

**BEFORE THE  
UNITED STATES DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION**

**IN THE MATTER OF:**

**Goff Distribution, Inc.,  
  
(Respondent).**

**PHMSA CASE NUMBER**

**13-0013-SB-SW**

**COMPROMISE ORDER**

**By this Order I find that Goff Distribution, Inc. (Respondent) committed three (3) violations of the Hazardous Materials Regulations (HMR), 49 C.F.R. Parts 171-180. Accordingly, I assess Respondent a \$8,800 civil penalty for these violations.**

**I. Summary**

Respondent: Goff Distribution, Inc.  
1801 E. Roosevelt Road  
Little Rock, AR 72206

No. of Violations: 3

Total Payment Due: \$8,800

**II. Finding**

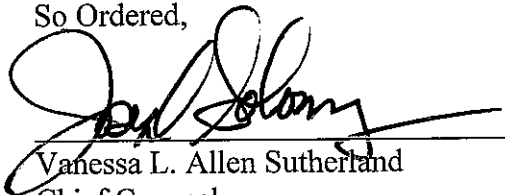
This matter comes before me after Respondent and the Pipeline and Hazardous Materials Safety Administration (PHMSA) agreed to a disposition of this civil enforcement action. I have reviewed the Compromise Agreement (Agreement) and I find that the terms as outlined therein are in the best interest of justice. I find Respondent committed the violations as described in the Agreement, which is attached as Addendum A to this Order, and I impose

a civil penalty of \$8,800. Respondent must pay the civil penalty in accordance with the instructions contained in Addendum B to this Order.

The Agreement, in its entirety, is incorporated in and attached to this Order. All of the terms and conditions of the Agreement shall be given the full force and effect of an Order issued pursuant to the Federal hazardous materials transportation law, 49 U.S.C. § 5101, et seq., or the Hazardous Materials Regulations, 49 C.F.R. Parts 171 – 180.

Dated: 5/14/2003

So Ordered,



Vanessa L. Allen Sutherland  
Chief Counsel

fa

Pipeline and Hazardous  
Materials Safety Administration

**CERTIFICATE OF SERVICE**

This is to certify that on the 15<sup>th</sup> day of May, 2013, the undersigned served in the following manner the designated copies of this Order with attached Addendums to each party listed below:

Original Order with  
Copy of Agreement  
Certified Mail Return Receipt

Mr. Clay Barber, COO  
Goff Distribution, Inc.  
1801 E. Roosevelt Road  
Little Rock, AR 72206

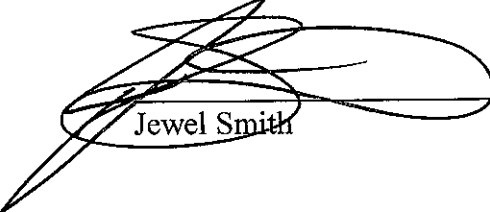
One Original  
First Class Mail – Return Receipt

Mr. James Reynolds, Enforcement Officer (Acting)  
Office of Hazardous Materials Enforcement  
1200 New Jersey Avenue, S.E.  
Washington, D.C. 02590-0001

One Copy (without enclosures)  
Electronic Mail

Mr. Billy Hines, Director  
Office of Hazardous Materials Safety Field Operations  
Southwest Region, PHH-45  
8701 S. Gessner Road, Suite 900  
Houston, Texas 77074

One Copy (without enclosures)  
Electronic mail



Jewel Smith

# **ADDENDUM A**

THIS PAGE INTENTIONALLY LEFT BLANK

**BEFORE THE  
UNITED STATES DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION**

<p><b>IN THE MATTER OF:</b></p> <p><b>Goff Distribution, Inc. (Respondent)</b></p>
---

PHMSA CASE Number:

13-0013-SB-SW

**COMPROMISE AGREEMENT**

**I. Parties**

The Parties to this Compromise Agreement (Agreement) are:

**Goff Distribution, Inc.** ("Respondent"), a 3PL warehousing distribution company, located in Little Rock, AR

and

**The Pipeline and Hazardous Materials Safety Administration** ("PHMSA"), a modal Administration of the United States Department of Transportation.

