CORPORATION COMMISSION 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604-4027



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

 $Governor\ Jeff\ Colyer,\ M.D.$  Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

## NOTICE OF PENALTY ASSESSMENT

October 30, 2018

19-TRAM-152-PEN

Michael Carnes, Owner d/b/a Carnes Ranch 3381 A Hwy 166 Coffeyville, KS 67337

This is a notice of a penalty assessment against Michael Carnes, d/b/a Carnes Ranch (Carnes Ranch) for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on September 19, 2018, by Kansas Corporation Commission Special Investigator Michael Heenan. 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:** Carnes Ranch has been assessed a \$100 penalty. You have thirty (30) days from the date of service of the Penalty Order to pay the penalty. Please remit payment of \$100, 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 Carnes Ranch 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 <a href="http://www.kcc.state.ks.us/trans/safety\_meetings.htm">http://www.kcc.state.ks.us/trans/safety\_meetings.htm</a>. 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. Carnes Ranch 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. 2017 Supp. 77-542.

**IF YOU FAIL TO ACT:** Failure to pay the penalty of \$100 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,

Litigation Counsel (785) 271-3118

# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair

Jay Scott Emler Dwight D. Keen

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)	Docket No. 19-TRAM-152-PEN
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## 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.S.A. 2017 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. 2017 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. 2017 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. Michael Carnes, d/b/a Carnes Ranch (Carnes Ranch) has private and common operating authority with the Commission and further operates USDOT number 2499179.
- 5. Mike Carnes attended a Commission-sponsored Motor Carrier Education and Safety Instructional Meeting on November 3, 2015, on behalf of Carnes Ranch.
- 6. Carnes Ranch is a private and common motor carrier which primarily hauls grain, feed, hay and construction supplies.

#### III. STATEMENT OF FACTS

- 7. Pursuant to the jurisdiction and authority cited above, on September 19, 2018, Commission Staff (Staff) Special Investigator Michael Heenan conducted a compliance review of the operations of Carnes Ranch. 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 May 19, 2018, Carnes Ranch required or permitted its driver, Michael
     Carnes, to operate a CDL-required commercial motor vehicle, a 1990
     Peterbilt, VIN ending in 293311, GVWR 52,000 lbs., in interstate

commerce from Coffeyville, Kansas to Harrisonville, Missouri. This trip is evidenced by Driver's Daily Log, dated May 19, 2018, a copy of which is attached hereto as Attachment "B" and is hereby incorporated by reference. At the time of this transportation, Carnes Ranch failed to make an inquiry every 12 months into the annual motor vehicle record (MVR) of its driver and maintain the response(s) of each state agency in the driver qualification file. The carrier's failure to inquire into its driver's MVR at least once every 12 months and maintain a copy of the MVR in the driver qualification file is a violation of 49 C.F.R. Part 391.25(a) and (c)(1), adopted by K.A.R. 82-4-3g, and authorized by K.S.A. 2017 Supp. 66-1,112. Staff recommends a fine of \$100.

#### IV. STAFF'S RECOMMENDATIONS

- 8. Based upon the available facts, Staff recommends the Commission finds Carnes Ranch 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 \$100 for one (1) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.
- 10. Staff further recommends that a representative from Carnes Ranch 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 Carnes Ranch 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 Carnes Ranch because it is a motor carrier as defined in K.S.A. 2017 Supp. 66-1,108.
- 13. The Commission finds Carnes Ranch 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. Michael Carnes, d/b/a Carnes Ranch, of Coffeyville, KS is hereby assessed a \$100 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. Carnes Ranch 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. Carnes Ranch 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.

- D. Pursuant to K.S.A. 2017 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 Carnes Ranch's right to a hearing, and this Penalty Order will become a Final Order assessing a \$100 civil penalty against Carnes Ranch, and ordering a representative from Carnes Ranch 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.
- 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. 2017 Supp. 66-1,142b(e) and amendments thereto.
- F. If you do not request a hearing, the payment of the civil penalty of \$100 is due in thirty (30) days from the date of service of this Order. Payment of \$100 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.

G. Failure to pay the \$100 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 Carnes Ranch'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.

