



U.S. Chemical Safety and Hazard Investigation Board

OFFICE OF GENERAL COUNSEL

Memorandum

To: Board Members

From: Christopher M. Lyon
Acting General Counsel *Christopher M. Lyon*

Cc: Amanda Johnson
Adam Henson
Leadership Team

Subject: Board Action Report – Notation Item 2024-91

Date: August 19, 2024

On August 15, 2024, the Board approved Notation Item 2024-91, thereby designating Recommendation 2011-06-I-HI-R4 to the Department of the Treasury – Office of the Procurement Executive (OPE) from the Donaldson Enterprises, Inc. Fatal Fireworks Disassembly Explosion and Fire investigation (2011-06-I-HI) with the status of Closed – Acceptable Action.

Voting Summary – Notation Item 2024-91

Disposition: APPROVED

Disposition date: August 15, 2024

	Approve	Disapprove	Calendar	Not Participating	Date
S. Johnson	X				8/15/2024
S. Owens	X				8/15/2024
C. Sandoval	X				8/15/2024



U. S. Chemical Safety and Hazard Investigation Board RECOMMENDATION STATUS CHANGE SUMMARY

Report:	Donaldson Enterprises, Inc. Fatal Fireworks Disassembly Explosion and Fire
Recommendation Number:	2011-06-I-HI-R4
Date Issued:	January 17, 2013
Recipient:	Department of the Treasury – Office of the Procurement Executive (OPE)
New Status:	Closed – Acceptable Action
Date of Status Change:	August 15, 2024

Recommendation Text:

When the NFPA guidance developed by the National Fire Protection Association for the safe disposal of fireworks as recommended under recommendation 2011-06-I-HI-R7 is completed, incorporate this document by reference into the formal policies established by 2011-06-I-HI-R2 and 2011-06-I-HI-R3.

Board Status Change Decision:

A. Rationale for Recommendation

On April 8, 2011, an explosion and fire occurred in a leased magazine at Waikele Self Storage in Waipahu, Hawaii that was being used by Donaldson Enterprises, Inc. (DEI) for seized fireworks storage and disposal-related activities. As a result of the explosion and fire, five DEI personnel were fatally injured and a sixth sustained minor injuries.

As a part of its investigation, the U.S. Chemical Safety and Hazard Investigation Board (CSB) reviewed the Department of the Treasury's (Treasury) federal forfeiture program and its associated contracts for storing, transporting and disposing of illegally imported and seized fireworks. The CSB concluded that the Department of the Treasury Acquisition Regulation (DTAR), Treasury's supplement to the Federal Acquisition Regulations (FAR), did not impose sufficient requirements for safe practices and subcontractor selection and oversight with respect to the unique hazards associated with handling, storing and disposing of hazardous explosive materials, such as fireworks.

Based upon the findings of the investigation, the CSB issued three recommendations to the Treasury's Office of the Procurement Executive to address these shortcomings. This status change summary addresses CSB Recommendation No. 2011-06-I-HI-R4.

B. Response to the Recommendation

The OPE notified the CSB that Acquisition Procedures Update No. 24-06 (APU 24-06) was issued on July 18, 2024. APU 24-06 updates the Department of the Treasury Acquisition

Procedures (DTAP) to require all contracts involving explosive materials to ensure compliance with NFPA 401¹. This requirement can be found at DTAP 1023.7003(d).

C. Board Analysis and Decision

The Board appreciates the OPE's cooperation throughout the recommendation closure process and their prompt attention to this recommendation. Based upon the information above, the Board voted to change CSB Recommendation No. 2011-06-I-HI-R4 to: "Closed – Acceptable Action."

¹ NFPA 401 (2024) was developed by the NFPA in response to CSB Recommendation No. 2011-06-I-HI-R7. The status of the recommendation is "Closed – Acceptable Action." To view NFPA 401 (2024) visit www.nfpa.org/401.