

1500 SW Arrowhead Road Topeka, KS 66604-4027

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

July 16, 2019

Laura Kelly, Governor

http://kcc.ks.gov/

Phone: 785-271-3100 Fax: 785-271-3354

NOTICE OF PENALTY ASSESSMENT

20-TRAM-019-PEN

Michael Penner, Managing Member Rolling Hills Commodities LLC 871 170th Rd Hillsboro, KS 67063

This is a notice of a penalty assessment against Rolling Hills Commodities LLC (Rolling Hills Commodities) for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on June 28, 2019, by Kansas Corporation Commission Special Investigator Jared Smith. 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: Rolling Hills Commodities has been assessed a \$300 penalty. You have thirty (30) days from the date of service of the Penalty Order to pay the penalty. Please remit payment of \$300, 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 Rolling Hills Commodities 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 http://www.kcc.state.ks.us/trans/safety meetings.htm. 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. Rolling Hills Commodities 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. 2018 Supp. 77-542.

IF YOU FAIL TO ACT: Failure to pay the penalty of \$300 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,

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 Susan K. Duffy

In the Matter of the Investigation of Rolling)
Hills Commodities LLC, of Hillsboro, KS,)
Regarding the Violation of the Motor Carrier)
Safety Statutes, Rules and Regulations and the) Docket No. 20-TRAM-019-PEN
Commission's Authority to Impose Penalties,)
Sanctions and/or the Revocation of Motor)
Carrier Authority.)

PENALTY ORDER

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.A.R. 82-4-1b, 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.A.R. 82-4-1, 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. Rolling Hills Commodities LLC (Rolling Hills Commodities) has common operating authority with the Commission and further operates under USDOT number 2205970.
- 5. Michael Penner attended the Procedures for Safety Compliance Seminar presented by the Kansas Corporation Commission, on March 2, 2015, on behalf of Rolling Hills Commodities.
- 6. Rolling Hills Commodities is a common motor carrier which primarily hauls general freight, logs, poles, beams, lumber, building materials, grain, feed and hay.

III. STATEMENT OF FACTS

- 7. Pursuant to the jurisdiction and authority cited above, on June 28, 2019, Commission Staff (Staff) Special Investigator Jared Smith conducted a safety compliance review of the operations of Rolling Hills Commodities. 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 August 1, 2018, Rolling Hills Commodities required or permitted its driver, Justin Boeckner, to operate a CDL-required commercial motor

vehicle, a 2004 Kenworth, VIN ending in 060476, GVWR 48,000 lbs., pulling a 2019 Fontaine trailer, VIN ending in 1531892, GVWR 65,000 lbs., in interstate commerce from Oklahoma City, to Wichita, Kansas. This trip is evidenced by Driver/Vehicle Examination Report Number KSHP20582169, dated August 1, 2018, a copy of which is attached hereto as Attachment "B" and is hereby incorporated by reference. At the time of this transportation, Rolling Hills Commodities had not paid its 2019 Uniform Carrier Registration (UCR) fees to operate commercial motor vehicles over the highways of the United States. The carrier's failure to annually register its commercial motor vehicle(s) operating in interstate commerce and to pay the appropriate Unified Carrier Registration (UCR) fees as set out in 49 C.F.R. 367.30, is a violation of K.A.R. 82-4-30a, authorized by K.S.A. 2018 Supp. 66-1,139a and K.S.A. 2018 Supp. 66-1,129. Staff recommends a fine of \$300.

IV. STAFF'S RECOMMENDATIONS

- 8. Based upon the available facts, Staff recommends the Commission finds Rolling Hills Commodities 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 \$300 for one (1) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.

- 10. Staff further recommends that a representative from Rolling Hills Commodities 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 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 Rolling Hills Commodities 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 Rolling Hills Commodities because it is a motor carrier as defined in K.A.R. 82-4-1.
- 13. The Commission finds Rolling Hills Commodities 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. Rolling Hills Commodities LLC, of Hillsboro, KS is hereby assessed a \$300 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. Rolling Hills Commodities 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. 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. Rolling Hills Commodities 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. 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 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 Failure to timely request a hearing will result in a waiver of Rolling Hills request. Commodities's right to a hearing, and this Penalty Order will become a Final Order assessing a \$300 civil penalty against Rolling Hills Commodities, and ordering a representative from Rolling Hills Commodities 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, and to submit to a safety compliance review within 18 months from the date of this 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. 2018 Supp. 66-1,142b(e) and amendments thereto.
- G. If you do not request a hearing, the payment of the civil penalty of \$300 is due in thirty (30) days from the date of service of this Order. Payment of \$300 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 \$300 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 Rolling Hills Commodities's 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.

