20190212153311 Kansas Corporation Commission

1500 SW Arrowhead Road Topeka, KS 66604-4027

Dwight D Keen, Chair Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

February 12, 2019

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

Laura Kelly, Governor

#### NOTICE OF PENALTY ASSESSMENT 19-TRAM-305-PEN

Nancy Liebl, Managing Member K&T Services, LLC 953 NE 120 Avenue Claflin, KS 67525

This is a notice of a penalty assessment against K&T Services, LLC (K&T Services) for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on January 2, 2019, by Kansas Corporation Commission Special Investigator Wade Patterson. Penalties are assessed in accordance with the FY 2019 Uniform Penalty Assessment Matrix, approved by the Commission on August 7, 2018. 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:** K&T Services has been assessed a \$500 penalty. You have thirty (30) days from the date of service of the Penalty Order to pay the penalty. Please remit payment of \$500, 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 K&T Services to attend a Commission-sponsored safety seminar within ninety (90) days from the date of the Order and to provide the undersigned Litigation Counsel with written proof of attendance. A schedule of dates and locations for safety seminars can be found at the Commission's website <u>http://www.kcc.state.ks.us/trans/safety\_meetings.htm</u>. The Order also requires your company to submit to one follow-up safety compliance review within 18 months from the date of the Order. Transportation Staff will contact your company at a later date to determine an appropriate time for this review.

**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. K&T Services 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 Secretary to the Commission 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. 2018 Supp. 77-542.

**IF YOU FAIL TO ACT:** Failure to pay the penalty of \$500 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 Latif

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



### THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Dwight D. Keen, Chair Shari Feist Albrecht Jay Scott Emler					
In the Matter of the Inve	estigation of K&T )					
Services, LLC, of Claflin, KS, Regarding the )						

Violation of the Motor Carrier Safety Statutes, Rules and Regulations and the Commission's Authority to Impose Penalties, Sanctions and/or the Revocation of Motor Carrier Authority.

) Docket No. 19-TRAM-305-PEN

#### PENALTY ORDER

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The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

## I. JURISDICTION

1. Pursuant to K.S.A. 2018 Supp. 66-1,108b, 66-1,111, 66-1,112, 66-1,114, 66-1,114b and 66-1,115, the Commission is given full power, authority and jurisdiction to supervise and control motor carriers, as defined in K.S.A. 2018 Supp. 66-1,108, doing business or procuring business in Kansas, and is empowered to do all things necessary and convenient for the exercise of such power, authority and jurisdiction.

2. Pursuant to K.S.A. 2018 Supp. 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. K&T Services, LLC (K&T Services) operates under USDOT number 2044364.

5. Todd Liebl attended a Commission-sponsored Motor Carrier Education and Safety Instructional Meeting on January 11, 2016, on behalf of K&T Services.

6. K&T Services is a common motor carrier which primarily hauls machinery, large objects, oil field equipment, grain, feed, hay, farm supply, rocksand, gravel and lime.

## **III. STATEMENT OF FACTS**

7. Pursuant to the jurisdiction and authority cited above, on January 2, 2019, Commission Staff (Staff) Special Investigator Wade Patterson conducted a safety compliance review of the operations of K&T Services. 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 September 20, 2018, K&T Services required or permitted its driver, Kevin Liebl, to operate a CDL-required commercial motor vehicle, a 2008 Freightliner, VIN ending in 9040, in intrastate commerce from Claflin, Kansas to Hitschmann, Kansas. This trip is evidenced by an Invoice,

dated September 20, 2018, a copy of which is attached hereto as Attachment "B" and is hereby incorporated by reference. At the time of this transportation, K&T Services failed to maintain a copy of the motor vehicle record or response from each State agency in the driver's driver qualification file. This carrier was cited for the same violation during a safety compliance review conducted on July 12, 2017. K&T Services' failure to inquire into the driving record of each of its drivers at least once every 12 months and to maintain the MVR in the driver's qualification file is a violation of 49 C.F.R. Part 391.25(a) and (c), adopted by K.A.R. 82-4-3g, and authorized by K.S.A. 2018 Supp. 66-1,129. Staff recommends a fine of \$500.

