

Liquefied Petroleum Gas Board
Minutes
April 19th, 2012

The Alabama Liquefied Petroleum Gas Board held its regular quarterly Board meeting on April 19th, 2012 at 10:00 a.m. at 777 S. Lawrence Street, Montgomery, AL. Those in attendance were Chairman Wayne Caylor, Vice-Chairman Bob Reed, Benny Gay, Scott Lybarger, Darrell Calhoun Board Members, Assistant State Fire Marshal Jeff Thompson, Consumer Advocate Charlene Goolsby, Administrator Mark Nelson, Attorney Bill Garrett, Board Secretary Loretta V. Cook, Inspector Tom Nuffer and LPG Fees Secretary Rose Johnson. Guests present were Jeff Hall of Butane & Propane Gas, Ken Coker of Wan Bon Gas, and Lisa Fountain of the Alabama Propane Gas Association. Public Safety Designee Lt. Todd Till and State Fire Marshal Ed Paulk were absent.

The Chairman called the meeting to order. The secretary called roll, a quorum being present. Mr. Reed gave the invocation.

The Chairman called for a motion to adopt the agenda.

- (1) Mr. Gay made a motion to adopt the agenda as presented. Seconded by Mr. Calhoun, the ayes were unanimous.

MINUTES OF THE LAST MEETING

The Chairman called for the approval or disapproval of the minutes of the January 12th, 2012 meeting.

- (2) Mr. Gay made a motion to approve the minutes of the January 12th, 2012 meeting as circulated. Seconded by Mr. Reed, the ayes were unanimous.

The Chairman called for the approval or disapproval of the minutes of the January 23rd, 2012 emergency meeting.

- (3) Mr. Lybarger made a motion to approve the minutes of the January 23rd, 2012 emergency meeting as circulated. Seconded by Mr. Gay, the ayes were unanimous.

OLD BUSINESS

Rules and Regulation Committee Chairman Darrel Calhoun advised the Board that the committee continues to work on industry employee qualifications and testing. More information will be forthcoming in the near future.

NEW BUSINESS

The Administrator presented a resolution for adoption to recognize and honor the late Administrator Bernie E. Gilliland for his 32 years of service and dedication to the Alabama LP Gas Board. The resolution included provision to name the Board's conference room the "Bernie E. Gilliland Conference Room". After a discussion the following motion was made:

- (4) Mr. Reed made a motion that the resolution be adopted and the conference room be formally recognized and be known as the Bernie E. Gilliland Conference Room. Seconded by Mr. Calhoun, the ayes were unanimous.

The Administrator advised the Board that some of the Class F-1 permit holders had sales in excess of 40,000 gallons the previous year and have met the threshold detailed in law requiring them to apply for a Class A permit. While some of the F-1 permit holders questioned the Administrator about the necessity of meeting the minimum requirements of a Class A permit, the Administrator explained that the transition to a Class A permit with its minimum requirements is mandated in the law. After much discussion, the Board Attorney advised that the F-1 permit holders with sales in excess of 40,000 gallons of LP-gas must comply with the law.

Three Class B Permit applications were presented to the Board:

- (a) Kash Gas dba Coastal Energy, Brunswick, GA
- (b) Lone Star Trucking, LLC, Houston, TX
- (c) Phillips 66 Company, Bartlesville, OK

After a discussion the following motion was made:

- (5) Mr. Gay made a motion to approve the three Class B permit applications as presented to the Board. Seconded by Mr. Lybarger, the ayes were unanimous.

Three Class C Permit applications were presented to the Board:

- (a) Castle Air Heating & Air Conditioning, Huntsville, AL
- (b) David Moore Service Co., Inc., Butler, AL
- (c) Boothe & Wright Heating & Air, Montgomery, AL

After a discussion the following motion was made:

- (6) Mr. Reed made a motion to approve the three Class C permit applications as presented to the Board. Seconded by Mrs. Goolsby, the ayes were unanimous.

Two Class F-1 Permit applications were presented to the Board:

- (a) NexAir, LLC, Dothan, AL
- (b) NcxAir, LLC, Opelika, AL

After a discussion the following motion was made:

- (7) Mr. Lybarger made a motion to approve the two Class F-1 permit applications as presented to the Board. Seconded by Mr. Calhoun, the ayes were unanimous.