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.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

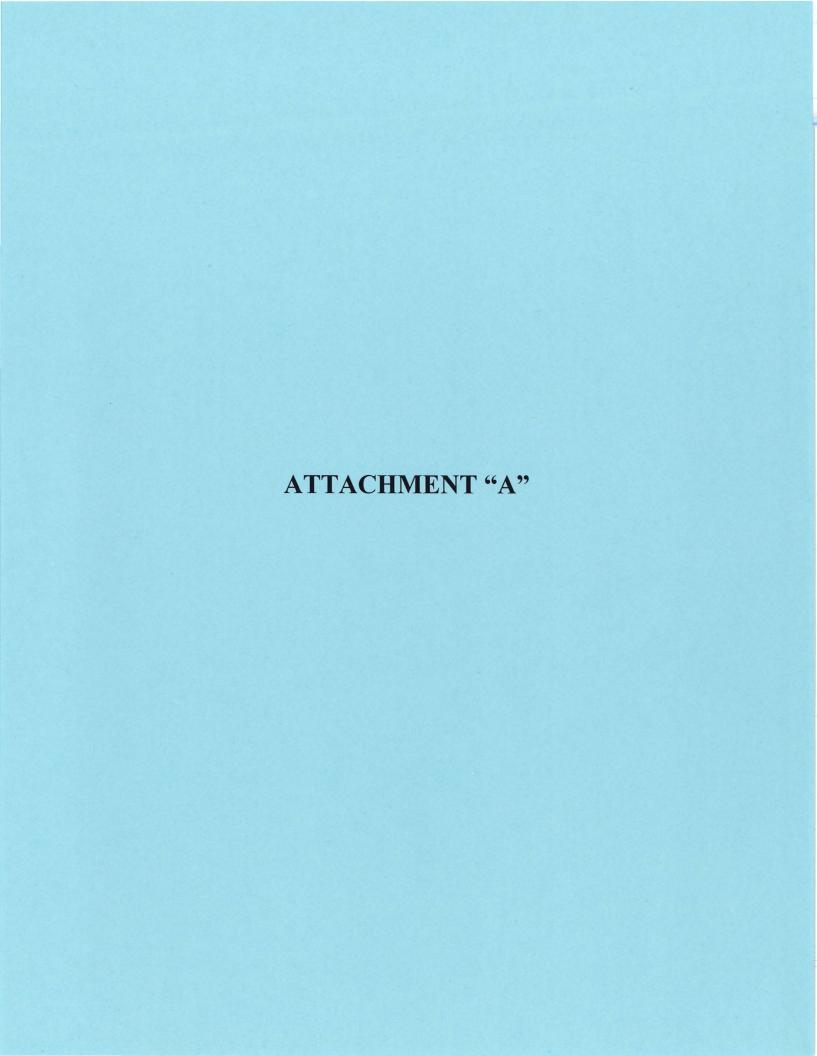
Dated: 10/30/2018

Lynn M. Retz

Secretary to the Commission

Lynn M. Ret

**AAL** 



US DOT # Legal: MICHA		
	A):CARNES RANCH	
MC/MX #: 941693 State #:	Federal Tax ID: (EIN)	
Review Type: Compliance Review (CR)		
Scope: Principal Office	Location of Review/Audit: Company facility in the U. S.	Territory: C
Operation Types Interstate Intrastate		
Carrier: Non-HM Non-HM	Business: Individual	
Shipper: N/A N/A	Gross Revenue: for year ending:	12/31/2017
Cargo Tank: N/A		
Company Physical Address:		
COFFEYVILLE, KS 67337-9627		
Contact Name: Michael V Carnes	•	
Phone numbers: (1)	Fax	
E-Mail Address:		
Company Mailing Address:		
COFFEYVILLE, KS 67337-9627		
Carrier Classification		
Authorized for Hire	Private Property	
Cargo Classification		
Grain, Feed, Hay Con	struction	
Equipment		
		erm Leased Trip Leased
Truck Tractor 1	0 0 Trailer 2	0 0
Power units used in the U.S.:1 Percentage of time used in the U.S.:100		
Does carrier transport placardable qu	uantities 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	
,	ODL DIIVEIS.	



U.S. DOT #: 2499179

State #:

Review Date: 09/19/2018

## 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 1500 SW Arrowhead Road Topeka, Ks 66604-4027 785-271-3145

This report will be used to assess your safety compliance.

Person(s) Interviewed

Name: Michael V Cames

Title: Owner/operator

Name:

Title:



U.S. DOT #: 2499179

State #:



Review Date: 09/19/2018

#### **Part B Violations**

1	Primary: 391.51(b)(4)			Drivers/V	ehicles
STATE		Discovered	Checked	In Violation	Checked
	CFR Equivalent: 391.51(b)(4)	1	1	1	1

#### Description

Failing to maintain the responses of each State agency to the annual driver record inquiry required by 391.25(a).

Example

Driver name: Michael V Carnes

Trip date: 5/19/18

At the time of this trip, and the time of this review, the carrier/driver listed above had an MVR in the driver file that was dated 12/4/15 which was valid until 12/4/16. The carrier did not obtain the MVR at least ever 12 months as required by this part.