**II. Authority/Jurisdiction**

A. The Parties enter into this Agreement under authority of 49 U.S.C. § 5123(e) and 49 C.F.R. § 107.327(a)(1).

B. For the Purposes of this Agreement, Respondent acknowledges:

(1) As a 3PL warehousing distribution company, it is a regulated entity subject to the Hazardous Materials Regulations (HMR) and to the jurisdiction of (a) the Secretary of Transportation, (b) the PHMSA's Associate Administrator for Hazardous Materials Safety, and (c) PHMSA's Office of the Chief Counsel (49 U.S.C. § 5103(b) and 49 C.F.R. § 107.301);

(2) PHMSA has sufficient proof to show by a preponderance of the evidence that Respondent violated the Federal regulations listed in Section V below; and

- (3) That it received proper notice of PHMSA's action in this proceeding.

### III. Background

A. On December 3, 2012, an Inspector from PHMSA's Office of Hazardous Materials Safety Field Operations (OHMSFO) conducted a routine compliance inspection at Respondent's business pursuant to 49 U.S.C. § 5121 and 49 C.F.R. § 107.305. PHMSA's Inspector reported three (3) alleged violations of the HMR. At the conclusion of the compliance inspection, PHMSA's Inspector conducted an "exit briefing" during which the Inspector discussed the alleged violations and the required corrective actions with Respondent's representative.

B. Upon completion of the compliance inspection, the Inspector submitted a report to the Region Director of OHMSFO's Southwest Region, who reviewed the report for accuracy and sufficiency of evidence. Based on that review, the Region Director referred the matter to PHMSA's Office of Chief Counsel thereby recommending the initiation of a civil penalty action against Respondent pursuant to 49 C.F.R. § 107.311.

C. Based on a preliminary assessment of the apparent nature, circumstances, extent, and gravity of the probable violations, as set forth in the Inspector's report, on March 4, 2013, an attorney from PHMSA's Office of Chief Counsel issued a Notice of Probable Violation (Notice) alleging three (3) violations of the HMR and proposing a \$11,106 civil penalty.

### IV. Basis of Agreement

A. Reply to Notice. On March 29, 2013, Respondent submitted a timely reply to the Notice.

B. Corrective Action. In a correspondence dated December 12, 2012, Respondent submitted evidence of corrective actions it had taken in response to the exit briefing. The following is a summary of all of Respondent's corrective actions.

Violation Number	Respondent's Corrective action
1	Respondent stated that it had completed a written security plan and reviewed the plan with its employees. Respondent submitted a copy of its plan as further proof of its corrective action for this violation. We note that the plan was incomplete.
2	Respondent indicated that it had corrected its bill of lading and that it reviewed the bill of lading signature requirements to address the shipper's certification issue.
3	Respondent stated that it had ordered training materials and created a training book for its hazmat employees. Respondent also indicated that it had begun general awareness training. In addition, Respondent submitted copies of an order confirmation for training materials, a sample training record, and

photographs of its training book and associated files.

C. Small Business Size. Evidence in the record also substantiates that Respondent is a small business.

#### V. Violations and Civil Penalty

In a subsequent Order, the Chief Counsel will find that Respondent committed the following violations and will assess the following civil penalty:

Viol. No.	HMR Violation	NOPV Penalty Amount	Compromise Penalty Amount
1	Offering for transportation in commerce, a hazardous material, while failing to develop and adhere to a security plan, and failing to provide in-depth security training based on the plan, in accordance with the requirements of the Hazardous Materials Regulations (HMR), in violation of 49 C.F.R. §§ 171.2(b) and (e), 172.800(b)(7), 172.802, 172.702(a), and 172.704(a)(5).	\$6,375	\$5,072
2	Offering for transportation in commerce, a hazardous material, while failing to provide security-awareness training, in violation of 49 C.F.R. §§ 171.2(b) and (e), 172.702(a), and 172.704(a)(4).	\$2,850	\$2,252
3	Offering for transportation in commerce, a hazardous material, while failing to close a packaging in accordance with the manufacturer's closure instructions, in violation of 49 C.F.R. §§ 171.2(e), 173.22(a)(4), and 173.24(f)(2).	\$1,881	\$1,476
<b>TOTAL</b>		<b>\$11,106</b>	<b>\$8,800</b>

#### VI. Factors Considered in Determining the Civil Penalty

In determining the amount of a civil penalty, PHMSA considered the following statutory criteria (49 U.S.C. § 5123(c)):

- (1) The nature, circumstances, extent, and gravity of the violations;
- (2) The degree of culpability and history of prior violations;
- (3) Respondent's size;
- (4) Respondent's ability to pay the penalty and its ability to continue to do business;
- and
- (5) Other matters as justice may require.

