



1500 SW Arrowhead Road
Topeka, KS 66604-4027

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

Pat Apple, Chairman
Shari Feist Albrecht, Commissioner
Jay Scott Emler, Commissioner

Sam Brownback, Governor

NOTICE OF PENALTY ASSESSMENT
17-TRAM-488-PEN

June 6, 2017

Kelly Carroll, Managing Member
KC Hauling LLC
6319 Kansas Ave
Kansas City, Kansas 66111

Certified Mail Receipt No. 70161970000105740815

This is a notice of a penalty assessment against KC Hauling LLC for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on May 2, 2017, by Kansas Corporation Commission Special Investigator(s) Wade Patterson and Jared Smith. For a full description of the penalty and terms and obligations, please refer to the Penalty Order that is attached to this notice.

IF YOU ACCEPT THE PENALTY:

KC Hauling has been assessed a \$1,800 penalty. You have thirty (30) days from the date of service of this Penalty Order to pay the fine, unless you choose the reduced penalty option explained below. A check must be made payable to the Kansas Corporation Commission and mailed to the Transportation Division of the Kansas Corporation Commission at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and must include a reference to the docket number of this proceeding. Credit card payment may be made by faxing your credit card information to the Transportation Office at 785-271-3124, using the KCC's credit card payment form found at <http://kcc.ks.gov/trans/creditcard.pdf>.

KC HAULING IS A NEW ENTRANT MOTOR CARRIER AND IS ELIGIBLE FOR A PENALTY REDUCTION OF FIFTY PERCENT (50%) UNDER THE FOLLOWING TERMS:

New Entrant motor carriers are eligible for a one-time, fifty-percent (50%) reduction in the penalty(s) normally assessed motor carriers in accordance with the FY 2017 Uniform Penalty Assessment Matrix. You have to meet the terms and obligations set out in the attached Reduced Penalty Agreement to be eligible for the fifty-percent (50%) reduction. A fifty-percent (50%) reduction in the penalty assessed in the attached Order is available if:

(1) the carrier signs and submits within fifteen (15) days from the date of this Penalty Order, the attached Reduced Penalty Agreement to Litigation Counsel at the above address;

(2) within 30 days from the date of the attached Penalty Order, the carrier submits to Transportation Staff an approved Corrective Action Plan (CAP) documenting the violation(s) described in the attached Order, including specific and detailed information explaining the carrier's efforts and concrete steps taken to ensure the violation(s) do not occur in the future; and

(3) within thirty (30) days from the date of the attached Penalty Order, the carrier sends an individual responsible for safety compliance to attend a Commission-sponsored safety seminar, and proof of attendance must be submitted to the Transportation Division shortly thereafter.

(4) within 18 months from the date of the attached Penalty Order, the carrier must be available for a follow-up Safety Compliance Review. Transportation Staff will contact the carrier to schedule the review.

If a carrier is approved for the fifty-percent (50%) reduced penalty, a Motion to Amend Penalty Order, along with the Reduced Penalty Agreement will be filed with the Commission. An Amended

Penalty Order assessing the reduced penalty and setting out the terms and conditions stated above will be issued by the Commission shortly thereafter. Payment of the reduced penalty of \$900 would be due within thirty (30) days from the date of service of the Amended Penalty Order.

IF YOU CONTEST THE PENALTY ORDER:

You have the right to request a hearing if you contest the terms of the Penalty Order. A request for hearing must be made in writing, setting forth the specific grounds upon which relief is sought. KC Hauling LLC 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 by mailing a copy of the request for hearing to Litigation Counsel at the above address. If you do not have access to the internet, you can mail an original and seven (7) copies of the request to the Commission's Secretary at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, within fifteen (15) days from the date of service of this Penalty Order and mail a copy of the request to Litigation Counsel. K.A.R. 82-1-215; K.S.A. 2016 Supp. 77-542.