#### IV. STAFF'S RECOMMENDATIONS

8. Based upon the available facts, Staff recommends the Commission finds K&T Services 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 \$500 for one (1) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.

10. Staff further recommends that a representative from K&T Services be required to attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order, and provide Litigation Counsel with written proof of attendance. A schedule of the dates

3

and locations for safety seminars can be found on the Commission's website at http://kcc.ks.gov/trans/safety\_meetings.htm.

11. Finally, Staff recommends that K&T Services 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 K&T Services because it is a motor carrier as defined in K.S.A. 2018 Supp. 66-1,108.

13. The Commission finds K&T Services 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. K&T Services, LLC, of Claflin, KS is hereby assessed a \$500 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. K&T Services is hereby ordered to attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order, and is to provide Litigation Counsel with written proof of attendance.

C. K&T Services 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.

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D. Pursuant to K.S.A. 2018 Supp. 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 Secretary to the Commission, 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 K&T Services' right to a hearing, and this Penalty Order will become a Final Order assessing a \$500 civil penalty against K&T Services, and ordering a representative from K&T Services to attend a Commissionsponsored safety seminar within ninety (90) days from the date of this Order and provide Litigation Counsel with written proof of attendance, and to submit to a safety compliance review within 18 months from the date of this Order.

E. 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. 2018 Supp. 66-1,142b(e) and amendments thereto.

F. If you do not request a hearing, the payment of the civil penalty of \$500 is due in thirty (30) days from the date of service of this Order. Payment of \$500 must be made through

5

your personal account with the Kansas Corporation Commission's KTRAN system located at <u>https://puc.kcc.ks.gov/ktran/</u>. You must have an account through KTRAN to pay the penalty.

G. Failure to pay the \$500 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 K&T Services' 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.

H. 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.

Keen, Chair; Albrecht, Commissioner; Emler, Commissioner

Dated: 02/12/2019

Lynn M. Ref

Lynn M. Retz Secretary to the Commission

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# **ATTACHMENT "A"**

1	US DO		Legal: K&T SERVICES LLC						
	204436	4	Oper	ating (DB			I		
MC/MX #:					Federal Tax	ID:	(EIN)		
Review T	ype: Nor	n-ratab	le Rev	new - CSA	Focused Inve	estigation			
Scope:	Prin	cipal (	Office		Location of Review/Au	dit: Company fa	acility in the U. S.	Terr	itory:
Operation	Types	Inters	state	Intrastate					
(	Carrier:	N/A		Non-HM	Business: Corporation				
S	hipper:	N/A		N/A	Gross Revenue:		for year ending:	: 12/31/2017	,
Cargo	o Tank:		N/A						
Company	Physica	al Add	ress:						
CLAFLIN	, KS 675	25							
Contact	Name:	N	ancy L	iebl					
Phone n	umbers:								
E-Mail A	ddress:			_					
Company	Mailing	Addre	ess:					<u>.</u> .	
CLAFLIN	. KS 675	25							
Carrier CI									
	npt for Hi								
Cargo Cla									
	inery, La		ojects	Oil F	ield Equipment	Grain, Feed,	Hay		
Farm	Supply			Othe	r: Rocksand Gravel Lime				
Equipmer	nt				•		_		
			Öw		Leased Trip Leased	·	Owned		d Trip Leased
	Tractor			2	0 0	Trailer	4		0 0
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Percentage									
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Is an HN			'ed'?		N/A				
Driver In	formatio	<u>n</u>		t					
		In	ter	Intra	Average trip leased d	rivers/month:	0		
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>= 1	00 Miles	5:				CDL Drivers:	5		
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Part A

