



1500 SW Arrowhead Road
Topeka, KS 66604-4027

Phone: 785-271-3100
Fax: 785-271-3354
<http://kcc.ks.gov/>

Susan K. Duffy, Chair
Shari Feist Albrecht, Commissioner
Dwight D. Keen, Commissioner

Laura Kelly, Governor

NOTICE OF PENALTY ASSESSMENT
20-TRAM-464-PEN

May 21, 2020

John Ferguson, President
Reddi Industries Inc
6205 E Kellogg Drive
Wichita, KS 67218

This is a notice of a penalty assessment against Reddi Industries Inc (Reddi Industries) for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on April 28, 2020, by Kansas Corporation Commission Special Investigator Gary Goeller. Penalties are assessed in accordance with the FY 2020 Uniform Penalty Assessment Matrix, approved by the Commission on July 16, 2019. For a full description of the penalty(s) and terms and obligations please refer to the Order attached to this notice.

IF YOU ACCEPT THE PENALTY: Reddi Industries has been assessed a \$1,000 penalty. You have thirty (30) days from the date of service of the Penalty Order to pay the penalty. Please remit payment of \$1,000, through your personal account with the Kansas Corporation Commission's KTRAN system located at <https://puc.kcc.ks.gov/ktran/>. If you have not received a letter from the Transportation Division assigning you a PIN, please contact that Division at 785-271-3145. You must have an account through KTRAN to pay the penalty owed.

The attached Order requires a representative of the carrier to attend a Commission-sponsored safety seminar and to provide the undersigned Litigation Counsel with proof of attendance. Safety seminars are not currently being offered due to the COVID-19 pandemic. The carrier is required to attend a safety seminar within 90 days of the seminars being offered again. A schedule of dates and locations for safety seminars can be found at the Commission's website http://www.kcc.state.ks.us/trans/safety_meetings.htm.

IF YOU CONTEST THE PENALTY ORDER: **You have the right to request a hearing.** A request for hearing must be made in writing, setting forth the specific grounds upon which relief is sought. Reddi Industries must file, within fifteen (15) days from the date of service of this Order, the request for hearing with the Commission's electronic filing system found at <https://puc.kcc.ks.gov/e-filing/e-express/>, and mail a copy of the request for hearing to the undersigned at the above address. If you do not have access to the internet, you can mail an original and seven copies of the request to the Executive Director at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and mail a copy to the undersigned Litigation Counsel. K.A.R. 82-1-215; K.S.A. 77-542.

IF YOU FAIL TO ACT: Failure to pay the penalty of \$1,000 within thirty (30) days from the date of service of the Penalty Order or failure to comply with the terms of the Order, or in the alternative, failure to provide a timely written request for a hearing, will result in the Order becoming final and may result in additional sanctions of suspension and/or revocation of your motor carrier operating authority.

Respectfully,

/s/ Ahsan A. Latif

Ahsan A. Latif
Litigation Counsel
(785) 271-3118

Before Commissioners: Susan K. Duffy, Chair
Shari Feist Albrecht
Dwight D. Keen

PENALTY ORDER

I. JURISDICTION

2. Pursuant to K.S.A. 66-1,129a, 66-1,130 and 66-1,142b, the Commission may suspend operations, revoke or amend certificates, and initiate sanctions or fines against every motor carrier and every person who violates any provision of Kansas law in regard to the

regulation of such motor carriers and persons, or who fails to obey any order, decision or regulation of the Commission.

3. The Commission has the authority, pursuant to K.A.R. 82-1-237, to investigate an entity under the Commission's jurisdiction and issue an order on the Commission's own motion when the Commission believes the entity is in violation of the law or any order of the Commission.

II. BACKGROUND

4. Reddi Industries Inc (Reddi Industries) has private and common operating authority with the Commission and further operates under USDOT number 727436.

5. John Ferguson attended the Procedures for Safety Compliance Seminar presented by the Kansas Corporation Commission, on October 8, 2018, on behalf of Reddi Industries.

