

1500 SW Arrowhead Road  
Topeka, KS 66604-4027



20170725153455  
Kansas Corporation Commission

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

18-TRAM-008-PEN

July 25, 2017

Clay Cigich, Managing Member  
Cigich Hauling LLC  
13877 McIntyre Rd  
Leavenworth, Kansas 66048

**Certified Mail Receipt No. 70161970000105740358**

This is a notice of a penalty assessment against Cigich Hauling LLC for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on July 3, 2017, by Kansas Corporation Commission Special Investigator(s) 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:

Cigich Hauling has been assessed a \$1,100 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. Please remit payment of \$1,100 through your personal account with the Kansas Corporation Commission's KTRAN application 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.

### CIGICH 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) assessed motor carriers in accordance with the FY 2018 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 undersigned Litigation Counsel 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 \$550 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. Cigich 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 \$1,100 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 Cigich Hauling submits the attached Reduced Penalty Agreement as explained above, an Amended Penalty order may be issued assessing the reduced penalty of \$550 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  
[a.latif@kcc.ks.gov](mailto:a.latif@kcc.ks.gov)

1500 SW Arrowhead Road  
Topeka, KS 66604-4027

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



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

Sam Brownback, Governor

## **REDUCED PENALTY AGREEMENT**

### **18-TRAM-008-PEN**

Cigich Hauling LLC (Cigich Hauling) hereby submits this Reduced Penalty Agreement to become eligible for a fifty percent (50%) reduction in the penalty assessed in the Penalty Order dated July 13, 2017. Cigich Hauling has agreed to comply with the following terms and obligations:

1. Cigich Hauling has submitted, within fifteen (15) days from the date of the Penalty Order issued on July 13, 2017, this signed and dated Reduced Penalty Agreement to Litigation Counsel at the above address.

2. Cigich Hauling will, within 30 days from the date of the Penalty Order dated July 13, 2017, submit to Transportation Staff a Corrective Action Plan (CAP) documenting the violation(s) and describing specific and detailed information explaining the its efforts and concrete steps taken to ensure the violation(s) do not occur in the future. I understand the CAP must be approved by Transportation Staff before my company can be eligible for the 50% reduced penalty.

3. Cigich Hauling will, within thirty (30) days from the date of the Penalty Order dated July 13, 2017, send an individual responsible for safety compliance to attend a Commission-sponsored safety seminar, and proof of attendance will be submitted to the Litigation Counsel.

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

Cigich Hauling LLC understands that if approved, Transportation Litigation Counsel will file a Motion for Amended Penalty Order with this Agreement attached to the motion. The Amended Penalty Order will assess Cigich Hauling a fifty-percent (50%) reduced penalty of \$550, and set out the terms and conditions stated above. Once the Amended Penalty Order is issued by the Commission, Cigich 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.

Cigich Hauling LLC

\_\_\_\_\_  
Clay Cigich  
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](mailto:v.jacobsen@kcc.ks.gov) and [alatif@kcc.ks.gov](mailto:alatif@kcc.ks.gov).)

**THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

Before Commissioners:      Pat Apple, Chairman  
                                     Shari Feist Albrecht  
                                     Jay Scott Emler

In the Matter of the Investigation of **Cigich**      )  
**Hauling LLC, of Leavenworth, Kansas,**      )  
Regarding the Violation of the Motor Carrier      )  
Safety Statutes, Rules and Regulations and the      ) Docket No. 18-TRAM-008-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). The Commission, having been briefed on the issue by the Director of the Commission's Transportation Division, finds and concludes as follows:

**I.      JURISDICTION**

1.      Pursuant to K.S.A. 2016 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. 2016 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. 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. Cigich Hauling LLC (Cigich Hauling) has common operating authority from the Commission and further operates under USDOT number 2595536.

5. Cigich Hauling is a common motor carrier which primarily hauls motor vehicles.

6. Cigich Hauling is a New Entrant motor carrier and is eligible for a fifty-percent (50%) reduction of the penalty(s) assessed below.