IF YOU FAIL TO ACT:

Failure to adhere to the terms and obligations set out in the attached Penalty Order, including payment of the penalty of \$1,800 within thirty (30) days from the date of service of this Penalty Order, or in the alternative, provide a written request for a hearing within fifteen (15) days from the date of service of this Penalty Order, will result in the Order becoming a final Penalty Order and the terms and conditions set out therein will be enforced. If KC Hauling submits the attached Reduced Penalty Agreement as explained above, an Amended Penalty order may be issued assessing the reduced penalty of \$900 and that payment will become due within thirty (30) days from the date of service of the Amended Penalty Order.

Respectfully,



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

1500 SW Arrowhead Road
Topeka, KS 66604-4027



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

Pat Apple, Chairman
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REDUCED PENALTY AGREEMENT

17-TRAM-488-PEN

KC Hauling LLC hereby submits this Reduced Penalty Agreement to become eligible for a fifty percent (50%) reduction in the penalty assessed in the Penalty Order dated June 6, 2017. KC Hauling has agreed to comply with the following terms and obligations:

1. KC Hauling has submitted, within fifteen (15) days from the date of the Penalty Order issued on June 6, 2017, this Reduced Penalty Agreement to Litigation Counsel at the above address.
2. KC Hauling will, within 30 days from the date of the Penalty Order dated June 6, 2017, submit to Transportation Staff an approved Corrective Action Plan (CAP) documenting the violation(s) describing specific and detailed information explaining the carrier's efforts and concrete steps taken to ensure the violation(s) do not occur in the future.
3. KC Hauling will, within thirty (30) days from the date of the Penalty Order dated June 6, 2017, send an individual responsible for safety compliance to attend a Commission-sponsored safety seminar, and proof of attendance will be submitted to the Transportation Division.
4. KC Hauling will be available within eighteen (18) months from the date of the Penalty Order for a Safety Compliance Review. Transportation Staff will contact it to schedule the review.

KC Hauling LLC understands that if approved, Transportation Litigation Counsel will file a Motion for Amended Penalty Order with the Agreement attached to the motion. The Amended Penalty Order will assess KC Hauling a fifty-percent (50%) reduced penalty of \$900, and set out the terms and conditions stated above. Once the Amended Penalty Order is issued by the Commission, KC Hauling will have thirty (30) days from the date of service of the Amended Order to pay the reduced penalty assessed.

Dated this ____ day of _____, 2017.

KC Hauling LLC

Kelly Carroll
Managing Member

(This Agreement can be mailed via U.S. Mail to the address above to the attention of Ahsan Latif, Litigation Counsel, or sent via e-mail to v.jacobsen@kcc.ks.gov and alatif@kcc.ks.gov.)

2. Pursuant to K.S.A. 2016 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 order a hearing 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. KC Hauling LLC (KC Hauling) obtained common operating authority from the Commission on May 5, 2015, and operates under KSMCID number 170789 and USDOT number 2530371.

5. Kelly Carroll attended a Commission-sponsored Motor Carrier Education and Instructional Meeting on January 27, 2015, on behalf of KC Hauling.

6. KC Hauling is a common motor carrier which primarily hauls logs, poles, beams, lumber, machinery and large objects.

7. KC Hauling is a New Entrant motor carrier and is eligible for a fifty-percent (50%) reduction of the penalty(s) normally assessed motor carriers in accordance with the FY 2017 Uniform Penalty Assessment Matrix.

III. STATEMENT OF FACTS

8. Pursuant to the jurisdiction and authority cited above, on May 2, 2017, Commission Staff (Staff) Special Investigator(s) Wade Patterson and Jared Smith conducted a compliance review of the operations of KC Hauling. A copy of the safety compliance review is attached hereto as Attachment "A" and is hereby incorporated by reference. As a result of this investigation, Mr. Patterson and Mr. Smith identified three (3) violation(s) of the Motor Carrier Safety Regulations.

