

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

IN THE MATTER OF:
<div>Northland Fire & Safety, Inc. (Respondent)</div>

PHMSA CASE Number:

23-0134-CR-CE

COMPROMISE ORDER

By this Order I find that Northland Fire & Safety, Inc. committed three (3) violations of the Hazardous Materials Regulations (HMR), 49 CFR Parts 171-180. Accordingly, I assess Respondent a civil penalty of \$9,310 for these violations.

I. Summary

Respondent:

Northland Fire & Safety, Inc.
2213 East 5th Street
Superior, Wisconsin 54880
ATTN: Mr. Mark Wagemaker, Owner

No. of Violations:

3

Total Payment Due:

\$9,310

II. Finding

This matter comes before me after Northland Fire & Safety, Inc. (Respondent) and the Pipeline and Hazardous Materials Safety Administration (PHMSA) agreed to a disposition of this case. I find that Respondent committed the violations described in the Compromise Agreement (Agreement), which I have attached hereto. I have reviewed the Agreement and I find that the terms as outlined therein are in the best interest of justice.

The Agreement, in its entirety, is incorporated and attached to this Order. All of the terms and conditions of the Agreement shall be given the full force 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 CFR Parts 171-180.

So Ordered,

ADAM SCHAEFER
HORSLEY

Digitally signed by ADAM
SCHAEFER HORSLEY
Date: 2024.11.25 14:00:10
-05'00'

For Vasiliki Tsaganos
Acting Chief Counsel
Pipeline and Hazardous Materials Safety Administration

Date: 11/25/2024

Attachments:

- Addendum A
- Addendum B
- Addendum C

ADDENDUM A

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Addendum A (Compromise Order)

Payment Information

Respondent must pay a total civil penalty of \$9,310 in accordance with the following:

Due date

Respondent must pay the first \$1,330 of the payment plan within 30 days of the date of this Order. Respondent must pay an additional \$1,330 each 30 days thereafter until the entire civil penalty amount is paid. If Respondent defaults on any payment of this payment schedule, the entire amount of the remaining civil penalty shall, without further notice, become immediately due and payable as of the date that the first installment is due.

Payment Method

Respondent must pay the civil penalty by one of the following: (1) wire transfer, (2) certified check or money order, or (3) electronically 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 Addendum B of this Order. Please direct questions concerning wire transfers to:

DOT/PHMSA/MMAC
AMK-325/HQ-RM 181
6500 S MacArthur Blvd
Oklahoma City, OK 73169
(405) 954-9309

(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:

DOT/PHMSA/MMAC
AMK-325/HQ-RM 181
6500 S MacArthur Blvd
Oklahoma City, OK 73169
(405) 954-9309

Addendum A (Compromise Order)

- (3) Bank Account (ACH), Debit Card, or Credit Card.

To pay electronically, visit the following website address and follow the instructions:

<https://www.pay.gov/public/form/start/1078346>

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.

ADDENDUM B

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Addendum B (Compromise Order)

**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: PHMSA Payment for Case #/Ticket #</i>

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) 954-9309 or 9-AMC- AMZ-AR-PHMSA@faa.gov.

ADDENDUM C

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

IN THE MATTER OF:

**Northland Fire & Safety, Inc.
(Respondent)**

PHMSA Case No. 23-0134-CR-CE

COMPROMISE AGREEMENT

I. Parties

The Parties to this Compromise Agreement (Agreement) are:

Northland Fire & Safety, Inc. (“Respondent”), who offers hazardous materials for transportation in commerce, headquartered in Superior, Wisconsin,

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 person who offers hazardous materials for transportation in commerce, Respondent 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 Chief Counsel (49 U.S.C. § 5103(b) and 49 C.F.R. § 107.301); and

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

(3) Respondent received proper notice of PHMSA’s actions in the proceeding.

III. Background

A. On March 29, 2023, PHMSA's Investigators conducted an inspection at Respondent's Superior, Wisconsin facility. Respondent offers hazardous materials for transportation in commerce. PHMSA's investigator reported alleged violations of the HMR and provided the exit briefing to Mr. Mark Wagemaker, Owner.

B. Upon completion of the compliance inspection, the inspector submitted a report to the Region Director of OHMSFO's Eastern 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 violation, as set forth in the inspector's report, an attorney from PHMSA's Office of Chief Counsel issued a Notice of Probable Violation (Notice) on May 30, 2024, alleging three (3) violations of the HMR and proposing a \$11,640 civil penalty.

IV. Basis of Agreement

A. Reply to Notice. Respondent submitted timely replies to the Notice on June 18, 2023 and July 8, 2023.

B. Finances. Respondent has not requested mitigation due to finances.

V. Violations and Civil Penalty

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

Violation No.	HMR Violation	NOPV Penalty Amount	Compromise Penalty Amount
1	Representing and certifying DOT-specification cylinders as having been successfully requalified, while not conducting a complete internal visual inspection, in violation of 49 C.F.R. §§ 171.2(a) and 180.205(f).	\$3,640	\$2,910
2	Failing to provide recurrent training to hazmat employees in the subjects of general awareness, function specific, safety, and security awareness, in violation of 49 CFR §§ 172.704(c)(2).	\$3,200	\$2,560
3	Failing to properly mark a condemned DOT-specification cylinder or render the cylinder incapable of holding pressure, in violation of 49 CFR §§ 180.205(i)(2) and 180.205(j)(2).	\$4,800	\$3,840
TOTAL	-----	\$11,640	\$9,310

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 violation;
- (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.

In response to the compliance inspection, Respondent has taken measures to correct existing violations and prevent future violations. Respondent provided evidence of mirror usage to conduct proper internal visual examinations of DOT-specification cylinders, submitted updated training records, purchased an X stamp for proper condemnation of cylinders, and provided pictures of a condemned cylinder and condemnation logs. Respondent also purchased updated training videos and tests for its hazardous materials training program. Based on this, PHMSA will assess a civil penalty of \$9,310 which is an approximately 20% reduction in penalty from the Notice.

VII. Terms and Conditions

A. Respondent agrees to pay the sum of \$9,310 as full satisfaction of the civil penalty proposed in the Notice in seven (7) monthly payments of \$1,330 each. Respondent must pay \$1,330 within thirty (30) days of the date of the Compromise Order, which will issue after the Respondent signs and returns this Agreement. Respondent must pay an additional \$1,330 each thirty days after the first payment until the entire amount is paid.

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 Case No. 23-0134-CR-CE 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 this violation shall constitute a prior violation under 49 U.S.C. § 5123.

D. After Respondent signs and returns this 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.

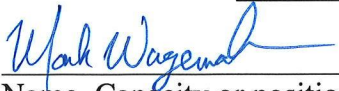
C. Respondent's failure to sign and return this agreement within twenty (20) days from its receipt will result in the withdrawal of this Agreement.

D. Respondent must return the signed Agreement to:

Aris Generette
United States Department of Transportation
Pipeline and Hazardous Materials Safety Administration
1200 New Jersey Avenue, S.E.
PHC-10, E26-202
Washington, D.C. 20590-0001

Respondent

Federal Tax ID Number¹: 39-1862884

By: 
Name, Capacity or position
Corporate Secretary

Date: 11/25/2024

Pipeline and Hazardous Materials Safety Administration

By: ARIS D
GENERETTE
Aris Generette, Attorney-Adviser

Digitally signed by
ARIS D GENERETTE
Date: 2024.11.25
1255:51-0500

Date: _____

¹ 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.