6. Reddi Industries is a private and common motor carrier which primarily hauls building materials, construction, liquids/gases, machinery, large objects, metal, sheets, coils and rolls.

III. STATEMENT OF FACTS

7. Pursuant to the jurisdiction and authority cited above, on April 28, 2020, Commission Staff (Staff) Special Investigator Gary Goeller conducted a safety compliance review of the operations of Reddi Industries. A copy of the safety compliance review is included in this Penalty Order as Attachment "A" and is hereby incorporated by reference. As a result of this investigation, the special investigator identified one (1) violation(s) of the Motor Carrier Safety Regulations.

- a. On December 14, 2019, Reddi Industries required or permitted its driver, Trinity Hall, to operate a CDL-required commercial motor vehicle, a 2005

Kenworth, VIN ending in 080819, GVWR 51,986 lbs., pulling a 2012 KRUZ cargo tank trailer, VIN ending in 226034, GVWR 80,000 lbs., in interstate commerce from Kansas City, Missouri to Wichita, Kansas. This trip is evidenced by a Driver's Time Record, dated December 14, 2019, a copy of which is attached hereto as Attachment "B" and is hereby incorporated by reference. At the time of this transportation, Reddi Industries failed to list driver Trinity Hall on the consortium driver list so each driver has an equal chance of being selected. The carrier employs 10 CDL drivers. Reddi Industries' failure to ensure that each driver selected for random alcohol and controlled substance testing has an equal chance of being selected each time selections are made is in violation of 49 C.F.R. 382.305(i)(2), adopted by K.A.R. 82-4-3c and authorized by K.S.A. 66-1,129. Staff recommends a fine of \$1,000.

IV. STAFF'S RECOMMENDATIONS

8. Based upon the available facts, Staff recommends the Commission finds Reddi Industries committed one (1) violation(s) of Kansas law that governs motor carriers, including various provisions of the Federal Motor Carrier Safety Regulations (FMCSRs), as adopted by the Kansas Administrative Regulations, and is therefore subject to sanctions or fines imposed by the Commission.

9. Additionally, Staff recommends a civil penalty of \$1,000 for one (1) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.

10. Staff further recommends that a representative of the carrier to attend a Commission-sponsored safety seminar and to provide the undersigned Litigation Counsel with

proof of attendance. Due to Governor mandated social distancing and prohibitions on gathering of 10 or more, the Commission issued its *Emergency Order Temporarily Suspending the Requirement to Attend Commission Sponsored Safety Seminars During State of Emergency* (Emergency Order) in Docket No. 20-TRAM-392-PEN on March 17, 2020. The carrier's requirement to attend a Commission-sponsored safety seminar must be completed within 90 days of the Commission's Emergency Order being lifted.

11. Finally, Staff recommends that Reddi Industries submit to one follow-up safety compliance review within eighteen (18) months from the date of this Order. Transportation Staff will contact the motor carrier at a later date to determine an appropriate time for this review.

V. CONCLUSIONS OF LAW

12. The Commission finds it has jurisdiction over Reddi Industries because it is a motor carrier as defined in 49 C.F.R. Part 390.5 as adopted by K.A.R. 82-4-3f.

13. The Commission finds Reddi Industries committed one (1) violation(s) of Kansas law that governs motor carriers, including various provisions of the Federal Motor Carrier Safety Regulations (FMCSRs), as adopted by the Kansas Administrative Regulations, and is therefore subject to sanctions or fines imposed by the Commission.

THE COMMISSION THEREFORE ORDERS THAT:

A. Reddi Industries Inc, of Wichita, KS is hereby assessed a \$1,000 civil penalty for one (1) violation(s) of Kansas law governing the regulation of motor carriers, the Kansas Administrative Regulations and provisions of the Federal Motor Carrier Safety Regulations, as adopted by the Kansas Administrative Regulations.

B. Reddi Industries is hereby ordered to attend a Commission-sponsored safety seminar as set out in paragraph 10, above.

C. Carrier is hereby ordered to submit a written, comprehensive corrective action plan (CAP) to Transportation Staff within thirty (30) days of the date of this order.