- a. On February 20, 2017, KC Hauling required or permitted its driver, Shane Seagroves, to operate a CDL-required commercial motor vehicle, a 2015 Kenworth, VIN ending in 483433, GVWR 52,000 lbs., pulling a 2015 Wilkens trailer, VIN ending in 077728, GVWR 68,000 lbs., in interstate commerce from Kansas City, Kansas to Blue Springs, Missouri. This trip is evidenced by Driver Daily Time Sheet, dated February 20, 2017, a copy of which is attached hereto as Attachment “B” and is hereby incorporated by reference. At the time of this transportation, KC Hauling had not obtained a pre-employment alcohol and controlled substance test with a negative result on its driver, prior to requiring him to operate a commercial motor vehicle. The driver was hired on February 20, 2017, and a pre-employment test was not obtained until March 8, 2017. KC Hauling’s failure to require its drivers to submit to a pre-employment alcohol and/or controlled substances test and to obtain a negative test result prior to requiring or permitting him to operate a commercial motor vehicle is a violation of 49 C.F.R. 382.301(a), adopted by K.A.R. 82-4-3c, and authorized by K.S.A. 2016 Supp. 66-1,129. Staff recommends a fine of \$1,000.
- b. On November 16, 2016, KC Hauling required or permitted its driver, Mike Judd, to operate a CDL-required commercial motor vehicle, a 2015 Kenworth, VIN ending in 483433, GVWR 52,000 lbs., pulling a 2005 MAC trailer, VIN ending in 34500, GVWR 80,000 lbs., in interstate commerce from Kansas City, Kansas to Blue Springs, Missouri. This trip

is evidenced by an incomplete Driver Daily Time Sheet, dated November 16, 2016, a copy of which is attached hereto as Attachment "C" and is hereby incorporated by reference. At the time of this transportation, driver Mike Judd failed to meet the requirements of the Short Haul Provision by not reflecting the total of hours worked for the day. The special investigators found 30 violations of this type. KC Hauling's failure to require its short-haul driver to report on its time sheet the total number of hours the driver is on duty for each day is in violation of 49 C.F.R. 395.1(e)(v)(B), adopted by K.A.R. 82-4-3a, and authorized by K.S.A. 2016 Supp. 66-1,129. Staff recommends a fine of \$300.

- c. During the transportation described in paragraph b., above, KC Hauling failed to require its driver to make records of duty status for the previous seven (7) days prior to making this interstate trip. The special investigators found 16 violations of this type. KC Hauling's failure to require its drivers to keep records of duty status for each 24-hour period, or in the alternative to maintain and retain time records described in 49 C.F.R. 395.1(e) under the short haul exemption, using the method described in 49 C.F.R. 395.8(a), and to submit the original record to the motor carrier within 13 days of creation is a violation of 49 C.F.R. 395.8(a), adopted by K.A.R. 82-4-3a, and authorized by K.S.A. 2016 Supp. 66-1,129. Staff recommends a fine of \$500.

IV. STAFF'S RECOMMENDATIONS

9. Based upon the available facts, Staff recommends the Commission find KC Hauling committed three (3) 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.

10. Staff recommends a civil penalty of \$1,800 for three (3) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.

11. Staff provides notice to the Commission that KC Hauling LLC is a New Entrant motor carrier and is eligible for a fifty-percent (50%) reduced civil penalty if it submits the Reduced Penalty Agreement, which is attached to the Notice of Penalty Assessment, and the Agreement is approved.

12. Staff recommends KC Hauling LLC submit a Corrective Action Plan (CAP) within 30 days of the date of this Penalty Order, to Transportation Staff, documenting the violation(s) described in the this Penalty Order, including specific and detailed information explaining the carrier's efforts and concrete steps taken to ensure the violation(s) do not occur in the future. The CAP must be approved by Transportation Staff to qualify for the fifty-percent (50%) discount.

13. Staff further recommends that KC Hauling attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order, and provide proof of attendance to the Transportation Division.

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

V. CONCLUSIONS OF LAW

15. The Commission finds it has jurisdiction over KC Hauling because it is a motor carrier as defined in K.S.A. 2016 Supp. 66-1,108.

16. The Commission finds a penalty of \$1,800 should be assessed KC Hauling for committing three (3) 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.