## **III. STATEMENT OF FACTS**

7. Pursuant to the jurisdiction and authority cited above, on July 3, 2017, Commission Staff (Staff) Special Investigator(s) Jared Smith conducted a compliance review of the operations of Cigich 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. identified two (2) violation(s) of the Motor Carrier Safety Regulations.

- a. On May 22, 2017, Cigich Hauling required or permitted its driver, Clay Cigich, to operate a CDL-required commercial motor vehicle, a 2002 Peterbilt tractor, VIN ending in 586227, GVWR 33,000 lbs., pulling a 2014 Sun Country trailer, VIN ending in 000399, GVWR 22,500 lbs., in interstate commerce from Leavenworth, Kansas to Oak Creek, Wisconsin. This trip is evidenced by a Driver's Daily Log, dated May 22, 2017, a copy of which is attached hereto as Attachment "B" and is hereby

incorporated by reference. At the time of this Transportation, Cigich Hauling failed to retain a copy of the motor vehicle record of its driver in his driver qualification file. The carrier's failure to maintain a copy of the motor vehicle record received from each State in the driver qualification file is a violation of 49 C.F.R. 391.51(b)(2), adopted by K.A.R. 82-4-3, and authorized by K.S.A. 2016 Supp. 66-1,129. Staff recommends a fine of \$100.

- b. During the transportation described in paragraph a., above, driver Clay Cigich was found to have made a false record of duty status. The primary evidenced used to find this violation was a toll receipt, which is attached hereto as Attachment "C". In comparing the Illinois toll receipt to the Driver's Daily Log, dated May 22, 2017, there is a discrepancy more than an hour or 50 miles. Cigich Hauling's falsifying records of duty status is a violation of 49 C.F.R. 395.8(e)(1), adopted by K.A.R. 82-4-3a, and authorized by K.S.A. 2016 Supp. 66-1,129. Staff recommends a fine of \$1,000.

#### **IV. STAFF'S RECOMMENDATIONS**

8. Based upon the available facts, Staff recommends the Commission find Cigich Hauling committed two (2) 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. Staff recommends a civil penalty of \$1,100 for two (2) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.

10. Staff provides notice to the Commission that Cigich Hauling LLC is a New Entrant motor carrier and is eligible for a fifty-percent (50%) reduced civil penalty if it submits to Litigation Counsel within fifteen (15) days of the date of this Penalty Order the Reduced Penalty Agreement, which is attached to the Notice of Penalty Assessment.

11. Staff recommends Cigich 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.

12. Staff further recommends that Cigich Hauling attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order, and provide proof of attendance to Litigation Counsel.

13. Finally, Staff recommends that Cigich 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**

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

15. The Commission finds a penalty of \$1,100 should be assessed to Cigich Hauling for committing two (2) 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.

16. The Commission finds Cigich Hauling is a New Entrant motor carrier and is eligible for a fifty-percent (50%) reduction in the penalty(s) assessed herein. 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. Cigich Hauling LLC, of Leavenworth, Kansas is hereby assessed a penalty of \$1,100 for two (2) 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. Payment of \$1,100 must be made through your personal account with the Kansas Corporation Commission's KTRAN application 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.

B. Cigich 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 Litigation Counsel. 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](http://www.kcc.state.ks.us/trans/safety_meetings.htm).

C. Cigich 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. Cigich 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 Cigich Hauling does not submit the Reduced Penalty Agreement and fails to pay the full penalty(s) of \$1,100 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 Cigich 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 and 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 July 25, 2017, this Order was mailed via Certified Mail,

Return Receipt Requested, Receipt Number 70161970000105740358. 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 Cigich Hauling's right to a hearing.