Code Violation Considerations

Settlement Agreement 2012-02 for code violations by a permit holder was presented to the Board by recusing Board Member Darrel Calhoun. After a discussion the following was made:

- (8) Mr. Reed made a motion to accept Settlement Agreement 2012-02 for code violations as presented. Seconded by Mr. Lybarger, there were five ayes. (Goolsby, Thompson, Lybarger, Reed and Gay voted aye. Mr. Calhoun abstained.)

Settlement Agreement 2012-03 for code violations was presented to the Board by recusing Board Member Benny Gay. After a discussion the following motion was made:

- (9) Mr. Lybarger made a motion to accept Settlement Agreement 2012-03 for code violations as presented. Seconded by Mr. Calhoun, there were five ayes. (Goolsby, Lybarger, Reed, Thompson, Calhoun voted aye. Mr. Gay abstained).

Settlement Agreement 2012-04 for code violations was presented to the Board by recusing Board Member Scott Lybarger. After a discussion the following motion was made:

- (10) Mr. Reed made a motion to accept Settlement Agreement 2012-04 for code violations as presented. Seconded by Mr. Gay, there were five ayes. (Goolsby, Thompson, Reed, Gay, Calhoun voted aye. Mr. Lybarger abstained.)

Settlement Agreement 2012-05 for code violations was presented to the Board by recusing Board Member Bob Reed. After a discussion the following motion was made:

- (11) Mrs. Goolsby made a motion to accept Settlement Agreement 2012-05 for code violations as presented. Seconded by Mr. Gay, there were five ayes. (Goolsby, Thompson, Gay, Calhoun, Lybarger voted aye. Mr. Reed abstained.)

ADMINISTRATOR'S REPORT

The Administrator requested that the list of cancelled permits be entered into the minutes as presented.

- (12) Mr. Reed made a motion that the cancelled permits be entered into the minutes as printed. Seconded by Mr. Calhoun, the ayes were unanimous.

Cancelled Permits

Ferrellgas d/b/a Blue Rhino of Tavares, FL, Class B-1 Permit No. 518 cancelled effective December 2011 at the company's request.

Heritage Operating LP d/b/a Heritage Propane Express, Centre, AL, Class B-1 Permit No. 564 cancelled effective January 2012. The company has been sold and new permit has been issued.

Byrd's Energy Systems, Goshen, AL, Class C Permit No. 409 cancelled effective December 31, 2011 at the company's request.

Deep South Meter & Service Co., Inc., Wrens, GA, Class C-2 Permit No. 418 cancelled effective December 31, 2011 at the company's request.

Deep South Meter & Service Co., Inc., Wrens, GA, Class D Permit No. 250 cancelled effective December 31, 2011 at the company's request.

Deep South Meter & Service Co., Inc., Wrens, GA, Class E Permit No. 14 cancelled effective December 31, 2011 at the company's request.

Outlaw's Heating & Cooling, Ozark, AL, Class C Permit No. 353 cancelled effective December 31, 2011 at the company's request.

Mike's One Stop, Inc., Millport, AL, Class F Permit No. 237 cancelled effective December 31, 2011. The business has closed.

Airgas USA LLC, Dothan, AL, Class F-1 Permit No. 207 cancelled effective January 2012 at the company's request.

Opelika Industrial Gases, Opelika, AL, Class F-1 Permit No. 282 cancelled effective March 5, 2012. The company has been sold.

Baughn Propane, Ranburne, AL, Class D Permit No. 246 cancelled effective December 31, 2011 at the company's request.

The Board's quarterly objectives were presented to the Board.

The Chief Inspector's vacancy has been filled. Southeast Inspector Tom Nuffer was promoted to fill the vacancy effective February 1, 2012.

Southwest Inspector Wayne Whiddon requested and was granted a transfer to fill the Southeast section of the State.

The Southwest Inspector position is vacant. A North Central Inspector position has been created and can be filled after October 1st provided the legislature has approved the FY 2013 budget.

The Board's financial position was presented to the Board.

Due to an incident, Board Member Bob Reed expressed concerns about communication and training between propane companies and emergency response personnel. He encouraged all stake holders to become more involved in development and implementation of training and effective communication with fire departments and other emergency response personnel.

(13) Mr. Gay made a motion to accept the Administrator's Report as presented. Seconded by Mr. Calhoun, the ayes were unanimous.

Date of the next Board meeting is July 19th, 2012.