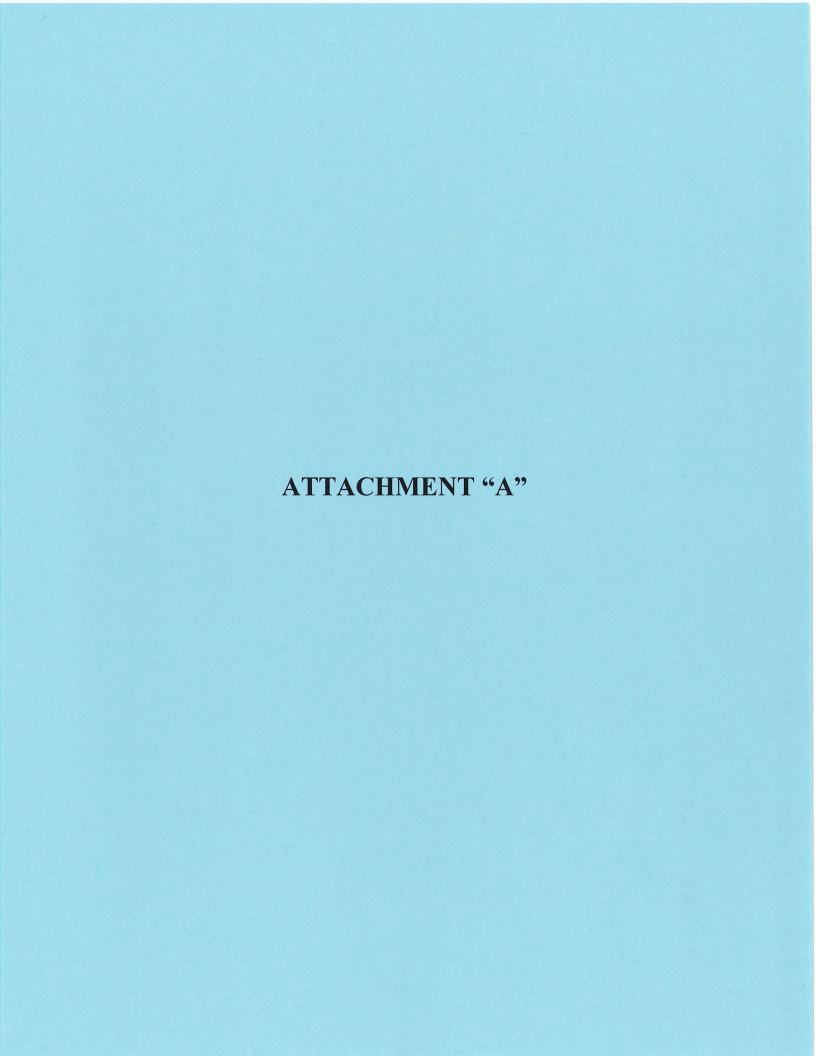
Keen,	Chair;	Albrecht,	Commissio	oner; Duffy,	Commissioner
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Dated: ____07/16/2019

Lynn M. Retz Executive Director

Lynn M. Ret

AAL



US DOT # Legal: ROLLING HILLS COMMODITIES LLC				
2205970 Operating (DBA):				
MC/MX #: 765443	Federal Tax ID:	IN)		
Review Type: Non-ratable Review	v - CSA			
Scope: Principal Office	Location of Review/Audit: CSA Off-site	Territory:		
Operation Types Interstate Intr	rastate			
Carrier: Non-HM No	on-HM Business: Corporation			
Shipper: N/A N/A	A Gross Revenue:	or year ending: 12/31/2018		
Cargo Tank: N/A				
Company Physical Address:				
871 170TH RD				
HILLSBORO, KS 67063-8047				
Contact Name: Michael Pe	nner			
Phone numbers: (1)	Fax			
E-Mail Address:				
Company Mailing Address:				
871 170TH RD				
HILLSBORO, KS 67063-8047				
Carrier Classification				
Authorized for Hire				
Cargo Classification				
General Freight Logs, Poles, Beams, Lumber Building Materials				
Grain, Feed, Hay				
Equipment	Town Lorent Tries Lorent	Owned Town Lored Tile Lored		
Truck Tractor 2		Owned Term Leased Trip Leased		
Power units used in the U.S. 2	· Transi	2		
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 Average trip leased drivers/month: 0				
< 100 Miles:	Total Drivers: 1			
>= 100 Miles: 1	CDL Drivers: 1			