D. Reddi Industries is ordered to submit to one follow-up safety compliance review within eighteen (18) months from the date of this Order. Transportation Staff will contact the carrier to set up the appointment.

E. Pursuant to K.S.A. 77-537 and K.S.A. 77-542, any party may request a hearing on the above issue(s) by submitting a written request setting forth the specific grounds upon which relief is sought. The request may be electronically filed with the Commission's electronic filing system at <https://puc.kcc.ks.gov/e-filing/e-express/>, within fifteen (15) days from the date of service of this Order, and a copy of the request mailed to the Litigation Division. If you do not have access to the internet, you can mail an original and seven copies of the request to the Executive Director at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and mail a copy of the request to Litigation Counsel. A hearing will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of Reddi Industries' right to a hearing, and this Penalty Order will become a Final Order.

F. If a request for hearing is filed, attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. For civil penalties exceeding \$500, a corporation shall appear before the Commission by its attorney, unless waived by the Commission for good cause shown and a determination that such waiver is in the public interest. K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2); K.A.R. 82-1-202(a). For civil penalties less than \$500, a corporation may appear by a duly authorized representative of the corporation. K.S.A. 66-1,142b(e) and amendments thereto.

G. If you do not request a hearing, the payment of the civil penalty of \$1,000 is due in thirty (30) days from the date of service of this Order. Payment of \$1,000 must be made through your personal account with the Kansas Corporation Commission's KTRAN system located at <https://puc.kcc.ks.gov/ktran/>. You must have an account through KTRAN to pay the penalty.

H. Failure to pay the \$1,000 civil penalty within thirty (30) days from the date of service of this Penalty Order, *see* K.S.A. 66-1,105, and/or failure to comply with the provisions of this Order, may result in suspension of Reddi Industries' motor carrier operating authority without further notice. Additionally, the Commission may impose further sanctions to include, but not limited to, the issuance and enforcement of revocation of authority and/or cease and desist orders, and any other remedies available to the Commission by law, without further notice.

I. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders, as necessary.

BY THE COMMISSION IT IS SO ORDERED.

Duffy, Chair; Albrecht, Commissioner; Keen, Commissioner

Dated: 05/21/2020



Lynn M. Retz
Executive Director

AAL

ATTACHMENT “A”

UNITED STATES DEPARTMENT OF TRANSPORTATION



U.S. DOT#: 727436
MC/MX#: 342862

Legal: REDDI INDUSTRIES INC
Operating (DBA):

Investigation Date:
04/28/20

Investigation Type: Onsite Focused Investigation

Location of Investigation: Company principal place of business
(PPOB)

Extent of Operations: Entire Operation

Physical Address

6205 E KELLOGG DR
WICHITA, KS 67218
United States

Mailing Address

6205 E KELLOGG DR
WICHITA, KS 67218-1746
United States

Contact Information

Contact Name: John Ferguson

Email:

Phone:

Business and Financial

Business Type: Corporation

Gross Revenue

For Year Ending: 12/31/19

Federal Tax ID

Operation Classification and Type

Type of Operation: Non-HM Interstate Carrier, Non-HM
Intrastate Carrier

Cargo

Building Materials, Construction, Liquids/Gases, Machinery, Large
Objects, Metal, Sheets, Coils, Rolls

Operation Classification

For-Hire Motor Carrier

Property

Other Non-Hazardous Freight

Private Motor Carrier

Property – Non-Hazardous Materials

Equipment			Driver Information		
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	Owned	Term Leased	Trip Leased	Drivers	Intrastate	Interstate
Straight Trucks	26					
Truck Tractors	9			< 100 Miles		5
				>= 100 Miles		5
Power units used in the U.S.: 35				Average trip leased driver/month: 0		
Percentage of time used in the U.S.: 100%				Drivers with CDL: 10		
				Total Drivers: 10		

Person(s) Interviewed

Name: John Ferguson	Title: Safety
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Questions

Questions about this report or the Federal Motor Carrier Safety or Hazardous Materials regulations may be addressed to the Federal Motor Carrier Safety Administration at:	1500 SW Arrowhead Rd Topeka, KS 66604-4027 Phone: (785) 271-3145 Fax: (785) 271-3124
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This report will be used to assess your safety compliance.