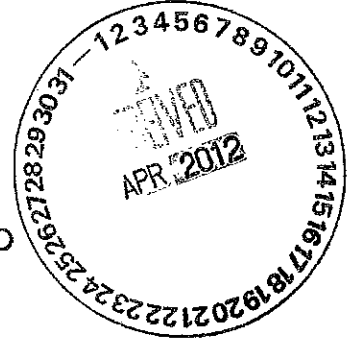
(14) Mr. Reed made a motion to pay the Board members expenses. Seconded by Mr. Gay, the ayes were unanimous.

The meeting was adjourned at 11:15 a.m.

BEFORE THE
ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF

BLOSSMAN GAS, INC.
OPELIKA, AL "B-1" PERMIT # 80



SETTLEMENT AGREEMENT # 2012-02

Blossman Gas / Opelika Branch (hereinafter referred to as "Respondent") hereby stipulates and agrees, subject to ratification by the Alabama Liquefied Petroleum Gas Board (hereinafter referred to as "the Board") to the following:

STIPULATED FACTS

1. The Respondent filled eleven motor fuel cylinders due for requalification and replacement of relief valves.

STIPULATED CONCLUSIONS OF LAW

Respondent admits to violation of NFPA 58 (1998 Edition) § 2-2.1.5 and § 2-3.2.5 by filling motor fuel cylinders that were not re-qualified in accordance with U.S. Department of Transportation regulations.

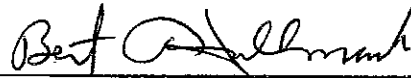
STIPULATED DISPOSITION

The Board and the Respondent agree that this action will be settled upon the following terms:

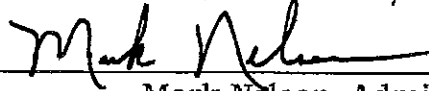
1. The Respondent agrees to remit a fine of \$ 1100 to the Board within 30 days of the Board's acceptance of this agreement.
2. The Respondent agrees to serve a one-year probation of Class B-1 Permit # 80, during which time any violation of a Board statute, rule, or regulation will subject said permit to the Board's full pursuit of administrative remedies available under Alabama Law.
3. In consideration of Respondent's full and complete compliance with this Settlement Agreement and the terms hereof, the Board agrees to forego the pursuit of its administrative remedies available under Alabama Law.
4. The Respondent waives his rights pursuant to Ala. Code Sec. 41-22-12; and Ala. Admin. Code Sec. 530-X-1-03 including, but not limited to, the opportunity for a hearing before the Board.
5. This Settlement Agreement shall become effective upon the execution by the parties and upon approval by the Board. Upon approval by the Board, this agreement shall be made a part of the official minutes of the Board's next regularly scheduled meeting. Respondent acknowledges and understands that the official minutes of the Board will be published on the Board's website.
6. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review or to otherwise chal-

lenge or contest the validity of the Settlement Agreement, the stipulated facts, conclusions of law and impositions of discipline herein.

Signed this 26 day of March, 2012



Bert Hallmark - Manager (Respondent)
Blossman Gas / Opelika



Mark Nelson, Administrator
Alabama Liquefied Petroleum Gas Board

BEFORE THE
ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF

AMERIGAS PROPANE / NORTHPORT BRANCH
"B-1" PERMIT # 285



SETTLEMENT AGREEMENT # 2012-03

Amerigas Propane / Northport Branch (hereinafter referred to as "Respondent") hereby stipulates and agrees, subject to ratification by the Alabama Liquefied Petroleum Gas Board (hereinafter referred to as "the Board") to the following:

STIPULATED FACTS

1. Alabama Mobile Home (hereinafter referred to as Respondent's agent) attempted to fill an out-of-date cylinder without using the scales. Respondent failed to submit a "Certification" for the Respondent's agent.

STIPULATED CONCLUSIONS OF LAW

Respondent admits that Respondent's agent attempted to fill an out-of-date cylinder in violation of NFPA 58 (1998 Edition) § 2-2.1.5. Respondent's agent also failed to set the provided scales to fill the cylinder by weight in violation of Alabama Administrative Code 530-X-2-04(a). Respondent failed to

complete and submit a "Certification" for the Respondent's agent in violation of Alabama Administrative Code 530-X-2-04(d).