Documentation of Respondent's corrective actions for these violations and the fact that Respondent is a small business, justify assessing a civil penalty of \$8,800.

## VII. Terms and Conditions

A. Respondent agrees to pay the sum of \$8,800, as full satisfaction of the civil penalty proposed in the Notice. Respondent is to make the payment within 30 days from the date the Chief Counsel issues the Final Order, which will issue after Respondent signs and returns this Agreement.

B. By entering into this Agreement, Respondent waives:

- (1) Any right to present further written or oral explanations, information, and arguments in this matter;
- (2) Any right to Administrative appeal; and
- (3) Any right to seek judicial review or otherwise contest or challenge the validity of this Agreement or the Notice associated with this case.

C. This Agreement resolves only the violations noted in PHMSA Ref. No. 13-0013-SB-SW as referenced in Section V of this Agreement. In the event Respondent commits any future violations of the Federal hazardous material transportation law, 49 U.S.C. § 5101 *et seq.*, the HMR, or any exemption, or order issued thereunder these violations shall constitute a prior violation under 49 U.S.C. § 5123.

D. After Respondent returns this signed Agreement, PHMSA's representative will present the Agreement to the Chief Counsel requesting that the Chief Counsel adopt the terms of this Agreement by issuing a Compromise Order (49 C.F.R. § 107.327(a)(1)). The terms of this Agreement constitute an offer of compromise until accepted by the Chief Counsel.

E. After issuance of the Compromise Order, Respondent must pay the civil penalty in accordance with the terms of this Agreement. Upon receipt of Respondent's final payment, the Chief Counsel will close this case with prejudice to the Respondent (49 C.F.R. § 107.327(a)(1)(ii)).

## VIII. Miscellaneous Provisions

A. By signing this Agreement, Respondent or its representative warrants to have read the Agreement and understood its terms and conditions.

B. The individuals signing on behalf of the Respondent and PHMSA represent that they are authorized to sign and have authority to enter into this Agreement.

C. Respondent's failure to sign and return this Agreement within thirty (30) days from its receipt will result in the withdrawal of this Agreement and the Chief Counsel will issue an Order pursuant to 49 C.F.R. §§ 107.317(d), for the full amount of the penalty proposed in the Notice.



D. Respondent must return the signed Agreement to:

Vincent Lopez  
United States Department of Transportation  
Pipeline and Hazardous  
Materials Safety Administration  
1200 New Jersey Avenue, S.E.,  
PHC-10, Room E26-328  
Washington, D.C. 20590-0001

**Respondent**

Federal Tax ID #: 71 8811237 <sup>1</sup>

By: *Clayton*  
Name, Capacity or position

Date: 5/12/13

**Pipeline and Hazardous  
Materials Safety Administration**

By: *Vincent Lopez*  
Vincent Lopez, Attorney-Advisor

Date: 5.13.13

<sup>1</sup> The Taxpayer Identifying Number is required by 31 U.S.C. § 7701(c)(3). PHMSA will use this number for purposes of collecting and reporting on any delinquent amounts arising out of this agreement.

# **ADDENDUM B**

THIS PAGE INTENTIONALLY LEFT BLANK

### *Payment Information*

Respondent must pay a total civil penalty of \$8,800 in accordance with the following:

#### Due date

Respondent must pay the civil penalty within 30 days of the date of this Order.

#### Payment Method

Respondent must pay the civil penalty by one of the following: (1) wire transfer, (2) certified check or money order, or (3) credit card via the Internet.

(1) Wire Transfer.

Detailed instructions for sending a wire transfer through the Federal Reserve Communications System (Fedwire) to the account of the U.S. Treasury are contained in the enclosure to this Order. Please direct questions concerning wire transfers to:

Financial Operations Division  
Attn: Robin Cecil  
Federal Aviation Administration  
Mike Monroney Aeronautical Center  
AMZ-341  
P.O. Box 269039  
Oklahoma City, OK 73125  
Telephone (405) 954-8845.