Violations

1. Primary: 382.305(i)(2)

Failing to ensure that each driver subject to random alcohol and controlled substances testing has an equal chance of being selected each time selections are made.

Violations Discovered

Fed	State	Total
1		1

Checked

Fed	State	Total
10		10

Example/Notes:

Driver name: Trinity Hall, Hire date 9.10.2019

Selection date: 10.31.2019

Trip date: 12.14.2019

Carrier failed to remove terminated CDL driver Daniel Hall on 9.26.2019 and failed to add Trinity Hall hired on 9.10.2019 to 4th quarter testing list with consortium until 1st quarter testing 2020.

Operated a 2005 Kenworth tractor, KS tag# 539908, KS Vin# 1XKWDB9X05J080819, gvwr 51,986 LBS. and a 2012 KRUZ cargo tank trailer, KS tag# 554981, KS Vin# 1K9ST3928CK226034, GVWR 80,000 LBS. on a trip from Kansas City, MO, to Wichita, KS

Drivers/Vehicles

In Violation	Checked
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Safety Fitness Rating

Your proposed safety rating is: **NOT RATED** Corrective actions must be taken for any violations (deficiencies) identified in this report. See below for more information.

You must take corrective actions for any violations (deficiencies) identified in the Violations section of this report

This was a focused investigation, which did not review in full all factors in the safety fitness rating methodology in 49 CFR part 385, Appendix B. A focused investigation may be unrated or it may result in a Conditional or Unsatisfactory rating if sufficient violations are discovered in the factors examined.

DataQs: If you dispute the violations recorded in the Violations section of this investigation report, and the violations were not used in the calculation of your safety rating, you may submit a Request for Data Review (RDR) through DataQs. The DataQs system is the method to remove violations that did not affect your safety rating. DataQs is an online system that allows a motor carrier or driver to request and track a review of Federal and State issued data that it believes to be incomplete or incorrect. To submit an RDR, go to <https://dataqs.fmcsa.dot.gov>.

Recommendations

1. Additional Information

Please visit the CSA outreach site for additional guidance <https://csa.fmcsa.dot.gov>

2. For all investigations

For all Investigations:

- Understand Why Compliance Saves Time and Money: Compliance with FMCSRs will not only save lives, but also saves your business time and money. Tracking how much your business spends on non-compliance activities can help you understand the many benefits of compliance to your business and why safety is good business
- Document and Follow Through on Action Plans: Document and follow through on action plans to ensure the actions you are taking are creating improvement in safety management and compliance.
- NOTICE: A pattern and/or repeated violations of the same or related acute or critical regulations (violations of the same Part in Title 49, Code of Federal Regulations) will cause the maximum penalties allowed by law to be assessed under Section 222 of the Motor Carrier Safety Improvement Act of 1999 (MCSIA). A pattern of violations means two or more violations of acute and/or critical regulations in three or more Parts of Title 49, Code of Federal Regulations discovered during any eligible investigation. Repeated violations means violation(s) of an acute regulation of the same Part of Title 49, Code of Federal Regulations discovered in an investigation after one or more closed enforcement actions within a six year period and/or violation(s) of a critical regulation in the same Part of Title 49, Code of Federal Regulations discovered in an investigation after two or more closed enforcement actions within a six year period
- NOTICE: 49 CFR Part 391.23 requires prospective employers to, at a minimum, investigate a driver's employment information, crash record, and alcohol and controlled substances history from all employers the driver worked for within the previous 3 years. The Pre-Employment Screening Program (PSP) is a screening tool that assists motor carriers in investigating crash history and roadside safety performance of prospective drivers. The PSP allows motor carriers to purchase 5 years of crash data and 3 years of roadside inspection data from the Federal Motor Carrier Safety Administration's (FMCSA) Motor Carrier Management Information System (MCMIS). Records are available 24 hours a day via Web request. Motor carriers should visit the following website for more information: <http://www.psp.fmcsa.dot.gov/Pages/default.aspx>
- All motor carriers and truck drivers are needed to fight against terrorism and hijacking. You could be a target. Protect yourself, your trucks, your cargo, and your facilities. Discuss with your employees/drivers the "Security Measures for Truck Drivers and Companies" which were provided and reviewed with motor carrier official. Motor carriers should visit the following website for more information:
<http://www.fmcsa.dot.gov/documents/Hijacking-Brochure.pdf>
FMCSA recently announced planned improvements to the Carrier Safety Measurement System (SMS) which was implemented in December 2010 as part of the Agency's broader Compliance, Safety, Accountability (CSA) initiative. A preview of these improvements is currently available to motor carriers. The system changes are scheduled to be available to the public in July 2012. There will be additional opportunity for public comment on the changes after the preview period ends in July 2012. The improvements to SMS are based on ongoing analysis and feedback from enforcement personnel, the motor carrier industry, and other stakeholders. The changes more effectively identify and prioritize high-risk and other unsafe motor carriers for enforcement interventions designed to reduce commercial motor vehicle crashes and hazardous materials incidents. Motor carriers currently have the ability to preview how the improvements impact their individual safety data in SMS. These improvements include: (1) Changes to the SMS methodology that identify higher risk carriers while addressing industry biases; (2) better applications of SMS results for Agency interventions by more accurately identifying safety sensitive carriers (i.e., carriers transporting people and carriers hauling hazardous materials (HM)), so that such firms can be selected for CSA interventions at more stringent levels; and, (3) more specific fact-based displays of SMS results on the SMS Web site. The data preview may be found at <http://csa.fmcsa.dot.gov/>. During the data preview period, the Agency requests comments on the impacts of the changes