STIPULATED DISPOSITION

The Board and the Respondent agree that this action will be settled upon the following terms:

1. The Respondent agrees to remit a fine of \$ 2,000 to the Board within 30 days of the Board's acceptance of this agreement.
2. The Respondent agrees to serve a one-year probation of Class B-1 Permit # 285, during which time any violation of a Board statute, rule, or regulation will subject said permit to the Board's full pursuit of administrative remedies available under Alabama Law.
3. In consideration of Respondent's full and complete compliance with this Settlement Agreement and the terms hereof, the Board agrees to forego the pursuit of its administrative remedies available under Alabama Law.
4. The Respondent waives his rights pursuant to Ala. Code Sec. 41-22-12; and Ala. Admin. Code Sec. 530-X-1-03 including, but not limited to, the opportunity for a hearing before the Board.
5. This Settlement Agreement shall become effective upon the execution by the parties and upon approval by the Board. Upon approval by the Board, this agreement shall be made a part of the official minutes of the Board's next regularly scheduled meeting. Respondent acknowl-

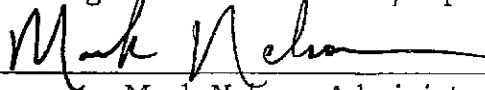
edges and understands that the official minutes of the Board will be published on the Board's website.

6. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review or to otherwise challenge or contest the validity of the Settlement Agreement, the stipulated facts, conclusions of law and impositions of discipline herein.

Signed this 23rd day of MARCH, 2012



Mike Sonntag, Market Manager
Amerigas - Alabama Sales / Operations Office



Mark Nelson, Administrator
Alabama Liquefied Petroleum Gas Board



BEFORE THE
ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF

ALA-TENN PROPANE dba SOUTHERN ALABAMA PROPANE
GREENVILLE, AL B-1 PERMIT # 572;

ALA-TENN PROPANE dba GOLDEN PROPANE GAS
CULLMAN, AL B-1 PERMIT # 426;

ALA-TENN PROPANE dba CHANDLER MOUNTAIN PROPANE GAS
STEELE, AL B-1 PERMIT # 444

SETTLEMENT AGREEMENT 2012 - 04

ALA-TENN Propane dba Southern Alabama Propane, Golden Propane Gas, and Chandler Mountain Propane Gas (hereinafter referred to as "Respondent") hereby stipulates and agrees, subject to ratification by the Alabama Liquefied Petroleum Gas Board (hereinafter referred to as "the Board") to the following:

STIPULATED FACTS

1. The Respondent disconnected and moved another company's LP-gas containers (5) and failed to leave the disconnected containers on a firm masonry foundation. The Respondent also failed to safely cap or plug four (4) of the disconnected containers' service valves or regulator outlets. In addition, the work was performed unsupervised by two (2) workers from

out of state that had not passed the Alabama LP-Gas Board Code Familiarization Review.

2. The Respondent filled 20# cylinders (3) sitting on the ground without the use of scales. In addition, one (1) of the cylinders was overdue requalification for continued use.
3. The Respondent left a cargo truck unattended while it was being loaded with no tire chock blocks in place.

STIPULATED CONCLUSIONS OF LAW

1. Respondent admits to disconnecting LP-gas containers owned by another company and failing to leave the disconnected containers on a firm masonry foundation with service valve outlets plugged or regulator outlets capped in violation of Alabama Administrative Codes 530-X-2-16(b)(1 & 2). Respondent admits allowing out-of-state employees to perform unsupervised LP-Gas work in Alabama without having first passed the Alabama LP-Gas Board Code Familiarization Review in violation of Alabama Administrative Code 530-X-2-11(a).
2. Respondent admits to filling 20# propane cylinders without using scales in violation of Alabama Administrative Code 530-X-2-04(a). Respondent also admits that one of the cylinders filled was overdue requalification prior to filling in violation of NFPA 58 (1998 Edition) 2-2.1.5.

3. Respondent admits to leaving a cargo truck unattended while it was being loaded in violation of NFPA 58 (1998 Edition) 4-2.1.1. Respondent also admits that the tires of the cargo truck being loaded were not properly chocked in violation of NFPA 58 (1998 Edition) 6-3.8.