17. The Commission finds KC Hauling is a New Entrant motor carrier and is eligible for a fifty-percent (50%) reduction in the penalty(s) normally assessed motor carriers in accordance with the FY 2017 Uniform Penalty Assessment Matrix. The carrier must submit to Litigation Counsel, within fifteen (15) days from the date of this Penalty Order, the signed and dated Reduced Penalty Agreement, which states it will comply with the reduced penalty terms and obligations set out therein.

THE COMMISSION THEREFORE ORDERS THAT:

A. KC Hauling LLC, of Kansas City, Kansas is hereby assessed a penalty of \$1,800 for three (3) 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. For credit card payments, include type of card (Visa, MasterCard, Discover, or American Express), account number and expiration date.

Payments shall be mailed to the Transportation Division of the Kansas Corporation Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604. *The payment shall include a reference to the docket number of this proceeding (17-TRAM-488-PEN).*

B. KC Hauling is ordered to attend a Commission-sponsored safety meeting within ninety (90) days from the date of this Order, and provide proof of attendance to Transportation Staff. A schedule of dates and locations for the safety seminar can be found at the Commission's website http://www.kcc.state.ks.us/trans/safety_meetings.htm.

C. KC Hauling must submit a Corrective Action Plan (CAP) within thirty (30) days of the date of this Penalty Order, to Transportation Staff, documenting the violation(s) described in the attached Order, including specific and detailed information explaining the carrier's efforts and concrete steps taken to ensure the violation(s) do not occur in the future.

D. KC Hauling 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 motor carrier at a later date to determine an appropriate time for this review.

E. If KC Hauling does not submit the Reduced Penalty Agreement and fails to pay the full penalty(s) of \$1,800 within thirty (30) days from the date of service of this Penalty Order, *see* K.S.A. 66-1,105, and/or fails to comply with the provisions of this Order, the Commission will have the right to order further sanctions, including suspension of KC Hauling's motor carrier operating authority without further notice. Additionally, the Commission may issue and enforce revocation of motor carrier authority and/or issue cease and desist order(s), and may order other remedies available to the Commission by law, without further notice.

F. **Pursuant to K.S.A. 2016 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, within fifteen (15) days from the date of service of this Penalty Order. The request may be electronically filed with the Commission's electronic filing system at <https://puc.kcc.ks.gov/e-filing/e-express/>, and a copy mailed to the Litigation Counsel within fifteen (15) days from the date of service of this Order. If you do not have access to the internet, you can mail an original seven (7) copies of the request to the Commission's Secretary, at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and mail a copy to Litigation Counsel within fifteen (15) days from the date of service of this Order. On June 6, 2017, this Order was mailed via Certified Mail, Return Receipt Requested, Receipt Number 70161970000105740815. Service of this Order is deemed complete upon the date delivered shown on the Domestic Return Receipt. A hearing will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of KC Hauling's right to a hearing.

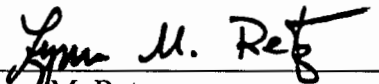
G. Attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. For civil penalties exceeding \$500, a corporation shall appear before the Commission by its attorney, unless waived by the Commission for good cause shown and a determination 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 of \$500 or less, a corporation may appear by a duly authorized representative of the corporation. K.S.A. 2016 Supp. 66-1,142b(e) and amendments thereto.

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.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: JUN 06 2017




Lynn M. Retz
Secretary to the Commission

AAL

Order Mailed Date

JUN 07 2017

ATTACHMENT "A"

