

UNITED STATES OF AMERICA
OCCUPATIONAL SAFETY & HEALTH REVIEW COMMISSION

R. ALEXANDER ACOSTA, Secretary of Labor, :
United States Department of Labor, :
 : OSHRC DOCKET
Complainant, :
 : Nos. 17-1308
v. : &
 : 17-1311
CARTHAGE SPECIALTY PAPERBOARD, INC., : &
 : 17-1313
Respondent, :
 :
and :
 :
UNITED STEELWORKERS (USW), :
USW LOCAL UNION 276 :
 :
Authorized Employee Representative. :

STIPULATED SETTLEMENT

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USW LOCAL UNION 276	:	
	:	
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STIPULATED SETTLEMENT

Based upon the following recital, the Complainant and the Respondent herein agree to the following as a conclusion of this matter:

1. The Secretary hereby amends the proposed penalties to reflect a total proposed penalty of \$175,000, to be apportioned as set forth below:

OSHRC Docket No. 17-1308, Inspection 1207843			
Citation	Item No.	Original Proposed Penalty	Amended Proposed Penalty
1	1	\$5,070	\$2,433
1	2	\$5,070	\$2,433
1	3a-c	\$7,605	\$3,650
1	4	\$6,338	\$3,042
1	5	\$5,070	\$2,433
1	6	\$5,070	\$2,433
1	7	\$5,070	\$2,433
1	8a-b	\$3,802	\$1,825
1	9	\$3,802	\$1,825

1	10a-e	\$8,873	\$4,260
1	11	\$8,873	\$4,260
1	12	\$5,070	\$2,433
1	13a-b	\$5,070	\$2,433
1	14	\$5,070	\$2,433
1	15a-b	\$6,338	\$3,042
1	16a-b	\$5,070	\$2,433
1	17a-b	\$8,873	\$4,260
1	18	\$8,873	\$4,260
1	19	\$8,873	\$4,260
1	20	\$8,873	\$4,260
1	21	\$5,070	\$2,433
1	22a-b	\$5,070	\$2,433
1	23a-b	\$5,070	\$2,433
1	24a-b	\$8,873	\$4,260
1	25	\$5,070	\$2,433
1	26a-c	\$8,873	\$4,260
1	27	\$5,070	\$2,433
1	28	\$7,605	\$3,650
1	29a-b	\$5,070	\$2,433
1	30	\$7,605	\$3,650
1	31	\$6,338	\$3,042
1	32	\$6,338	\$3,042
1	33a-b	\$5,070	\$2,433
1	34	\$6,338	\$3,042
1	35	\$6,338	\$3,042
1	36	\$6,338	\$3,042
1	37	\$5,070	\$2,433
1	38a-c	\$6,338	\$3,042
1	39a-b	\$5,070	\$2,433
1	40	\$6,338	\$3,042
1	41a-b	\$6,338	\$3,042
2	1	\$0	\$0
Total		\$256,043	\$122,894

OSHR Docket No. 17-1313, Inspection 1207843A

3	1	\$6,338	\$3,438
Total		\$6,338	\$3,438

OSHR Docket No. 17-1311, Inspection 1199680

1	1	\$3,802	\$1,825
1	2a-b	\$7,605	\$3,650
1	3a-b	\$3,802	\$1,825

1	4a-b	\$5,070	\$2,433
1	5	\$7,605	\$3,650
1	6a-d	\$3,802	\$1,825
1	7a-c	\$6,338	\$3,042
1	8a-d	\$6,338	\$3,042
1	9	\$6,338	\$3,042
1	10a-d	\$6,338	\$3,042
1	11a-b	\$6,338	\$3,042
1	12a-b	\$6,338	\$3,042
1	13	\$6,338	\$3,042
1	14	\$6,338	\$3,042
1	15a-b	\$3,802	\$1,825
1	16a-c	\$5,070	\$2,433
1	17	\$5,070	\$2,433
1	18a-b	\$5,070	\$2,433
2	1	\$0	\$0
Total		\$101,402	\$48,668
Total (combined)			
		\$363,783	\$175,000