Safety Fitness Rating Information:

Total Miles Operated
100,739
Recordable Accidents
0
OOS Vehicle (CR): 0
Number of Vehicle Inspected (CR): 0
OOS Vehicle (MCMIS): 0

Recordable Accidents/Million Miles 0.00 Number of Vehicles Inspected (MCMIS): 0

Your proposed safety rating is :	Rating Factors	Acute Critical		
	Factor 1:	S	0	0
	Factor 2:	· S	0	0
SATISFACTORY	Factor 3:	s	0	0
	Factor 4:	S	0	0
	Factor 5:	N	0	0
	Factor 6:	S	-	-

Corrective actions must be taken for any violations (deficiencies) identified on Part B of this report.





U.S. DOT #: 2499179

State #:



Review Date: 09/19/2018

## Part B Requirements and/or Recommendations

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

Jeff Ellett - Division Administrator

1303 First American Place, Suite 200

Topeka, KS 66604-4040

For all Investigations where the carrier has been involved in 2 or more recordable crashes:

The Division Administrator/State Director will continue to consider preventability when a motor carrier contests a proposed safety fitness rating. The motor carrier may deem that the recordable accident rate is not a fair means of evaluating its accident factor (Factor 6) on the CR report. If so, the motor carrier must submit the compelling evidence within seven calendar days if the proposed rating is Unsatisfactory and 10 calendar days if the proposed rating is Conditional to:

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

Compelling evidence must be limited to official police accident reports and official insurance accident investigation reports.

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:

US Department of Transportation
Jack Van Steenburg - 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
Max Strathman – Midwestern Field Administrator
Federal Motor Carrier Safety Administration
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 Kansas Division Jeff Ellett – Division Administrator Federal Motor Carrier Safety Administration 1303 First American Place, Suite 200 Topeka, KS 66604-4040





U.S. DOT #: 2499179

State #:



Review Date: 09/19/2018

## Part B Requirements and/or Recommendations

This letter should be submitted as soon as possible.

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:

Kansas Corporation Commission

Attn: Gary Davenport 1500 SW Arrowhead Rd Topeka, KS 66604-4027

2. 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:

Kansas Corporation Commission

Attn: Gary Davenport

1500 SW Arrowhead Rd

Topeka, KS 66604-4027

3. "I understand that monetary penalties will be assessed as a result of violations found in this compliance review. The penalty schedule can be found at this website: http://kcc.ks.gov/trans/penalty\_assessment\_table.htm"

Carrier Signature

Investigator Signature

8213

4. You are encouraged to review your company's safety record at the following website:

https://ai.fmcsa.dot.gov/login/default.asp

You will need to enter your US DOT # Personnel Identification Number (PIN) that has been provided to you by



U.S. DOT #: 2499179

State #: 171134

**Review Date:** 09/19/2018

## Part B Requirements and/or Recommendations

FMCSA in the log in form at the bottom of the page. If you have forgotten your PIN you only need to click on a link on the webpage to make a request for your PIN to be forwarded to you by U.S. mail.

Safety Improvement Resources (SIRs) is a compilation of articles, reports, and other tools designed to assist motor carriers with improving their current safety management practices. SIRs are searchable by resource number, BASIC or safety management practice (SMP). Please refer to any Safety Improvement Resource numbers included within the recommendations.

You are encouraged to view all of the SIRs at the following website: http://ai.fmcsa.dot.gov/sms/Data/carrier\_sir.aspx

- 5. Make certain that your name and information on your federal operating authority and your MCS-150 USDOT number match exactly.
- 6. Make certain that all drivers of commercial motor vehicles have a record check of their driving record at least every 12 months and within 30 days of their initial employement.
- 7. 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.