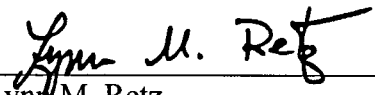
G. Attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. For civil penalties exceeding \$500, a corporation shall appear before the Commission by its attorney, unless waived by the Commission for good cause shown and a determination 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: JUL 25 2017


  
\_\_\_\_\_  
Lynn M. Retz  
Secretary to the Commission

AAL

Order Mailed Date

JUL 26 2017

## **ATTACHMENT "A"**

	<b>US DOT #</b> 2595536	<b>Legal:</b> CIGICH HAULING LLC <b>Operating (DBA):</b>			
<b>MC/MX #:</b> 910963		<b>State #:</b> [REDACTED]		<b>Federal Tax ID:</b> [REDACTED] (EIN)	
<b>Review Type:</b> Compliance Review (CR)					
<b>Scope:</b> Principal Office		<b>Location of Review/Audit:</b> Company facility in the U S			<b>Territory:</b>
<b>Operation Types</b>		<b>Interstate</b>	<b>Intrastate</b>	<b>Business:</b> Corporation	
<b>Carrier:</b> HM		N/A		<b>Gross Revenue:</b> [REDACTED]	
<b>Shipper:</b> N/A		N/A		for year ending: 12/31/2016	
<b>Cargo Tank:</b> N/A					
<b>Company Physical Address:</b> [REDACTED]					
<b>Contact Name:</b> Clay Cigich					
<b>Phone numbers:</b> (1) [REDACTED] (2) [REDACTED]					
<b>E-Mail Address:</b> [REDACTED]					
<b>Company Mailing Address:</b> 13877 MCINTYRE RD LEAVENWORTH, KS 66048-7801					
<b>Carrier Classification</b> Authorized for Hire					
<b>Cargo Classification</b> Motor Vehicles					
<b>Hazardous Materials</b> 9 Miscellaneous HM Carried Non-Bulk					
<b>Equipment</b>					
	<b>Owned</b>		<b>Term Leased</b>		<b>Trip Leased</b>
Truck Tractor	1		0		0
Trailer					
	<b>Owned</b>		<b>Term Leased</b>		<b>Trip Leased</b>
	1		0		0
Power units used in the U S : 1					
Percentage of time used in the U S : 100					
Does carrier transport placardable quantities of HM? No					
Is an HM Permit required? N/A					
<b>Driver Information</b>					
	<b>Inter</b>	<b>Intra</b>	<b>Average trip leased drivers/month:</b> 0		
<b>&lt; 100 Miles:</b>			<b>Total Drivers:</b> 1		
<b>&gt;= 100 Miles:</b>	1		<b>CDL Drivers:</b> 1		





CIGICH HAULING LLC

U S DOT # 2595536

State #.

Review Date:

07/07/2017

**Part A**

QUESTIONS regarding this report or the Federal Motor Carrier Safety or  
Hazardous Materials rules may be addressed to the Kansas Corporation Commission at:

1500 SW Arrowhead Road  
Topeka, KS 66604  
Phone 913-755-1289

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

**Person(s) Interviewed**


**Name:** Clay Cigich

**Title:** Owner

**Name:**

**Title:**



	<b>CIGICH HAULING LLC</b>	State # <span style="background-color: black; color: black;">[REDACTED]</span>	Review Date
	U.S. DOT # 2595536		07/07/2017

### Part B Violations

1 FEDERAL ACUTE	Primary. 387 7(a)	Discovered 1	Checked 1	Drivers/Vehicles In Violation    Checked
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**Description**

Operating a motor vehicle without having in effect the required minimum levels of financial responsibility coverage

**Example**

On 5/22/17 Cigich Hauling LLC driver Clay Cigich (KS CDL # [REDACTED]) operated a 2002 Peterbilt tractor (Unit # 103- VIN # [REDACTED] 586227) in combination with a 2014 Sun Country Trailer ( Unit # 214- VIN # [REDACTED] 000399) in interstate commerce. These vehicles have a gross vehicle weight rating of 33,000 lbs and 22,500 lbs. respectfully. Driver Clay Cigich operated in commerce on an interstate trip from Leavenworth, Kansas to Oak Creek Wisconsin This trip is evidenced by a driver record of duty status, bill of lading, fuel receipt and Illinois State Toll receipt. At the time of this trip and time of this review carrier was found to be in violation of operating a motor vehicle without having in effect the required minimum levels of financial responsibility coverage Cigich Hauling LLC is a for-hire interstate carrier transporting vehicles and fails to have minimum \$1,000,000 of coverage Carrier currently has \$750,000 in coverage with National Casualty Company