2. Respondent withdraws its notice of contest as to the citations, as issued, and the proposed penalties, as amended above.
3. Respondent affirmatively states that:
 - a. Respondent will comply in the future with the Occupational Safety and Health Act (OSH Act) and the regulations promulgated thereunder.
 - b. All violations alleged in the citations have been abated and/or will be abated as set forth below.
 - c. Respondent will provide abatement verification documentation to OSHA no later than 30 days after the Effective Date¹ of this Stipulated Settlement with respect to the abatement of the following citation items:

¹ This Stipulated Settlement shall become effective on the date that the Judge signs the Order approving this Stipulated Settlement (the “Effective Date”).

- i. OSHRC Docket No. 17-1308, Inspection No. 1207843:
Citation 1, Items 3c, 4, 5, 10a, 10b, 10c, 10d, 10e, 11, 17a, 17b, 24a, 24b, 26a, 26b, 26c, 27, 32, 33b, 35, 36, 37, 38a, 38b, 38c, 39a, 39b, 40, 41a, 41b.
 - ii. OSHRC Docket No. 17-1313, Inspection No. 1207843A:
Citation 3, Item 1.
 - iii. OSHRC Docket No. 17-1311, Inspection No. 1199680:
Citation 1, Items 7a, 7c, 10a, 10b, 10c, 10d, 11a, 11b, 12a, 12b.
- d. Respondent will provide abatement verification documentation to OSHA no later than 60 days after the Effective Date with respect to the abatement of the following citation items:
- i. OSHRC Docket No. 17-1308, Inspection No. 1207843:
Citation 1, Items 22a, 22b, 23a, 23b.
 - ii. OSHRC Docket No. 17-1311, Inspection No. 1199680:
Citation 1, Items 2a, 2b.
- e. Respondent will provide abatement verification documentation to OSHA no later than 90 days after the Effective Date with respect to the abatement of all other citation items which are not listed above in Paragraphs 3c and 3d.
- f. Respondent will provide abatement verification documentation to OSHA no later than 90 days after the Effective Date with respect to the abatement actions listed below in Paragraphs 3g – 3l.
- g. Respondent will hire and/or designate at least one dedicated safety and health professional at the salaried management level.

- h. Respondent will hire and/or designate one full-time, dedicated safety and health professional at the union employee level. The United Steel Workers union (USW) will participate in the selection of this safety and health representative, including the power to veto potential candidates. Respondent will send the selected union employee representative to the multi-week safety and health certification course offered by USW.
- i. Respondent will include safety and health evaluation in all management performance appraisals.
- j. Respondent will ensure that all employees receive comprehensive training provided by USW on the following topics: hazard recognition, hazard mapping, and incident and accident investigation.
- k. Respondent will establish a joint labor and management safety committee with meetings held at least on a monthly basis. Upon request, Respondent will provide the notes from such committee meetings to OSHA.
- l. The joint safety committee shall develop weekly safety audit procedures and documents. Respondent will ensure that weekly safety audits are performed and documented by area supervisors, and that written audit records are submitted to the mill manager. Upon request, Respondent will provide such audit records to OSHA.
- m. Respondent will arrange for annual, independent, third-party safety and health audits of the facility for a period of three years after the Effective Date. The first audit shall be conducted no later than one year after the Effective Date.

Respondent will provide OSHA with copies of the third-party audit reports and recommendations.

- n. Respondent agrees to grant OSHA access to conduct future inspections of its facility without requiring OSHA to obtain a warrant for a period of two years after the Effective Date.
 - o. During the two-year monitoring period after the Effective Date, Respondent shall submit five written compliance reports to OSHA summarizing Respondent's status of abatement actions and safety and health improvements at the facility. These compliance reports will be due: six months after the Effective Date, nine months after the Effective Date, one year after the Effective Date, eighteen months after the Effective Date, and the final report no later than two years after the Effective Date. Each Compliance Report shall include: 1) a description of the abatement actions and safety and health improvements which Respondent has completed since the most recent abatement verification documentation and/or prior compliance report; and 2) a certification by Respondent that it is in compliance with all terms of this Stipulated Settlement and the OSH Act and regulations; or, if Respondent is not then in full compliance, a description of all areas of non-compliance, the remedial actions to be taken by Respondent, and the date by which Respondent anticipates it will be able to achieve full compliance.
4. During the two-year monitoring period after the Effective Date, if OSHA determines that Respondent is not or may not be in compliance with any portion of this Stipulated Settlement and/or the OSH Act and regulations, OSHA shall promptly notify Respondent in writing of its findings. Respondent shall have 10 days from