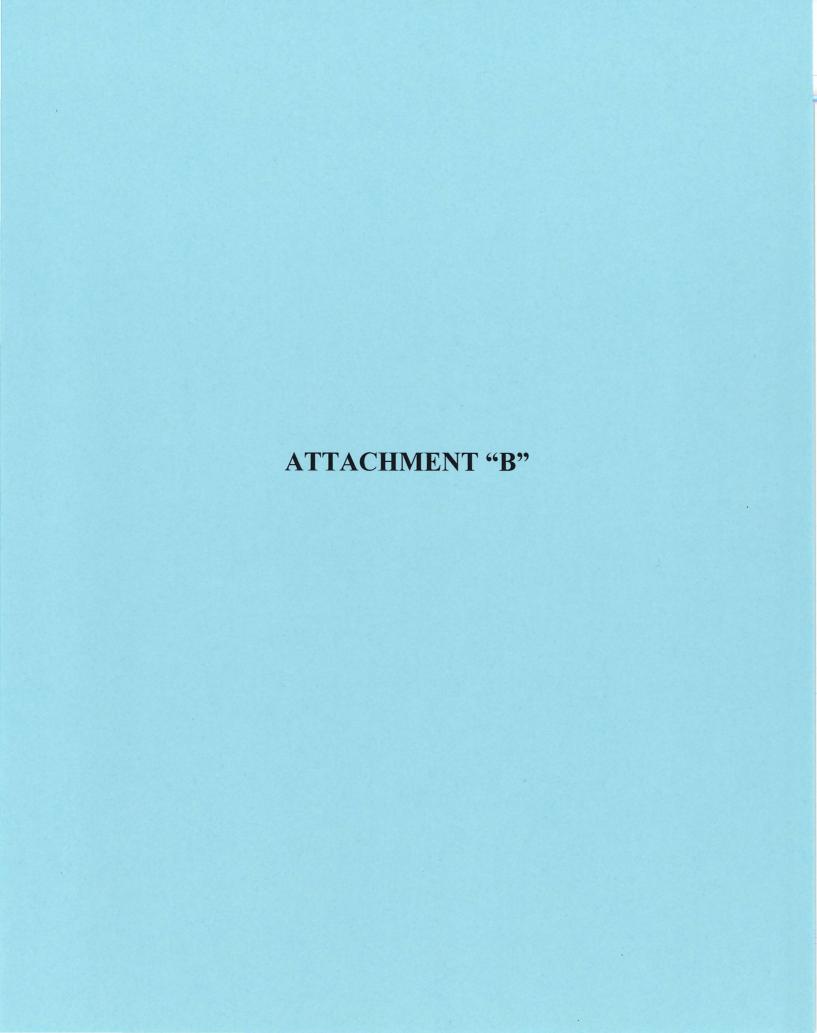
Motor carrier's currently have the ability to preview how the improvements impact their individual safety data in SMS. These improvements include: (1) Changes to the SMS methodology that identify higher risk carriers while addressing industry biases; (2) better applications of SMS results for Agency 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.

8. 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 [Michael Carnes dba Carnes Ranch) operating authority and/or the impoundment of (Michael Carnes dba Carnes Ranch)) vehicles.

Carrier Signature Much Cour

Investigator Signature Much Mason



DRIVER'S DAILY LOG (24 HOURS)	(Month) (Day) (Year)	Original - File at home terminal Duplicate - Driver retains in his/her possession for eight days
Total Miles Driving Today  Total Mileage Today		Coffewile KS 67337
Truck/Tractor and Trailer Numbers or License Plate(s) / State (show each unit)	I certify these critics are figure and correct much briver's Full Signature	me Terminal Address :: Co-Driver's Name
MID- NIGHT 1 2 3 4 5 6 7  1. OFF DUTY  2. SLEEPER BERTH  3. DRIVING  4. ON DUTY (NOT DRIVING) NIGHT 1 2 3 4 5 6 7  REMARKS  COFFAULES  PIETRI 1 3 9  Lefair Trailer  B/L or Manifest No.	8 9 10 11 NOON 1 2 3	4 5 6 7 8 9 10 11 HOURS  14 /2  0 6 3/4  2 3/4  2 5 6 7 8 9 10 11  2 7
or Shipper & Commodity From: Sedan K5 USE TIME ST	each.	Tarrison vi'/r 17 o. Copyright 2013 J. J. Keller & Associates, Inc.® All rights reserved.
TE: 5/19/18 TRACTOR/TRUCK NO.:	EDERAL MOTOR CARRIER SAFETY REGULATION TO	RAILER(S) NO.(S): 227
RESULT IN ITS MECHANICAL BREAKDOWN	NCIES IN THIS MOTOR VEHICLE A KDOWN	Bright of Com
ABOVE DEFECTS CORRECTED		DRIVER'S SIGNATURE:
ABOVE DEFECTS NEED NOT BE CORRECTED FOR SAFE OPER VEHICLE ECHANIC'S SIGNATURE: Much N. Corrections of the control of the contr	RATION OF DRIVER'S SIGNAT	URE: DATE:
	All rights reserved. Neenah, WI • USA • 800-327-6	

## **CERTIFICATE OF SERVICE**

## 19-TRAM-152-PEN

I, the undersigned, certify that the true copy of the attack	ched Order has been served to the following parties by means of
first class mail/hand delivered on10/31/2018	<del>.</del>
AHSAN LATIF, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3354 a.latif@kcc.ks.gov	MICHAEL CARNES, OWNER MICHAEL CARNES D/B/A CARNES RANCH 3381 A HWY 166 COFFEYVILLE, KS 67337 carnesranch@yahoo.com
	/S/ DeeAnn Shupe DeeAnn Shupe
	Decr un onape