3. KCC CAP

"The KCC requires that you prepare a corrective action plan, addressing the measures taken to correct all the violations identified within this report. Submit this letter within 30 days outlining the carrier's updated changes to their policies and procedures regarding all listed violations. Explain in detail how, as a carrier representative, you will rectify these deficiencies and prevent their reoccurrence going forward. Include any supporting documentation and evidence as indicated in the recommendations above.

(example: vehicle inspections performed, proof of drug and alcohol testing in place, etc.) necessary to prove that corrective action has been taken. Submit the letter along with copies of your supporting evidence to:

Email: g.davenport@kcc.ks.gov
FAX: 785-271-3124

or mail:
Kansas Corporation Commission
Attn: Gary Davenport
1500 SW Arrowhead Rd
Topeka, KS 66604-4027

4. Cap Penalty

Motor carriers are responsible for complying with all tasks ordered by the Commission. You are required to prepare a corrective action plan (CAP), addressing the measures taken to correct all the violations identified within this report. Failure to fulfill this requirement may lead to the issuance of further penalties or other repercussions, including revocation of authority to operate intrastate in Kansas.

5. Penalty CR Statement

"I understand that monetary penalties will be assessed as a result of violations found in this compliance investigation. The penalty schedule can be found at this web site: http://kcc.ks.gov/trans.penalty_assessment_table.htm

Reddi Industries, Inc.

Carrier Name

Carrier Official"

6. Stay in Contact

Stay in contact with your KCC Investigator for your area for continued safety compliance of the Kansas State Statutes and Federal Motor Carrier Safety Regulations requirements.

7. All CR Statement

"I acknowledge that these requirements and/or recommendations have been discussed with me and my questions have been answered. I understand that failure to satisfactorily remedy the above-listed requirements, and/or failure to comply with Kansas Motor Carrier Safety Statutes and Regulations could result in the suspension of Reddi Industries Inc operating authority and/or the impoundment of Reddi Industries Inc commercial motor vehicles.

[Signature]

Carrier Representative

4-29-20

Date

8. Penalty Safety Seminar requirement

Motor carriers are responsible for complying with all tasks ordered by the Commission in its Penalty Order. In addition to paying any civil fines issued, you are also required to attend a Commission sponsored safety seminar. Failure to fulfill this requirement may lead to the issuance of further penalties or other repercussions, including revocation of authority to operate intrastate in Kansas.