receipt of OSHA's notification to come into compliance and/or provide a written response to OSHA. If the parties are unable to resolve the issue, the Complainant shall determine the appropriate course of action.

5. Respondent shall pay the amended proposed penalty of \$175,000 by making the following six payments. An initial payment of \$10,000 will be due within 10 days of the Effective Date. Five annual installment payments will be made, with the first annual payment (year 2018) due six months after the Effective Date. The other four annual payments (years 2019, 2020, 2021 and 2022) will be due each year on the same date as the first annual payment in 2018, until the entire sum is paid in full. The annual payments will be allocated as follows: 2018: \$27,000; 2019: \$27,000; 2020: \$27,000; 2021: \$42,000; and 2022: \$42,000. Respondent's checks shall be made payable to "Occupational Safety and Health – Labor" in the amounts set forth above and sent to the Occupational Safety and Health Administration Syracuse Area Office located at 3300 Vickery Road, North Syracuse, New York 13212.

A thirty day grace period shall be allowed for receipt of each annual payment. In the event that the Area Office does not receive any check by the thirtieth day after the check is due, the Area Office shall notify Respondent of that fact by regular mail. If the Area Office does not receive payment within ten days of the mailing, the total amended proposed penalty of \$175,000, less any monies already paid, shall be due immediately.

6. The citations are hereby amended to include the terms of this Stipulated Settlement as required abatement of the underlying conditions referred to in the citations. Failure to comply with Paragraph 3 above shall be a failure to abate the citations.

7. Respondent certifies that on December 18, 2017, this stipulation will be posted where affected employees may see it.
8. Each party hereby agrees to bear its own fees and other expenses incurred by such party in connection with any stage of this proceeding.
9. None of the foregoing agreements, statements, stipulations and actions taken by Respondent shall be deemed an admission by Respondent of the allegations contained within the citations, notifications of penalty and the complaints herein. The agreements, statements, stipulations, findings and actions taken herein are made for the purpose of settling this matter amicably and they shall not be used for any purpose, except for proceedings and matters arising under the Occupational Safety and Health Act.

DATED: December 14, 2017
New York, New York

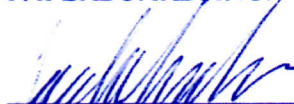
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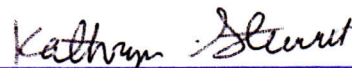
TED CORDES
Chief Executive Officer

CARTHAGE SPECIALTY
PAPERBOARD, INC.



JACK VANDER BAAN
USW International Staff Representative

UNITED STEELWORKERS (USW),
USW LOCAL UNION 276



KATHRYN STEWART
Senior Trial Attorney

Attorneys for Complainant
U.S. Department of Labor
R. ALEXANDER ACOSTA,
Secretary of Labor

CERTIFICATE OF SERVICE

I hereby certify that on _____, I served a copy of the attached Stipulated Settlement on _____, the authorized employee representative at the following address:

This service was accomplished by mailing the Stipulated Settlement to the representative at this last known address by postage pre-paid first class mail.

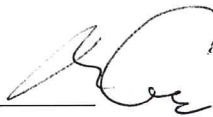
NAME: _____

TITLE: _____

CERTIFICATE OF SERVICE

I hereby certify that on 12/13/17, I personally delivered a copy of the attached Stipulated Settlement to James Valenti, USW, the authorized employee representative at the following address:

James Valenti, United States Steelworkers (USW), Local 276
812 State Fair Boulevard
Syracuse, NY 13209-1307

NAME: Ted Cordes 

TITLE: CEO