U.S. DOT #: 2205970

Review Date 06/28/2019

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

Kansas Corporation Commission

Topeka, KS 66604

This report will be used to assess your safety compliance.

Person(s) Interviewed

Name: Michael Penner

Title: Owner

Name:

Title:





U.S. DOT #. 2205970

Review Date: 06/28/2019

Part B Violations

1 FEDERAL	Primary 367.3			Discovered 1	Checked 1	Drivers/V In Violation	
Description							
Failed to pay Unified Carrier Registration (UCR) fee when operating in Interstate Commerce.							
Example							
On August 1, 2018 Rolling Hills Commodities LLC had driver Justin Boeckner (KS CDL#) operate a 2004							
Kenworth (Uni		060476) in combina					2.) These
	gross vehicle weight ra						
	om Oklahoma City, Okla						
conducted by J. Gaddie (KS 2057) with the Kansas Highway Patrol. At the time of this trip and time of this review the carrier was found to be in violation of failure to pay 2018 Unified Carrier Registration (UCR) fee							
Safety Fitness Rating Information: OOS Vehicle (CR): 0							
•		124,572	Number of Vehicle Inspected (CR): 0				
•		0	OOS Vehicle (MCMIS): 0				
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			Num	ber of Vehicles	•	•	
						,	
Your proposed safety rating is :							
This Review is not Rated.							



U.S. DOT #. 2205970

Review Date 06/28/2019

Safety Management Process Breakdowns and Remedies

1. 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.

- Carrier is required to pay Unified Carrier Registration (UCR) fee when operating in Interstate commerce. Payment of UCR is available on your KTRAN account.
- 3. 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 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





U.S. DOT #. 2205970

Review Date 06/28/2019

Safety Management Process Breakdowns and Remedies

• 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 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.

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

The KCC requires that you prepare a corrective action plan, 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. 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. I acknowledge that the requirements and/or recommendations resulting from this off-site, focused review have been discussed with me and my questions have been answered. I further acknowledge that KCC recommendations only cover the scope of this focused review, and that areas not reviewed by the KCC have not necessarily been endorsed as compliant. 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 Rolling Hills Commodities LLC's operating authority and/or the impoundment of Rolling Hills Commodities LLC's commercial motor vehicle.

Date

After reviewing these Requirements and/or Recommendations, please sign and date where indicated, and return to the Kansas Corporation Commission, ATTN Verna Jackson, Transportation Division, 1500 SW Arrowhead Rd, Topeka, Kansas 66604-4027, or fax 785-271-3124.