STIPULATED DISPOSITION

The Board and the Respondent agree that this action will be settled upon the following terms:

1. The Respondent agrees to remit a fine of \$ 5750 to the Board within 30 days of the Board's acceptance of this agreement.
2. The Respondent agrees to serve a one-year probation of B-1 Permit # 572, B-1 Permit # 426, and B-1 Permit # 444 during which time any violation of a Board statute, rule, or regulation will subject said permits to administrative remedies available under Alabama Law.
3. In consideration of Respondent's full and complete compliance with this Settlement Agreement and the terms hereof, the Board agrees to forego the pursuit of its administrative remedies available under Alabama Law.
4. The Respondent waives his rights pursuant to Ala. Code Sec. 41-22-12; and Ala. Admin. Code Sec. 530-X-1-03 including, but not limited to, the opportunity for a hearing before the Board.
5. This Settlement Agreement shall become effective upon the execution by the parties and upon approval by the Board. Upon approval by the Board, this agreement shall be made a part of the official minutes of

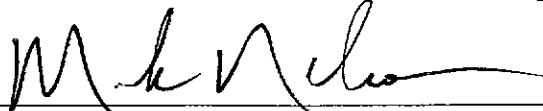
the Board's next regularly scheduled meeting. Respondent acknowledges and understands that the official minutes of the Board will be published on the Board's website.

6. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review or to otherwise challenge or contest the validity of the Settlement Agreement, the stipulated facts, conclusions of law and impositions of discipline herein.
7. This Settlement Agreement shall not be construed as a "conviction" as addressed in Code of Alabama §9-17-108(b).

Signed this 18th day of April, 2012



Eric Small, President (Respondent)
ALA-TENN dba Southern Alabama Propane



Mark Nelson, Administrator
Alabama Liquefied Petroleum Gas Board

BEFORE THE
ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF

HERITAGE OPERATING LP dba COAST GAS / ARAB
"B-1" PERMIT # 542

SETTLEMENT AGREEMENT # 2012-05

Heritage Operating LP dba Coast Gas / Arab (hereinafter referred to as "Respondent") hereby stipulates and agrees, subject to ratification by the Alabama Liquefied Petroleum Gas Board (hereinafter referred to as "the Board") to the following:

STIPULATED FACTS

1. Wood's Mobile Home Parts & Service (hereinafter referred to as Respondent's agent) attempted to fill an out-of-date cylinder without using the scales. Respondent failed to provide a properly charged fire extinguisher at the cylinder filling location.

STIPULATED CONCLUSIONS OF LAW

Respondent admits that Respondent's agent attempted to fill an out-of-date cylinder in violation of NFPA 58 (1998 Edition) § 2-2.1.5. Respondent's agent also failed to set the provided scales to fill the cylinder by weight in vi-

olation of Alabama Administrative Code 530-X-2-04(a). Respondent failed to provide a properly charged fire extinguisher at the cylinder filling location in violation of NFPA 58 (1998 Edition) 3-10.2.5.

STIPULATED DISPOSITION


The Board and the Respondent agree that this action will be settled upon the following terms:

1. The Respondent agrees to remit a fine of \$ 2,000 to the Board within 30 days of the Board's acceptance of this agreement.
2. The Respondent agrees to serve a one-year probation of Class B-1 Permit # 542, during which time any violation of a Board statute, rule, or regulation will subject said permit to administrative remedies available under Alabama Law.
3. In consideration of Respondent's full and complete compliance with this Settlement Agreement and the terms hereof, the Board agrees to forego the pursuit of its administrative remedies available under Alabama Law.
4. The Respondent waives his rights pursuant to Ala. Code Sec. 41-22-12; and Ala. Admin. Code Sec. 530-X-1-03 including, but not limited to, the opportunity for a hearing before the Board.
5. This Settlement Agreement shall become effective upon the execution by the parties and upon approval by the Board. Upon approval by the Board, this agreement shall be made a part of the official minutes of the Board's next regularly scheduled meeting. Respondent acknowl-

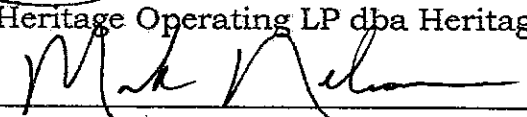
edges and understands that the official minutes of the Board will be published on the Board's website.

6. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review or to otherwise challenge or contest the validity of the Settlement Agreement, the stipulated facts, conclusions of law and impositions of discipline herein.

Signed this 17th day of April, 2012



Joe Rosengrant, Area Director
Heritage Operating LP dba Heritage Propane



Mark Nelson, Administrator
Alabama Liquefied Petroleum Gas Board