

**Staff Investigation
of
Puget Express LLC
TC-180624**

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PURPOSE, SCOPE, AND AUTHORITY

Purpose

The purpose of this investigation is to determine if Puget Express LLC d/b/a Puget Express (Puget Express or Company) operated as an auto transportation company without first having obtained from the Washington Utilities and Transportation Commission (Commission) a certificate of necessity and convenience as required by RCW 81.68.040.

Commission staff (Staff) seeks classification of Puget Express as an auto transportation company and penalties for operating as such without the proper authority.

Scope

The investigation focuses on information obtained by Commission Staff relating to Puget Express's operations.

Authority

Staff undertakes this investigation under the authority of the Revised Code of Washington (RCW) 81.01.010, which adopts RCW 80.01, which directs the Commission to regulate passenger transportation providers in the public interest, and to adopt such rules and regulations as may be necessary to do so. In addition, RCW 81.04.510 directs the Commission to conduct such an investigation.

INVESTIGATION

Overview

Puget Express operated as a charter and excursion carrier under certificate CH-64310 until October 27, 2017. On that date, in docket TE-170951, the Commission cancelled the Company's certificate after it failed to cure the deficiencies that led to an unsatisfactory safety rating.

In May 2018, Staff learned that Puget Express was offering shared ride service between hotels in the SeaTac area to the cruise ship terminals in Seattle. Staff investigated Puget Express and found evidence that the Company has committed one or more violations of RCW 81.68.040 by operating as an auto transportation company without a certificate from the Commission.

Puget Express provided Staff with a written quote to transport a group of six passengers plus luggage from a SeaTac hotel to the cruise ship terminal in Seattle.

Company Information

Puget Express is registered with the Washington Department of Revenue under UBI 603-103-025.¹ Isaiah Fikre is listed as governing person, and the Company's business location is 3800 S 176th Street, SeaTac, WA 98188. This is also the address listed on Mr. Fikre's driver's license.²

Commission History

Docket TE-110760: On April 25, 2011, Mr. Fikre applied to the Commission for a charter and excursion service certificate. The Commission granted the application and issued certificate CH-64310 on June 6, 2011.

Docket TE-130209: On March 5, 2013, the Commission penalized Puget Express \$100 for failing to timely file an annual report.

Docket TE-151041: On June 10, 2015, the Commission penalized Puget Express \$1000 for failing to timely file an annual report.

Docket TE-170824: On July 18, 2017, Beeline Tours filed a formal complaint against Puget Express for operating as an auto transportation company without a certificate in violation of RCW 81.68.020 and RCW 81.68.040. On November 28, 2017, the Commission penalized Puget Express \$2,000 for exceeding the authority of its charter and excursion certificate on at least two occasions by providing auto transportation

¹ Appendix A: Business Licensing Service registration.

² Appendix B: Department of Licensing driver record.

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services. The Commission also penalized Puget Express \$1,000 for failing to produce documents in violation of RCW 81.04.380.

Docket TE-170915: On August 28, 2017, the Commission notified Puget Express of its intent to cancel the Company's charter certificate for lack of insurance. On August 31, 2017, the Commission determined that proof of insurance had been filed and rescinded its letter of intent to cancel.

Docket TE-170950/TE-170951: On August 7, 2017, Staff completed a routine motor carrier safety investigation of Puget Express. The investigation identified numerous safety violations, which then resulted in a proposed unsatisfactory safety rating. On September 13, 2017, the Commission notified Puget Express of its intent to cancel the Company's charter certificate due to its safety rating. Following a hearing on October 27, 2017, the Commission issued Order 01, which assessed a penalty of \$8,200 for the safety violations. The Commission also cancelled the Company's certificate because it failed to cure the deficiencies that led to its unsatisfactory safety rating. In Order 01, the Commission directed Puget Express to cease and desist all operations unless and until the Commission reinstates its certificate or issues a new certificate.

Agreement to Provide Transportation

On May 1, 2018, Michael Rogers, president of Beeline Tours, emailed Staff regarding Puget Express. Mr. Rogers stated that Puget Express was continuing to provide auto transportation services between SeaTac airport hotels and the cruise ship terminals in Seattle. In his email, Mr. Rogers provided details of Puget Express's operations, including scheduled departure times and fares between two SeaTac hotels and the cruise ship terminals.³

On May 23, 2018, posing as a customer, Staff emailed Puget Express requesting a quote for transportation of six persons and their luggage from the SeaTac Doubletree Hotel to Seattle Pier 91 on June 24, 2018.⁴ Staff sent the email to info@pugetexpress.com, which is the same email address on file with the Commission for Puget Express.

Mr. Fikre replied to Staff's email on May 24, offering the transportation as requested for \$17 per passenger. The email signature was Isaiah Fikre, Operations Manager, and included the telephone number 206-949-9095. This is the same telephone number Puget Express provided in its 2011 application for charter certificate.⁵

³ Appendix C: Michael Rogers email, May 1, 2018.

⁴ Appendix D: Staff email correspondence with Puget Express.

⁵ Appendix E: Puget Express LLC 2011 application for charter certificate.

STAFF FINDINGS AND RECOMMENDATIONS

Staff Findings

Staff finds that Puget Express knowingly violated RCW 81.68.040 by engaging in the business of an auto transportation carrier without first having obtained a certificate from the Commission to do so. Specifically, Puget Express operated as an auto transportation company when it offered to transport six passengers and their luggage from a SeaTac hotel to Pier 91 on June 24, 2018, for \$17 per person.

Staff Recommendations

Staff recommends that the Commission institute a special proceeding under RCW 81.04.110 on its own motion to determine whether Puget Express operated as an auto transportation company without first having obtained a certificate required under RCW 81.68.040.

Staff also recommends that the Commission assess a penalty, pursuant to its authority under RCW 81.04.380, of up to \$1,000 for one violation of RCW 81.68.040.