	US DOT # 2530371	Legal: KC HAULING LLC Operating (DBA):		
MC/MX #:		State #:	Federal Tax ID: (EIN)	
Review Type: Compliance Review (CR)				
Scope: Principal Office		Location of Review/Audit: Company facility in the U. S.		Territory:
Operation Types				
Interstate		Intrastate		
Carrier: HM	N/A	Business: Corporation		
Shipper: N/A	N/A	Gross Revenue: for year ending: 12/31/2016		
Cargo Tank: N/A				
Company Physical Address:				
Contact Name: Kelly Carroll				
Phone numbers: (1) (2) Fax				
E-Mail Address:				
Company Mailing Address:				
6319 KANSAS AVE KANSAS CITY, KS 66111-2126				
Carrier Classification				
Private Property				
Cargo Classification				
Logs, Poles, Beams, Lumber Machinery, Large Objects				
Hazardous Materials				
9 Miscellaneous HM Carried Non-Bulk				
Equipment				
	Owned	Term Leased	Trip Leased	
Truck	1	0	0	Truck Tractor
Trailer	7	0	0	
Power units used in the U.S.: 8				
Percentage of time used in the U.S.: 100				
Does carrier transport placardable quantities of HM? No				
Is an HM Permit required? N/A				
Driver Information				
	Inter	Intra		
< 100 Miles:	5		Average trip leased drivers/month: 0	
>= 100 Miles:	1		Total Drivers: 6	
			CDL Drivers: 6	





KC HAULING LLC

U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:

05/02/2017

Part A

QUESTIONS regarding this report may be addressed to the Kansas Corporation Commission at:

1500 SW Arrowhead Road
Topeka, Kansas 66604
Telephone (785)640-9132

This report will be used to assess your safety compliance.

Person(s) Interviewed

Name: Kelly Carroll

Title: Owner

Name: [REDACTED]

Title: [REDACTED]





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
05/02/2017

Part B Violations

1 FEDERAL CRITICAL	Primary: 395.8(a)	Discovered 46	Checked 150	Drivers/Vehicles In Violation	Checked 5
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Description

Failing to require driver to make a record of duty status.

Example

On 11/16/17 KC Hauling LLC had driver [REDACTED] operate a 2015 Kenworth (Unit # 433- VIN # [REDACTED] 483433) in combination with a 2005 MAC trailer (Unit # 500- VIN # [REDACTED] 034500) in interstate commerce. The gross vehicle weight ratings of these vehicles are 52,000 lbs. and 80,000 lbs. respectively. Driver [REDACTED] operated in commerce on this interstate trip from Kansas City, Kansas to Blue Springs, Missouri. This trip is evidenced by an incomplete driver hours of service record and a job invoice. At the time of this trip and during the review, carrier was found to be in violation of failing to require driver to make a record of duty status. Driver failed to meet the requirements of the Short Haul Provision. No log book pages were presented for driver hours of service records.

2 FEDERAL	Primary: 382.301(a)	Discovered 1	Checked 5	Drivers/Vehicles In Violation	Checked 0
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Description

Using a driver before the motor carrier has received a negative pre-employment controlled substance test result.

Example

On 2/20/17 KC Hauling LLC had driver [REDACTED] operate a 2015 Kenworth (Unit # 433- VIN # [REDACTED] 483433) in combination with a 2015 Wilkens trailer (Unit # 728- VIN# [REDACTED] 077728). Driver [REDACTED] operated this combination of vehicles in commerce on an interstate trip from Kansas City, Kansas to Blue Springs, Missouri. The gross vehicle weight ratings of these vehicles are 52,000 lbs. and 68,000 lbs. respectively. This trip is evidenced by a drivers hours of service record and an invoice. At the time of this trip, carrier was found to be in violation of using a driver before the motor carrier has received a negative pre-employment controlled substance test result. Driver was hired on 02/20/2017 and immediately began operating a CDL required combination of vehicles for the carrier. Driver did not complete a pre-employment controlled substance test until 03/08/2017.

3 FEDERAL	Primary: 391.51(d)	Discovered 1	Checked 5	Drivers/Vehicles In Violation	Checked 0
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Description

Failing to keep required records in driver's qualification file for 3 years after date of execution.

Example

On 11/16/17 KC Hauling LLC had driver [REDACTED] operate a 2015 Kenworth (Unit # 433- VIN # [REDACTED] 483433) in combination with a 2005 MAC trailer (Unit # 500- VIN # [REDACTED] 034500) in interstate commerce. The gross vehicle weight ratings of these vehicles are 52,000 lbs. and 80,000 lbs. respectively. Driver [REDACTED] operated in commerce on this interstate trip from Kansas City, Kansas to Blue Springs, Missouri. This trip is evidenced by an incomplete driver hours of service record and a job invoice. At the time of this trip and during the review, carrier was found to be in violation of failing to keep required records in driver's qualification file for 3 years after the date of execution. Carrier failed to maintain a copy of driver's MEC in the driver qualification file. MVR in the file indicated driver had self-certified the MEC with the Kansas Department of Revenue, but no evidence of the MEC was found in the driver qualification file.