QUESTIONS regarding this report or the Federal Motor Carrier Safety or Hazardous Materials rules may be addressed to the Office of Motor Carriers at

# This report will be used to assess your safety compliance.

Person(s) Interviewed Name: Nancy Liebl Name:

**Title:** Manager Title:



K&T SERVICES LLC U.S. DOT #. 2044364						Review Date: 01/02/2019		
		Part B Vio	olations		I			
1 Primary <sup>.</sup> 391.25(c)(1) Discovered Checked In Violation								
STATE	CFR Equivalent 391.2	25(c)(1)	5	5	In Violation Check			
Example On 09/20/2018 Freightliner Tra carrier's princip driver hours of	tain a copy of the motor , K T Services LLC had a actor VIN# bal place of business in C service record and a job onse from each State age	driver Kevin Liebl (KS Cl 9040) in intrastate co Claflin Kansas to the job invoice. At the time of th	DL# mmerce. Driver Kevin L site near Hitschmann Ka nis trip, carrier failed to r	e a commercia lebl operated t ansas. This tri	I motor vehic this vehicle fro p is evidence	e (2008 om the d by a		
2 STATE	Primary: 391.51(b)(5) CFR Equivalent 391.5		Discovered	Checked 5		Vehicles Checked 5		
On 09/20/2018, K T Services LLC had driver Kevin Liebl (KS CDL# provide a commercial motor vehicle (2008 Freightliner Tractor VIN# 9040) in intrastate commerce. Driver Kevin Liebl operated this vehicle from the carrier's principal place of business in Claflin Kansas to the job site near Hitschmann Kansas. This trip is evidenced by a driver hours of service record and a job invoice. At the time of this trip, carrier failed to maintain a note relating to the annual reveiw of the driver's driving record as required by 391.25(c)(2).								
reveiw of the d	river's driving record as i							
3 STATE	Primary 391.51(b)(6) CFR Equivalent: 391.5	51(b)(6)	Discovered	Checked 5		Vehicles Checked 5		
Description     Failing to maintain a list or certificate relating to violations of motor vehicle laws and ordinances required by 391.27     Example     On 09/20/2018, KT Services LLC had driver Kevin Liebl (KS CDL# operate a commercial motor vehicle (2008     Freightliner Tractor VIN# 0040) in intrastate commerce Driver Kevin Liebl operated this vehicle from the carrier's principal place of business in Claflin Kansas to the job site near Hitschmann Kansas. This trip is evidenced by a driver hours of service record and a job invoice. At the time of this trip, carrier failed to maintain a list or certificate relating to violations of motor vehicle laws and ordinances required by 391.27.     Safety Fitness Rating Information:   OOS Vehicle (CR): 0     Total Miles Operated   30,000     Recordable Accidents   0     Number of Vehicle Inspected (MCMIS): 0     Number of Vehicles Inspected (MCMIS): 0								
Your proposed	safety rating is : This	Review is not	Rated.					

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#### K&T SERVICES LLC U S. DOT # 2044364

Part B Violations

safety rating methodology and cannot therefore result in a SATISFACTORY safety rating. It may, however, result in a less than SATISFACTORY rating if sufficient violations are discovered in the parts and factors examined to result in a CONDITIONAL or UNSATISFACTORY rating.





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#### Safety Management Process Breakdowns and Remedies

#### 1. 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. Repeated violations means violation(s) of an acute regulation of the same Part 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

For all Investigations that could result in a Notice of Claim:

• PLEASE NOTE<sup>•</sup> The violations discovered during this compliance review may affect the civil penalty proposed in any subsequent Notice of Claim. In addition, your history of prior violations of the Federal Motor Carrier Safety Regulations, Federal Hazardous Material Regulations or the Federal Motor Carrier Commercial Regulations may also affect the civil penalty proposed in any subsequent Notice of Claim. Your signature for receipt of this report acknowledges your understanding that the violations discovered by the FMCSA during this review may be used to calculate any civil penalty proposed as a result of this review.