2 FEDERAL	Primary. 391 51(b)(4)	Discovered 1	Checked 1	Drivers/Vehicles In Violation    Checked
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**Description**

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

**Example**

On 5/22/17 Cigich Hauling LLC driver Clay Cigich (KS CDL # [REDACTED]) operated a 2002 Peterbilt tractor (Unit # 103- VIN # [REDACTED] 586227) in combination with a 2014 Sun Country Trailer ( Unit # 214- VIN # [REDACTED] 000399) in interstate commerce. These vehicles have a gross vehicle weight rating of 33,000 lbs. and 22,500 lbs respectfully Driver Clay Cigich operated in commerce on an interstate trip from Leavenworth, Kansas to Oak Creek Wisconsin This trip is evidenced by a driver record of duty status, bill of lading, fuel receipt and Illinois State Toll receipt. At the time of this trip carrier was found to be in violation of failing to maintain the responses of each State agency to the annual driver record inquiry required by 391 25(a).

3 FEDERAL	Primary. 391 51(b)(5)	Discovered 1	Checked 1	Drivers/Vehicles In Violation    Checked
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**Description**

Failing to maintain a note relating to the annual review of the driver's driving record as required by 391 25(c)(2)

**Example**

On 5/22/17 Cigich Hauling LLC driver Clay Cigich (KS CDL # [REDACTED]) operated a 2002 Peterbilt tractor (Unit # 103- VIN # [REDACTED] 586227) in combination with a 2014 Sun Country Trailer ( Unit # 214- VIN # [REDACTED] 000399) in interstate commerce These vehicles have a gross vehicle weight rating of 33,000 lbs and 22,500 lbs respectfully. Driver Clay Cigich operated in commerce on an interstate trip from Leavenworth, Kansas to Oak Creek Wisconsin This trip is evidenced by a driver record of duty status, bill of lading, fuel receipt and Illinois State Toll receipt. At the time of this trip carrier was found to be in violation of failing to maintain a note relating to the annual review of the driver's driving record as required by 391.25(c)(2)





CIGICH HAULING LLC  
U S DOT #. 2595536

State #

Review Date  
07/07/2017

### Part B Violations

4 FEDERAL	Primary: 391.51(b)(6)	Discovered 1	Checked 1	Drivers/Vehicles In Violation 1	Checked 1
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#### Description

Failing to maintain a list or certificate relating to violations of motor vehicle laws and ordinances required by 391.27  
On 5/22/17 Cigich Hauling LLC driver Clay Cigich (KS CDL # [REDACTED]) operated a 2002 Peterbilt tractor (Unit # 103- VIN # [REDACTED] 586227) in combination with a 2014 Sun Country Trailer ( Unit # 214- VIN # [REDACTED] 000399) in interstate commerce. These vehicles have a gross vehicle weight rating of 33,000 lbs and 22,500 lbs respectfully. Driver Clay Cigich operated in commerce on an interstate trip from Leavenworth, Kansas to Oak Creek Wisconsin. This trip is evidenced by a driver record of duty status, bill of lading, fuel receipt and Illinois State Toll receipt At the time of this trip carrier was found to be in violation of failing to maintain a list or certificate relating to violations of motor vehicle laws and ordinances required by 391.27.

5 FEDERAL	Primary: 395.8(e)	Discovered 1	Checked 30	Drivers/Vehicles In Violation 1	Checked 1
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#### Description

False reports of records of duty status.