Safety Fitness Rating Information:

Total Miles Operated 300,000
Recordable Accidents 0
Recordable Accidents/Million Miles 0.00

OOS Vehicle (CR): 0
Number of Vehicle Inspected (CR): 0
OOS Vehicle (MCMIS): 0
Number of Vehicles Inspected (MCMIS): 0





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
05/02/2017

Part B Violations

Your proposed safety rating is :

CONDITIONAL

Rating Factors		Acute	Critical
Factor 1:	S	0	0
Factor 2:	S	0	0
Factor 3:	U	0	2
Factor 4:	S	0	0
Factor 5:	S	0	0
Factor 6:	S	-	-

This rating will become the final rating 60 days from the date indicated on a forthcoming official notice from the Federal Motor Carrier Safety Administration headquarters in Washington, D.C.

However, if this rating improves a previous Unsatisfactory rating, it will become effective on the date of the official notice from the FMCSA headquarters.

Corrective actions must be taken for the violations (deficiencies) listed on Part B of this review. Title 49 CFR Sections 385.15 and 385.17 provide for administrative review and a change to a safety rating based on corrective actions, respectively. A request for a change to a safety rating under section 385.17 may be made at any time. A motor carrier may request, in writing, a change in the rating by providing evidence of corrective actions to the Field Administrator for the FMCSA Service Center in which the carrier maintains its principal place of business. (See 49 CFR 385.17 for additional details). A request for administrative review under section 385.15 must be made within 90 days of the date of the proposed safety rating issued under section 385.11(c) or a final safety rating issued under section 385.11(b), or within 90 days after denial of a request for a change in rating under section 385.17.

If this was a focused investigation, which will be noted in the Review Type on the first page of this report (Part A), some factors shown above may be marked "SATISFACTORY" even if they were not reviewed. A focused investigation will not result in a SATISFACTORY safety rating because all standards and factors specified in 40 CFR 383.5 and 385.7 were not examined in full, even though it may appear that they were under the rating factors in Part B of this document. 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, or a non-ratable review.

If you receive a conditional or unsatisfactory rating, you may request an administrative review under 49 CFR 385.15 or a safety rating upgrade based on corrective action under 49 CFR 385.17. However, a successful request may only result in a non-ratable status, upgrade to a conditional safety rating, or reinstatement of your most recent safety rating. You will not receive a new satisfactory safety rating as a result of your request(s) under 49 CFR 385.15 and/or 49 CFR 385.17.





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
05/02/2017

Part B Requirements and/or Recommendations

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 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: 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 resulting in serious violations:

Serious violations were recorded on this investigation report. These violations will impact your safety record. Furthermore, these violations may result in a follow-up investigation at a later date unless adequate evidence of corrective action is forwarded to our office:

US Department of Transportation
Federal Motor Carrier Safety Administration
Kansas Division
Division Administrator





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
05/02/2017

Part B Requirements and/or Recommendations

1303 First American Place
Suite 200
Topeka, KS 66604-4040

For all Investigations resulting in a proposed conditional or unsatisfactory rating:

385.15

If you believe the proposed rating is in error and there are factual and procedural issues in dispute, Part 385.15 (copy provided) outlines procedures for petitioning the Federal Motor Carrier Safety Administration for an administrative review of these findings. Your petition should be addressed to:

Chief Safety Officer
Federal Motor Carrier Safety Administration
1200 New Jersey Avenue SE,
Washington, DC 20590

385.17

In addition, a request for a revised rating based on corrective actions may be made at any time. Part 385.17 (copy provided) outlines the procedures for such a request. The request must be made in writing, must describe the corrective action taken and must include other documentation that may be relied upon as a basis for the requested change. Address your written request to:

US Department of Transportation
Federal Motor Carrier Safety Administration
Midwestern Service Center
4749 Lincoln Mall Drive
Suite 300-A
Matteson, IL 60443

Ensure that a CC copy of the letter is mailed to:

US Department of Transportation
Federal Motor Carrier Safety Administration
Kansas Division
Division Administrator
1303 First American Place
Suite 200
Topeka, KS 66604-4040

This letter should be submitted as soon as possible.