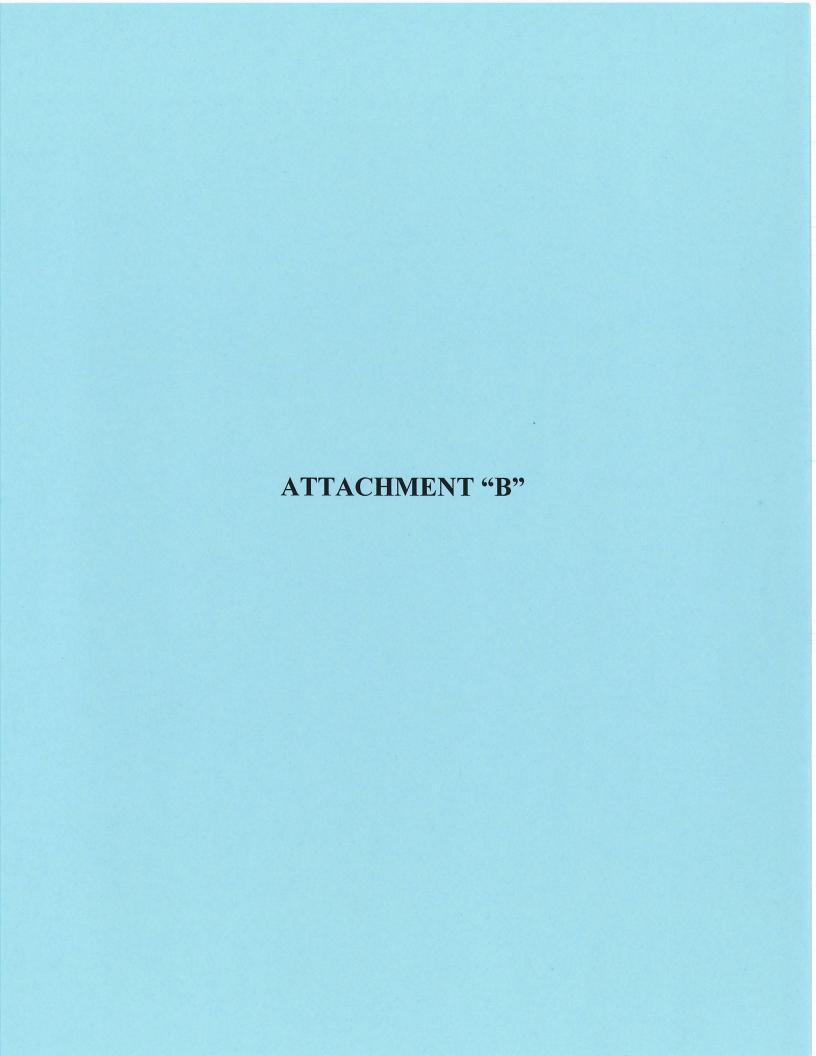




US DOT# 2205970

Review Date 06/28/2019

Safety Management Process Breakdowns and Remedies



DRIVER/VEHICLE EXAMINATION REPORT

Kansas Highway Patrol MOTOR CARRIER SAFETY ASSIS 700 SW Jackson, Ste 704 Topeka, KS 66603 Phone: (785)296-7189 Fax: (785)29		Report Number: KSHP20582169 Inspection Date: 08/01/2018 Start: 10.26 AM CT End: 10 47 AM CT Inspection Level: III - Driver/Credential HM Inspection Type: None
ROLLING HILLS COMMODITIES LL 871 170TH RD HILLSBORO, KS, 67063-8047 USDOT: 2205970 Phone# MC/MX#: 765443 Fax#: State#:	License#: Date of Bi	State: KS State:
Location: SOUTH HAVEN M C.I.S. Highway: 35 County:	#26A Milepost: Shipper: Origin: OKLAHOMA CITY,O Destination: WICHITA,KS	MALARKY ROOFING K Bill of Lading: SO-202051 Cargo: ROOFING MATERIAL
VEHICLE IDENTIFICATION Unit Type Make Year State Plate 1 TT KW 2004 KS 174004 2 ST FONA 2019 ME 3024183	Equipment ID VIN GV 03 060476 R12795 1531892 800	
BRAKE ADJUSTMENTS No brake	measurements required for level II or leve	1 111
VIOLATIONS.No violations were dis	covered	
HazMat: No HM transported	Plac	ard: Cargo Tank:
Special Checks: No data for special	l checks	
Signature Of Repairer X **** DRIVER THIS FORM IS REQUIRED TO	Facility D BE RETURNED TO THE CARRIER BY REGULAT	TION. **//** *CARRIER CERTIFICATION All defects on
THIS FORM WITHIN 15 DAYS to the Motor C	DEPRIOR TO RE-DISPATCH and then certified by a librarier Division of the KANSAS HIGHWAY PATROL Title	responsible carrier official who must sign below. RETURN at the address listed at the top of this form Date
Report Prepared By. J. Gaddie Badge #. 2058	Copy Received JUSTIN BOECI	<u>By.</u> KNER
x	v	



CERTIFICATE OF SERVICE

20-TRAM-019-PEN

I, the undersigned, certify that a true copy of the attached Order has been copy of the attached Order	has been served to the following by means of
AHSAN LATIF, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3354 a.latif@kcc.ks.gov	MICHAEL PENNER, MANAGER ROLLING HILLS COMMODITIES LLC 871 170TH RD HILLSBORO, KS 67063-8047 rhcommodities@hotmail.com
181	DeeAnn Shune

DeeAnn Shupe