

U.S. Department of Labor

Occupational Safety and Health Administration
17625 El Camino Real
Suite 400
Houston, TX 77058
Phone: 281-286-0583 Fax: 281-286-6352



Notification of Failure to Abate Alleged Violations

To:
Sterling Shipyard
and its successors
906 Main St.
Port Neches, TX 77651

Inspection Site:
906 Main St.
Port Neches, TX 77651

Original Inspection Number: 908918
Original Inspection Date: 05/28/2013 - 09/24/2013

Inspection Number: 954493
Inspection Date(s): 01/13/2014 - 07/11/2014
Issuance Date: 07/11/2014

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

After the original inspection, a Citation(s) was issued to you in accordance with the provisions of the Occupational Safety and Health Act of 1970 (the Act), notifying you of certain violations of the Act and the dates by which they were to be abated. Based upon re-inspection, it is alleged that you have failed to abate the violation(s) listed below within the time prescribed, and the following additional penalties are proposed. The additional penalty is computed by multiplying a daily penalty times the number of days the violation(s) remained unabated. You are to notify the Area Director in writing of the date and nature of the corrective action taken. If you do not abate the violation(s), further penalties may be proposed and other enforcement action to compel abatement may be taken under section 11(b) of the Act.

Notification of Corrective Action - For **each** violation which you do not contest, you are required by 29 CFR 1903.19 to submit an Abatement Certification to the Area Director of OSHA office issuing the citation and identified above. The certification **must** be sent by you within **10 calendar days** of the abatement date indicated on the citation. For **Willful** and **Repeat** violations, documents (examples: photos, copies of receipts, training records, etc.) demonstrating that abatement is complete must accompany the certification. Where the citation is classified as **Serious** and the citations states the abatement documentation is required, documents such as those described above are required to be submitted along with the abatement certificate. If the citation indicates that the violation was corrected during the inspection, no abatement certificate is required for that item.

All abatement verification documents must contain the following information: 1) Your name and address; 2) the inspection number (found on the front page); 3) the citation and citation item number(s) to which the submission relates; 4) a statement that the information is accurate; 5) the signature of the employer or employer's authorized representative; 6) the date the hazard was corrected; 7) a brief statement of how the hazard was corrected; and 8) a statement that affected employees and their representatives have been informed of the abatement.

The law also requires a copy of all abatement verification documents, required by 29 CFR 1903.19 to be sent to OSHA, also be posted at the location where the violation appeared and the corrective action took place.

You are further notified that you must pay the ADDITIONAL PENALTY unless you inform the Area Director in writing that you intend to contest the Notification or the Additional Penalty within 15 working days (excluding weekends and Federal holidays) from your receipt of this notification. If you do not contest within 15 working days after receipt, the Notification and the additional penalties will become the final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency. Issuance of this Notification 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 the Notification is affirmed by the Review Commission.

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](http://www.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.

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 the OSHA to discuss the Notification of Failure to Abate Alleged Violations issued on 07/11/2014. The conference will be held by telephone or at the OSHA office located at 17625 El Camino Real, Suite 400, Houston, TX 77058 on _____ at _____. Employees and/or representatives of employees have a right to attend an informal conference.

CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Original Inspection Number: 908918

Company Name: Sterling Shipyard
Inspection Site: 906 Main St., Port Neches, TX 77651
Issuance Date: 07/11/2014

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, 17625 El Camino Real, Suite 400, Houston, TX 77058**

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.

NAME OF COMPANY OFFICIAL

DATE

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.

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



Notification of Failure to Abate Alleged Violation

Original Inspection: 908918

Inspection Number: 954493

Original Inspection Dates: 05/28/2013 - 09/24/2013

Inspection Date(s): 01/13/2014 - 07/11/2014

Issuance Date: 07/11/2014

Company Name: Sterling Shipyard

Inspection Site: 906 Main St., Port Neches, TX 77651

Citation 1 Item 4

29 CFR 1910.180(c)(2): The cab(s) of crawler crane(s) were not provided with a load rating chart with clearly legible letters and figures which was easily visible to the operator while seated at the control station:

a) In the construction area of the facility, where an employee was lifting steel plates with a Manitowoc Crane, model #3900, without a load rating chart in the crane cab.