Information on your compliance status, roadside inspections, regulatory changes, accident countermeasures and hazardous material incident prevention manual is available on the Internet at the Federal Motor Carrier Safety Administration's web site at <http://www.fmcsa.dot.gov/> and <http://www.safer.fmcsa.dot.gov/>.

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:





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
05/02/2017

Part B Requirements and/or Recommendations

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 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 carrier's 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. DRIVER FITNESS BASIC PROCESS BREAKDOWN: Monitoring and Tracking

DESCRIPTION OF PROCESS BREAKDOWN:

KC Hauling 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. All required components of the driver qualification file must be retained by the carrier for a period of no less than three years. 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: 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 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:





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
05/02/2017

Part B Requirements and/or Recommendations

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

4. HOS COMPLIANCE BASIC PROCESS BREAKDOWN: Monitoring and Tracking

DESCRIPTION OF PROCESS BREAKDOWN:

KC Hauling LLC's violations occurred due to a breakdown regarding the monitoring and tracking elements of compliance within this section. Carrier has established the correct methods of recording hours of service records for each CMV driver. That said, you need to develop a better methodology for ensuring that all drivers record complete and accurate records of duty status. The primary issue in this section of the regulations is drivers not completing hours of service records. Drivers need to complete the time sheets listing time in, time out, and total hours worked. Additionally, drivers that only work part time need to create the previous seven days hours worked before they operate a commercial motor vehicle. It is incumbent upon the carrier to review all driver records of duty status reports and verify that they are correct and accurate. Monitor the time records continually in order to track the driver movements. Finally, verify the accuracy of their reports with supporting documents. 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: The following are recommended practices related to Monitoring and Tracking Processes.

- Implement an effective process for monitoring and documenting all drivers' job functions, training, qualifications, renewal dates, disclosed medical conditions, and operational restrictions, including those of drivers on a waiver program or with impairments that may be satisfied by a Skill Performance Evaluation certificate, to ensure that assignments are covered by qualified drivers.
- Review and retain each driver's Motor Vehicle Record (MVR) at least annually to ensure compliance with company policies, Federal regulations, and State and local laws and ordinances related to driver fitness. If a driver seems to have numerous violations, the MVR should be reviewed more often. Random MVR checks in addition to annual checks are also effective. File the MVR in each driver's driver qualification file after review.
- Maintain each driver's investigation history file in a secure location with limited and controlled access for as long as the driver is employed and for three years thereafter.
- Maintain roadside inspection reports, moving violation records, training records, the Commercial Driver's License (CDL), the dispatch schedule, bills of lading, and the medical report to help evaluate the performance of all staff involved in qualifying drivers (dispatchers and managers) and the effectiveness of the policies and procedures.
- Implement a system for keeping accurate records of employee driver fitness training needs, such as entry-level and HAZMAT training, and completed training, via software, a checklist in the driver's file, and/or another appropriate method.
- Evaluate personnel who are monitoring driver fitness performance by making sure they are reviewing driver-assignment and qualification files; applying the performance standards fairly, consistently, and equitably; and documenting the evaluations.
- Regularly evaluate the company's driver fitness-related inspection results via the Federal Motor Carrier Safety Administration's (FMCSA) website at <http://ai.fmcsa.dot.gov/SMS>. Assess violations for process breakdowns and how to remedy them. Use data to help implement an effective process beyond self-reporting to monitor, document, and evaluate compliance with driver-fitness regulations and company policies.
- When monitoring and tracking any driver-fitness-related issue, always assess whether it is individual or represents a systemic breakdown in one of the Safety Management Processes (Policies and Procedures, Roles and Responsibilities, etc.).