#### Example

On 5/22/17 Cigich Hauling LLC driver Clay Cigich (KS CDL # [REDACTED]) operated a 2002 Peterbilt tractor (Unit # 103- VIN # [REDACTED] 586227) in combination with a 2014 Sun Country Trailer ( Unit # 214- VIN # [REDACTED] 000399) in interstate commerce. These vehicles have a gross vehicle weight rating of 33,000 lbs. and 22,500 lbs. respectfully Driver Clay Cigich operated in commerce on an interstate trip from Leavenworth, Kansas to Oak Creek Wisconsin. This trip is evidenced by a driver record of duty status, bill of lading, fuel receipt and Illinois State Toll receipt. At the time of this trip carrier was found to be in violation of false reports of record of duty status

<b>Safety Fitness Rating Information:</b>	<b>OOS Vehicle (CR): 0</b>
Total Miles Operated 157,037	Number of Vehicle Inspected (CR): 1
Recordable Accidents 0	OOS Vehicle (MCMIS): 0
Recordable Accidents/Million Miles 0.00	Number of Vehicles Inspected (MCMIS): 2

Your proposed safety rating is :       <b>SATISFACTORY</b>	Rating Factors		Acute	Critical
	Factor 1:	C	1	0
	Factor 2:	S	0	0
	Factor 3:	S	0	0
	Factor 4:	S	0	0
	Factor 5:	S	0	0
	Factor 6:	S	-	-
	.			

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





CIGICH HAULING LLC

U S. DOT # 2595536

State #: [REDACTED]

Review Date

07/07/2017

## Part B Requirements and/or Recommendations

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 carriers currently have the ability to preview how the improvements impact their individual safety data in SMS. These improvements include: (1) Changes to the SMS methodology that identify higher risk carriers while addressing industry biases, (2) better applications of SMS results for Agency interventions by more accurately identifying safety sensitive carriers (i.e., carriers transporting people and carriers hauling hazardous materials (HM)), so that such firms can be selected for CSA interventions at more stringent levels, and, (3) more specific fact-based displays of SMS results on the SMS Web site.

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

2. 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.

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







CIGICH HAULING LLC  
U S. DOT # 2595536

State #

Review Date  
07/07/2017

### Part B Requirements and/or Recommendations

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. DRIVER FITNESS BASIC PROCESS BREAKDOWN Monitoring and Tracking

**DESCRIPTION OF PROCESS BREAKDOWN** Cigich Hauling LLC violations occurred due to a breakdown regarding the monitoring and tracking elements of compliance within this section. Carrier has established organized driver qualification file. That said, you need to develop a better methodology for ensuring that all drivers have the requisite paperwork in their driver files. It is incumbent upon the carrier to execute all annual requirements for the commercial motor vehicle drivers. These duties and the documents verifying their completion require continued monitoring and tracking by carrier officials to ensure compliance. Utilize the documents provided to you during this review to assist you in correcting the deficiencies.

**BASIC SPECIFIC RECOMMENDED REMEDIES** Ensure that you run a copy of your MVR once each year. This document should be kept in your DQ file and three years of worth of these documents should be retained. Additionally, keep copies of the listing of driver violations and certification (page 18 of KCC's Red book). If you have questions, please don't hesitate to contact me.

**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.)





CIGICH HAULING LLC  
U S DOT #: 2595536

State #

Review Date  
07/07/2017

## Part B Requirements and/or Recommendations

### 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

#### 4. HOS COMPLIANCE BASIC PROCESS BREAKDOWN. Monitoring and Tracking

**DESCRIPTION OF PROCESS BREAKDOWN** Cigich Hauling LLC 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. That said, you need to develop a better methodology for ensuring that all drivers record accurate record of duty status. Monitor the time records continually in order to track driver movements. Make sure to verify the accuracy of the reports with supporting documents. These duties and the documents verifying their completion require continued monitoring and tracking by carrier officials to ensure compliance.

**BASIC SPECIFIC RECOMMENDED REMEDIES** Ensure that all records of duty status records are true and accurate. Keep log up to date and verify the accuracy before signing at the end of the day.