ATTACHMENT “B”

0819 6034

ORIGINAL - Submit to carrier within 13 days
DUPLICATE - Driver retains possession for eight days

DRIVER'S TIME RECORD
(ONE CALENDAR DAY - 24 HOURS)

12 14 19 (MONTH) (DAY) (YEAR) 613 (TOTAL MILES DRIVING TODAY)

1957/6031
VEHICLE NUMBERS - (SHOW EACH UNIT)

I certify these entries are true and correct.

[Signature]
(DRIVER'S SIGNATURE IN FULL)

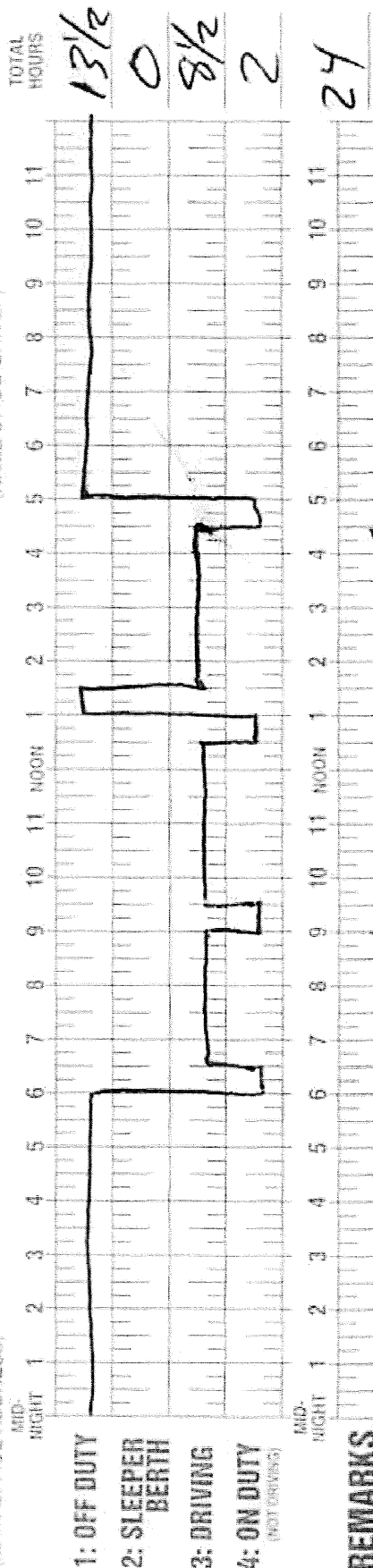
REDDI INDUSTRIES, INC.

(NAME OF CARRIER OR CARRIERS)

3901 N. BROADWAY - WICHITA, KS 67219

(MAIN OFFICE ADDRESS)

(NAME OF CO-DRIVER)



REMARKS

Kansas City, KS
PTC

Pro or Shipping No. 439953

[Handwritten notes and signatures]
Kansas City, KS
Wichita, KS
Wichita, KS

RECAP
Complete at
end of workday.

On-duty hours
today (Total
lines 3 & 4)

70 Hour/
8 Day
Drivers

A. Total hours on
duty last 7 days,
including today.

B. Total hours
available
tomorrow
70 hr. minus A.

C. Total hours on
duty last 8 days,
including today.

60 Hour/
7 Day
Drivers

A. Total hours on
duty last 6 days,
including today.

B. Total hours
available
tomorrow
60 hr. minus A.

C. Total hours on
duty last 7 days,
including today.

If you meet the
34-hour rest
requirements,
in 398.3, you
have 60/70
hours available
again.

CERTIFICATE OF SERVICE

20-TRAM-464-PEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail/hand delivered on 05/22/2020.

AHSAN LATIF, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3354
a.latif@kcc.ks.gov

JOHN FERGUSON, MANAGER
REDDI INDUSTRIES, INC.
6205 E KELLOGG
WICHITA, KS 67218
Fax: 316-425-8256
johnf@reddi.com

/S/ DeeAnn Shupe

DeeAnn Shupe