to attend an informal conference.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 922686
Inspection Date(s): 07/22/2013 - 07/22/2013
Issuance Date: 01/09/2014



Citation and Notification of Penalty

Company Name: PAN OCEANIC ENGINEERING CO., INC.
Inspection Site: 1008 N. Leclaire, Chicago, IL 60651

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

29 CFR 1926.651(k)(2): Where the competent person finds evidence of a situation that could result in a possible cave-in, indications of failure of protective systems, hazardous atmospheres, or other hazardous conditions, exposed employees shall be removed from the hazardous area until the necessary precautions have been taken to ensure their safety.

a. On or about July 22, 2013 - at the above addressed jobsite, the competent person identified cave in hazards in a trench measuring eight (8) feet ten (10) inches in depth and permitted an employee to enter the trench, thereby exposing the employee to cave in hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:
Proposed Penalty:

01/22/2014
\$7000.00



Citation and Notification of Penalty

Company Name: PAN OCEANIC ENGINEERING CO., INC.
Inspection Site: 1008 N. LeClaire, Chicago, IL 60651

Citation 2 Item 1 Type of Violation: **Willful**

29 CFR 1926.652(a)(1): Each employee in an excavation is not protected from cave-ins by an adequate protective system designed in accordance with paragraph (b) or (c) of this section:

The employer does not protect each employee in its excavations by properly sloping the excavation or by using appropriate protective systems designed in accordance with paragraphs (b) or (c) of 29 CFR 1926.652.

a. This most recently occurred on July 22, 2013 - at 1008 N. LeClaire in Chicago, IL 60651, an employee is exposed to cave in hazards while working in an unprotected trench measuring eight (8) feet ten (10) inches in depth.

To abate this hazard in the future, the employer must ensure that its excavations are properly sloped, or that protective systems designed in accordance with this standard are used, and that no employees enter the excavations until protection is provided.

This employer has been cited to this practice that included: Pan Oceanic Engineering CO., Inc., was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1926.652(a)(1) which was contained in OSHA violation number 310176540, citation number 1, item 1, issued on June 28, 2007, and became final order on or about July 10, 2007, with respect to a workplace located at 11148 South Champlain in Chicago, IL 60628, and OSHA violation number 312595655, citation 1, item 1, issued on August 4, 2009, and became final order on or about August 28, 2009, with respect to a workplace located at 25th and Claremont in Chicago, IL 60608, and OSHA violation 313934325, citation 2, item 1, issued May 27, 2010, and became final order on or about November 23, 2010, with respect to the workplace located at 720 W 67th St. in Chicago, IL 60621, and OSHA violation number 313935793, citation number 2, item 1, issued August 17, 2010, and became final order on or about September 8, 2010, with respect to a workplace located at 1114 W. Taylor St. in Chicago, IL 60607, and OSHA violation number 3151566307, citation number 2, item 1, issued May 19, 2011, and became final order on or about June 15, 2011, with respect to a workplace located at 60 E. 102nd Pl. in Chicago, IL 60628.

Pursuant to 29 CFR 1903.19, the employer must submit documents describing the steps it is taking to ensure compliance, including an explanation of how these steps protect its employees from excavation cave ins.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:

01/22/2014

Proposed Penalty:

\$70000.00



Citation and Notification of Penalty

Company Name: PAN OCEANIC ENGINEERING CO., INC.
Inspection Site: 1008 N. LeClaire, Chicago, IL 60651

Citation 3 Item 1 Type of Violation: **Repeat**

29 CFR 1926.200(g)(1): Construction areas are not posted with legible traffic signs at points of hazard.

The employer does not post legible traffic signs at points of hazards as a warning to road users that road work is taking place or what action the road user must take to drive through the work zone.

a. This most recently occurred on July 22, 2013 - at 1008 N. LeClaire in Chicago, IL 60651, employees conducting sewer construction are exposed to struck by hazards when the employer did not provide advance warning to road users that road work was taking place or what actions the road user must take to drive through the work zone.