**Implement Safety Improvement Practices** The following are recommended practices related to Monitoring and Tracking Processes

- Implement an effective process for monitoring, tracking, and evaluating all drivers' compliance with Hours-of-Service (HOS) regulations and company policies
- Promptly review all Records of Duty Status (RODS) for Hours-of-Service (HOS) violations and falsification. Look for discrepancies by comparing driver logs with their "check-in" calls and other supporting documents
- Document all findings of fatigue-related noncompliance with regulations and/or company policies.
- Systematically check to see if drivers and dispatchers are regularly communicating about Hours-of-Service (HOS) availability and driver-fatigue level.
- Maintain roadside inspection, Records of Duty Status (RODS), supporting documents, dispatch schedules, and communication records to help evaluate the performance of all staff (drivers, dispatchers, and managers) involved in Hours of Service (HOS) and the effectiveness of compliance with HOS policies, procedures, and regulations.
- Regularly evaluate the company's fatigue-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
- Implement a system for keeping accurate records of employees' Hours-of-Service (HOS) training needs and completed training, via software, a checklist in the driver's file, and/or another appropriate method.
- Evaluate personnel (log clerks, payroll, dispatchers, and third-party safety consultants) who are monitoring drivers' Records of Duty Status (RODS) for accuracy, for whether they are applying performance standards fairly, consistently, and equitably; and for whether they are documenting evaluations
- Consider using Electronic On-board Recorders (EOBRs) to monitor and track Hours-of-Service (HOS) violations
- When monitoring and tracking any fatigue-related issues, always assess whether an issue is individual or represents a systemic breakdown in 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 the industry.

#### 5. Cease all for-hire interstate transportation of regulated commodities until evidence of public liability is filed with the Federal Motor Carrier Safety Administration

#### 6. I acknowledge that these requirements and/or recommendations have been discussed with me and my questions



	<b>CIGICH HAULING LLC</b>	State #: 	Review Date:
	U S. DOT #: 2595536		07/07/2017
<b>Part B Requirements and/or Recommendations</b>			

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 Cigich Hauling LLC operating authority and/or the impoundment of Cigich Hauling LLC vehicles

\_\_\_\_\_  
Carrier Representative

\_\_\_\_\_  
Date





CIGICH HAULING LLC  
U.S. DOT #: 2595536

State #: [REDACTED]

Review Date:  
07/03/2017

### 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

##### 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, tracking, and evaluating all drivers' compliance with Hours-of-Service (HOS) regulations and company policies.
- Promptly review all Records of Duty Status (RODS) for Hours-of-Service (HOS) violations and falsification. Look for discrepancies by comparing driver logs with their "check-in" calls and other supporting documents.
- Document all findings of fatigue-related noncompliance with regulations and/or company policies.
- Systematically check to see if drivers and dispatchers are regularly communicating about Hours-of-Service (HOS) availability and driver-fatigue level.
- Maintain roadside inspection, Records of Duty Status (RODS), supporting documents, dispatch schedules, and communication records to help evaluate the performance of all staff (drivers, dispatchers, and managers) involved in Hours of Service (HOS) and the effectiveness of compliance with HOS policies, procedures, and regulations.
- Regularly evaluate the company's fatigue-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.
- Implement a system for keeping accurate records of employees' Hours-of-Service (HOS) training needs and completed training, via software, a checklist in the driver's file, and/or another appropriate method.
- Evaluate personnel (log clerks, payroll, dispatchers, and third-party safety consultants) who are monitoring drivers' Records of Duty Status (RODS) for accuracy; for whether they are applying performance standards fairly, consistently, and equitably; and for whether they are documenting evaluations.
- Consider using Electronic On-board Recorders (EOBRs) to monitor and track Hours-of-Service (HOS) violations.
- When monitoring and tracking any fatigue-related issues, always assess whether an issue is individual or represents a systemic breakdown in the Safety Management Processes (Policies and Procedures, Roles and Responsibilities, etc.).