Additional Penalty:

\$ 25200.00



Notification of Failure to Abate Alleged Violation

Original Inspection: 908918

Inspection Number: 954493

Original Inspection Dates: 05/28/2013 - 09/24/2013

Inspection Date(s): 01/13/2014 - 07/11/2014

Issuance Date: 07/11/2014

Company Name: Sterling Shipyard

Inspection Site: 906 Main St., Port Neches, TX 77651

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 6 a

29 CFR 1915.75(b): Sides of gangways, ramps, or permanent stairways, including those used for access to wing walls from dry dock floors did not have a railing with a midrail:

- a) At the facility, Dry Dock #1, on or about January 13, 2014, where no guard rail system was installed along the sides of the gangway to prevent employees from falling into the water.
- b) At the facility, Dry Dock #2, on or about March 26, 2014, where no guardrail system was installed along the sides of the gangway to prevent employees from falling into the water.
- c) At the facility, Dry Dock #2, where the stairway used to access the east wing wall was missing a midrail.
- d) At the facility, Dry Dock #2, where the stairway used to access the west wing wall was missing a midrail.

Additional Penalty:

\$ 81000.00



Notification of Failure to Abate Alleged Violation

Original Inspection: 908918

Inspection Number: 954493

Original Inspection Dates: 05/28/2013 - 09/24/2013

Inspection Date(s): 01/13/2014 - 07/11/2014

Issuance Date: 07/11/2014

Company Name: Sterling Shipyard

Inspection Site: 906 Main St., Port Neches, TX 77651

Citation 1 Item 6 b

29 CFR 1915.75(d): Railings approximately 42 inches in height, with a midrail, were not provided on the edges of wing walls of floating dry docks or on edges of graving docks:

a) At the facility, Dry Dock #1, on or about January 13, 2014, where the sides of the north and south wing walls were missing sections of midrails and top rails.

b) At the facility, Dry Dock #2, where the sides of the east and west wing walls were missing sections of midrails.

Additional Penalty:

\$ 0.00



Notification of Failure to Abate Alleged Violation

Original Inspection: 908918

Original Inspection Dates: 05/28/2013 - 09/24/2013

Inspection Number: 954493

Inspection Date(s): 01/13/2014 -

Issuance Date: 07/11/2014

Company Name: Sterling Shipyard

Inspection Site: 906 Main St., Port Neches, TX 77651

Citation 1 Item 6 c

29 CFR 1915.75(e): When employees working on the floor of a floating dry dock were exposed to the hazard of falling into the water, the end of the dry dock was not equipped with portable stanchions and 4-inch railings with a mid-rail:

- a) At the facility, Dry Dock #1, where the ends of the dock were not equipped with portable stanchions and rails.
- b) At the facility, Dry Dock #2, where the ends of the dock were not equipped with portable stanchions and rails.

Additional Penalty:

\$ 0.00

for → 
Mark R. Briggs
Area Director

U.S. Department of Labor
Occupational Safety and Health Administration
17625 El Camino Real
Suite 400
Houston, TX 77058
Phone: 281-286-0583 Fax: 281-286-6352



INVOICE / DEBT COLLECTION NOTICE

Company Name: Sterling Shipyard
Inspection Site: 906 Main St., Port Neches, TX 77651
Issuance Date: 07/11/2014

Summary of Additional Penalties for Inspection Number	908918
Followup Inspection Number	954493
TOTAL ADDITIONAL PROPOSED PENALTIES	\$ 106200.00

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 full amount due, and will process the payments 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.

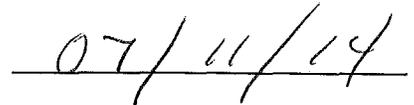
Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts 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 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 to 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 occurring 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.

for → 
Mark R. Briggs
Area Director


Date