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





KC HAULING LLC
U.S. DOT #: 2530371

State #: [REDACTED]

Review Date:
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Part B Requirements and/or Recommendations

the industry.

5. CONTROLLED SUBSTANCES AND ALCOHOL BASIC PROCESS BREAKDOWN: Roles and Responsibilities

DESCRIPTION OF PROCESS BREAKDOWN.

KC Hauling LLC's violation occurred due to a breakdown regarding the roles and responsibilities elements of compliance within this section. Carrier has a complete and functioning controlled substances and alcohol testing program. That said, carrier failed to have a CDL driver submit to a pre-employment test before he operated a commercial motor vehicle. Do a better job of ensuring that carrier responsibilities are executed in a timely fashion regarding this area of compliance with the regulations. Use the resources provided to you during the review, and please don't hesitate to contact me with questions or needs.

BASIC SPECIFIC RECOMMENDED REMEDIES:

Implement Safety Improvement Practices: The following are recommended practices related to Roles and Responsibilities.

- Ensure that managers are responsible for ascertaining that employees receive training concerning controlled substances and alcohol in accordance with State or Federal regulations and company policy.
- Ensure that managers are responsible for telling employees of a failed test and its implications.
- Regardless of carrier membership in a consortium, ensure that the carrier defines and documents the role and responsibilities of the designated employer representative (DER) in monitoring test procedures and checking results.
- If the carrier elects to join a consortium, ensure that the respective roles and responsibilities of the carrier and the consortium for controlled-substance and alcohol testing and reporting are defined and documented.

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

6. 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 KC Hauling LLC's operating authority and/or the impoundment of KC Hauling LLC's Vehicles.

Carrier Representative _____

Date _____



ATTACHMENT "B"

July

Driver

Shane

Day

2.20.17

KC HAULING LLC - DRIVER DAILY TIME SHEET 2016

Start Mileage	89758	Total Mileage	
End Mileage	89958	Gallons	MPG

CLOCK IN	Truck #	Trailer #	CLOCK OUT		
Mulch Deliveries	Job #/Ticket#			Load	Dump
1	18838 N2N	BELT	9:00		9:40
2	Blue Springs MO 18782	BELT	10:40		11:50
3	18898	BELT	12:20		1:41
4	18897	BELT	2:30		3:20
5	18899	BELT			
6					
7					
8					
Primary Grind / Claw Brush					
1					
2					
3					
4					
5					
6					
7					
8					
Shake / Claw Brush					
1					
2					
3					
4					
5					
6					
Moves / Other					
1					
2					
3					
4					
5					
6					
7					
8					

ATTACHMENT “C”

Daily

Driver

Mike Judd

Day

11-16-16

KC HAULING LLC - DRIVER DAILY TIME SHEET 2016



Start Mileage	83437	Total Mileage	
End Mileage	83678	Gallons	MPG

CLOCK IN	5:15 AM	Truck #	433	500 Trailer #		CLOCK OUT	3:15 PM
Mulch Deliveries		Job #/Ticket#				Load	Dump
1		EPIC 18536				5:30	6:45
2		Adams Dairy Mall 18537				7:45	9:05
3		Hermes 18538				10:00	11:00
4		291 - Scruggs 18540				12:00	13:25
5							
6							
7							
8							
Primary Grind / Claw Brush							
1							
2							
3							
4							
5							
6							
7							
8							
Shake / Claw Brush							
1							
2							
3							
4							
5							
6							
Moves / Other							
1							
2							
3							
4							
5							
6							
7							
8							

CERTIFICATE OF SERVICE

17-TRAM-488-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 JUN 06 2017.

AHSAN LATIF, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3354
a.latif@kcc.ks.gov

KELLY CARROLL, MANAGING MEMBER
KC HAULING LLC
6319 KANSAS AVE
KANSAS CITY, KS 66111-2126
kc5359@yahoo.com

/S/ DeeAnn Shupe

DeeAnn Shupe

Order Mailed Date

JUN 07 2017