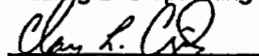
##### Passenger Carrier Only:

- Monitor and track driver-fatigue-related passenger complaints and assess safety implications.
- Ensure that management ascertains that available hours account for rest periods, separate operations within-company, intermittent and relief drivers, and changes to itinerary that require "extended day." Check in with drivers at pre-designated intervals.

##### 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.

5. 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 Cigich Hauling LLC operating authority and/or the impoundment of Cigich Hauling LLC vehicles.

  
Carrier Representative

7-3-17  
Date



## **ATTACHMENT "B"**



# DRIVER'S DAILY LOG

(24 HOURS)

5 / 22 / 17  
(Month) (Day) (Year)

Original - File at home terminal.  
Duplicate - Driver retains in his/her possession for eight days.

621

Total Miles Driven Today

621

Total Mileage Today

Cigich Hauling LLC

Name of Carrier or Carriers

Leavenworth, KS

Main Office Address

103 / 214

Truck/Tractor and Trailer Numbers or License Plate(s) / State (show each unit)

I certify these entries are true and correct:

Chas L. Cigich

Driver's Full Signature

N/A

Co-Driver's Name

	1	2	3	4	5	6	7	8	9	10	11	NOON	1	2	3	4	5	6	7	8	9	10	11	TOTAL HOURS
1. OFF DUTY																								6.75
2. SLEEPER BERTH																								5
3. DRIVING																								10.25
4. ON DUTY - NOT DRIVING																								2
REMARKS																								24

SHIPPING DOCUMENTS:

H/L or Manifest No.

or VANS

Shipper & Commodity

From:

Leavenworth, KS

To:

OAK Creek, WI

USE TIME STANDARD AT HOME TERMINAL

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## DRIVER'S VEHICLE INSPECTION REPORT

AS REQUIRED BY THE D.O.T. FEDERAL MOTOR CARRIER SAFETY REGULATIONS, FILL OUT THE FOLLOWING:

DATE: 5-22-17

TRACTOR/TRUCK NO.: 103

TRAILER(S) NO.(S): 214

☒ I DETECT NO DEFECT OR DEFICIENCY IN THIS MOTOR VEHICLE AS WOULD BE LIKELY TO AFFECT THE SAFETY OF ITS OPERATION OR RESULT IN ITS MECHANICAL BREAKDOWN

☐ I DETECT THE FOLLOWING DEFECTS OR DEFICIENCIES IN THIS MOTOR VEHICLE AS WOULD BE LIKELY TO AFFECT THE SAFETY OF ITS OPERATION OR RESULT IN ITS MECHANICAL BREAKDOWN

INDICATE WHETHER DEFECTS ARE ON TRACTOR/TRUCK OR TRAILER - DESCRIBE DEFECT IN DETAIL, USE BACK SIDE IF NECESSARY.

☐ ABOVE DEFECTS CORRECTED

☐ ABOVE DEFECTS NEED NOT BE CORRECTED FOR SAFE OPERATION OF VEHICLE

MECHANIC SIGNATURE

DRIVER'S SIGNATURE

DATE

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615-MP 12215

## **ATTACHMENT "C"**

ILLINOIS STATE TOLL  
HIGHWAY AUTHORITY  
PL 01-71

CASH PAID  
05/22/17  
09:43:40PM  
\$4.55



ILLINOIS STATE TOLL  
HIGHWAY AUTHORITY  
PL 01-85

CASH PAID

05/22/17  
02:36:13 PM  
\$4.55

**CERTIFICATE OF SERVICE**

18-TRAM-008-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 JUL 25 2017.

CLAY CIGICH, MANAGING MEMBER  
CIGICH HAULING LLC  
13877 MCINTYRE RD  
LEAVENWORTH, KS 66048-7801  
ccigich@gmail.com

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

/S/ DeeAnn Shupe  
\_\_\_\_\_  
DeeAnn Shupe

**Order Mailed Date**

**JUL 26 2017**