For all Investigations that did not result in a Cooperative Safety Plan:

The KCC requires that you prepare a corrective action letter, addressing the measures taken to correct 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. Mail the letter along with copies of your supporting evidence to





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## K&T SERVICES LLC U.S. DOT #. 2044364

#### Safety Management Process Breakdowns and Remedies

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

2. 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 additioanl opportunity for public comment on the chnages 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 indidents.

Motor carrier's currently have the ability to preview how the imrovements impact their individual safety data in SMS. These improvements include: (1) Changes to the SMS metodology 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 carreiers hauling hazardous materials (HM)), so that such firms can be selected for CSA inteventions at more stringent levels; and, (3) more specific fact-based displays of SMS results on the SMS Web site.

The data preview my be found at http:/csa.fmcsa.dot.gov/. During the data preview period, the Agency requests comments on the impacts of the changes.

#### 3. DRIVER FITNESS BASIC PROCESS BREAKDOWN. Monitoring and Tracking

#### DESCRIPTION OF PROCESS BREAKDOWN

K&T Services LLC's violations occurred due to a breakdown regarding the monitoring and tracking elements of compliance within this section. Carrier has established organized driver qualification files for each CMV driver. That said, you need to develop a better methodology for ensuring that all drivers have the requisite paperwork in their individual files. It is incumbent upon the carrier to execute all annual requirements for their commercial motor vehicle drivers. Ensure that driver MVR's (motor vehicle records) are done annually These duties and the documents verifying their completion require continued monitoring and tracking by carrier officials to ensure compliance. Utilize the documents and instructions provided to you during this review to assist you in correcting the deficiencies.

#### BASIC SPECIFIC RECOMMENDED REMEDIES

Implement Safety Improvement Practices<sup>1</sup> The following are recommended practices related to Roles and Responsibilities.

 Define and document the role of managers and supervisors for implementing driver-fitness policies and for monitoring compliance with them. This should include regular evaluation of the carrier's driver-wellness program.
Define and document roles and responsibilities of managers and supervisors in providing training and

 Define and document roles and responsibilities of managers and supervisors in providing training and maintaining qualifications for all employees according to driver-fitness regulations and company policies and procedures

• Ensure that operations managers and dispatchers are responsible for having the proper amount of fit drivers by considering short-term changes, for example, with regard to vacations, variations in sales, and additional driver duties, and long-term changes, for example, with regard to permanent reassignment and termination of employees.

Ensure that dispatchers and operation managers are responsible for ascertaining that drivers are qualified before authorizing runs.

• Define and document roles and responsibilities of drivers, dispatchers, and other personnel according to driver fitness regulations and company policies and procedures.

Seek Out Resources:

• You are encouraged to review your company's record at the following website: http://ai.fmcsa.dot.gov/SMS. You will need to use your PIN Number that has been provided by the FMCSA.





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# K&T SERVICES LLC U.S. DOT # 2044364

# Safety Management Process Breakdowns and Remedies

• Contact industry associations to get resources and ideas on safety improvement practices from other carriers in the industry.



# **ATTACHMENT "B"**

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Tayna Tayna	Page	Ehip 9750-0018	Via	F.(	).B.		Project
Borna Labora	There and Ser	Cosc rest 09-20-2018 Losse M	mption		Price	Each	Amount
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# **CERTIFICATE OF SERVICE**

19-TRAM-305-PEN

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

first class mail/hand delivered on \_\_\_\_02/13/2019

NANCY LIEBL, MANAGING MEMBER K&T SERVICES, LLC 953 NE 120 AVENUE CLAFLIN, KS 67525 nancy\_liebl@hotmail.com AHSAN LATIF, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3354 a.latif@kcc.ks.gov

/S/ DeeAnn Shupe DeeAnn Shupe