(2) Check or Money Order.

Make check or money order payable to "U.S. Department of Transportation" (include the Ref. No. of this case on the check or money order) and send to:

Chief, Financial Operations Division  
Attn: Robin Cecil  
Federal Aviation Administration  
Mike Monroney Aeronautical Center  
AMZ-341  
P.O. Box 269039  
Oklahoma City, OK 73125.

(3) Credit Card.

To pay electronically using a credit card, visit the following website address and follow the instructions:

<https://www.pay.gov/paygov/>

Interest and Administrative Charges

If Respondent pays the civil penalty by the due date, no interest will be charged. If Respondent does not pay by that date, the FAA's Financial Operations Division will start collection activities and may assess interest, a late-payment penalty, and administrative charges under 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 49 C.F.R. § 89.23.

The rate of interest is determined under the above authorities. Interest accrues from the date of this Order. A late-payment penalty of six percent (6%) per year applies to any portion of the debt that is more than 90 days past due. The late-payment penalty is calculated from the date Respondent receives the Order.

Treasury Department Collection

FAA's Financial Operations Division may also refer this debt and associated charges to the U.S. Department of Treasury for collection. The Department of the Treasury may offset these amounts against any payment due Respondent (31 C.F.R. § 901.3).

Under the Debt Collection Act (see 31 U.S.C. § 3716(a)), a debtor has certain procedural rights prior to an offset. You, as the debtor, have the right to be notified of: (1) the nature and amount of the debt; (2) the agency's intention to collect the debt by offset; (3) the right to inspect and copy the agency records pertaining to the debt; (4) the right to request a review within the agency of the indebtedness and (5) the right to enter into a written agreement with the agency to repay the debt. This Order constitutes written notification of these procedural rights.

**INSTRUCTIONS FOR ELECTRONIC FUNDS TRANSFER TO  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION,  
U.S. DEPARTMENT OF TRANSPORTATION**

1. <u>RECEIVER'S ABA NO.</u> 021030004	2. <u>TYPE SUBTYPE</u> (provided by sending bank)
3. <u>SENDING BANK ARB NO.</u> (provided by sending bank)	4. <u>SENDING BANK REF NO.</u> (provided by sending bank)
5. <u>AMOUNT</u>	6. <u>SENDING BANK NAME</u> (provided by sending bank)
7. <u>RECEIVER NAME:</u> TREAS NYC	8. <u>PRODUCT CODE</u> (Normally CTR, or sending bank)
9. <u>BENEFICIAL (BNF)- AGENCY LOCATION CODE</u> BNF=/AC-69140001	10. <u>REASONS FOR PAYMENT</u> <i>Example:</i> PHMSA Payment for Case #/Ticket

**INSTRUCTIONS:** You, as sender of the wire transfer, must provide the sending bank with the information for Block (1), (5), (7), (9), and (10). The information provided in blocks (1), (7), and (9) are constant and remain the same for all wire transfers to the Pipeline and Hazardous Materials Safety Administration, Department of Transportation

**Block #1** - RECEIVER ABA NO. - "021030004". Ensure the sending bank enters this nine digit identification number; it represents the routing symbol for the U.S. Treasury at the Federal Reserve Bank in New York.

**Block #5** - AMOUNT - You as the sender provide the amount of the transfer. Please be sure the transfer amount is punctuated with commas and a decimal point. **EXAMPLE:** **\$10,000.00**

**Block #7** - RECEIVER NAME- "TREAS NYC." Ensure the sending bank enters this abbreviation, which must be used for all wire transfer to the Treasury Department.

**Block #9** - BENEFICIAL - AGENCY LOCATION CODE - "BNF=/AC-69140001"  
Ensure the sending bank enters this information. This is the Agency Location Code for Pipeline and Hazardous Materials Safety Administration, Department of Transportation

**Block #10** - REASON FOR PAYMENT – "AC-Payment for PHMSA Case#" To ensure your wire transfer is credited properly, enter the case number/ticket number or Pipeline Assessment number."

**Note:** - A wire transfer must comply with the format and instructions or the Department cannot accept the wire transfer. You, as the sender, can assist this process by notifying, at the time you send the wire transfer, the General Accounting Division at (405) 954-8893.