To abate this hazard in the future, the employer must post legible traffic signs at points of hazards as a warning to road users that road work is taking place or what action the road user must take to drive through the work zone.

This employer has been cited for this practice that included: Pan Oceanic Engineering CO., Inc., was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1926.200(g)(1) which was contained in OSHA violation number 313934325, citation number 1, item 1, issued on May 27, 2010, and became final order on or about November 23, 2010, with respect to a workplace located at 720 W. 67th St. in Chicago IL 60621, and OSHA violation number 313935793, citation number 1, item 1, issued on August 17, 2010, and became final order on about September 8, 2010, with respect to a workplace located at 1114 W. Taylor St. in Chicago, IL 60607.

Pursuant to 29 CFR 1903.19, the employer must submit documents describing the steps it is taking to ensure compliance, including an explanation of how these steps protect its employees from struck by hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 01/22/2014
Proposed Penalty: \$13200.00

Citation 3 Item 2 Type of Violation: **Repeat**

29 CFR 1926.651(i)(3): Sidewalks, pavements and appurtenant structure are undermined and a support system or another method of protection is not provided to protect employees from the possible collapse of such structures.



Citation and Notification of Penalty

Company Name: PAN OCEANIC ENGINEERING CO., INC.
Inspection Site: 1008 N. LeClaire, Chicago, IL 60651

The employer does not ensure sidewalks, pavements and appurtenant structure are not undermined unless a support system or another method of protection is provided to protect employees from possible collapse of such structures.

a. This most recently occurred on July 22, 2013 - at 1008 N. LeClaire in Chicago, IL 60651, an employee is working in a trench measured at eight (8) feet ten (10) inches in depth. The trench undermines the street and is not supported nor provided a means of protection from possible collapse of the street, thereby exposing the employee to cave in hazards.

To abate this hazard in the future, the employer must ensure sidewalks, pavements and appurtenant structures are not undermined unless a support system or another method of protection is provided to protect employees from possible collapse of such structures.

This employer had been cited for this practice that included: Pan Oceanic Engineering CO., Inc., was previously cited for a violation of this occupational safety and health standard or its equivalent 29 CFR 1926.651(i)(3) which was contained in OSHA violation number 313934325, citation 1, item 2, issued on May 27, 2010, and became final order on or about November 23, 2010, with respect to a workplace located at 720 W. 67th St. in Chicago, IL 60621, and OSHA violation number 313935793, citation 1, item 2b, issued August 17, 2010, and became final order on or about September 8, 2010, with respect to a workplace located at 1114 W. Taylor St. in Chicago, IL 60607.

Pursuant to 29 CFR 1903.19, the employer must submit documents describing the steps it is taking to ensure compliance, including an explanation of how these steps protect its employees from cave-in hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:
Proposed Penalty:

01/22/2014
\$15400.00

A handwritten signature in black ink, appearing to read "G. Anderson", is written over a horizontal line.

Gary J. Anderson
Area Director

U.S. Department of Labor
Occupational Safety and Health Administration
1600 167th Street
Suite 9
Calumet City, IL 60409
Phone: 708-891-3800 Fax: 708-862-9659



INVOICE / DEBT COLLECTION NOTICE

Company Name: PAN OCEANIC ENGINEERING CO., INC.
Inspection Site: 1008 N. Leclaire, Chicago, IL 60651
Issuance Date: 01/09/2014

Summary of Penalties for Inspection Number	922686
Citation 1, Serious	\$7000.00
Citation 2, Willful	\$70000.00
Citation 3, Repeat	\$28600.00
TOTAL PROPOSED PENALTIES	\$105600.00

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. You can also make your payment electronically on www.pay.gov. On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type "OSHA" and click Go. From the results, click on **OSHA Penalty Payment Form**. The direct link is <https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$50,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment 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.



Gary J. Anderson

Area Director



Date

CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Inspection Number: 922686

Company Name: PAN OCEANIC ENGINEERING CO., INC.
Inspection Site: 1008 N. Leclair, Chicago, IL 60651
Issuance Date: 01/09/2014

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, 1600 167th Street, Suite 9, Calumet City, IL 60409**

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