

Docket No. TE-210619

High Society Transportation

December 7, 2021



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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining the
Proper Carrier Classification of,
and Complaint for Penalties
Against:

HIGH SOCIETY TRANSPORTATION, LLC

BRIEF ADJUDICATIVE PROCEDURE

DOCKET TE-210619

(PAGES 1-15)

[All parties appearing via Zoom]

DATE TAKEN: Tuesday, December 7, 2021, 9:30 a.m.

REPORTED BY: DANIELLE SCHEMM CCR 3395

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1 [Matter commenced at 9:34 a.m.]

2 LAW JUDGE PEARSON: I am Rayne Pearson, Administrative
3 Law Judge for the Washington Utilities and Transportation
4 Commission. Today is December 7, 2021, and the time is
5 9:34 a.m. This is Docket TE-210619.

6 You are here today because the commission issued a
7 complaint against your company based on information that
8 your company, High Society Transportation, LLC, is
9 operating or advertising as a charter party or excursion
10 service carrier without a certificate from the commission.

11 If it's proven that you were, in fact, engaging in
12 that conduct, the commission will order you to operating
13 and can impose penalties of up to \$5,000 per violation.

14 So in a moment I will ask you to provide your name
15 and your position with the company, and then I'll ask you
16 how you want to proceed, and you have two options.

17 Option A is to agree to cease and desist operating
18 as an unpermitted charter or excursion carrier. And if
19 you choose this option, you must agree to stop providing
20 and advertising unpermitted charter and excursion carrier
21 services, unless or until you receive a certificate from
22 the commission.

23 You will also need to show what you've done to
24 shut down your business, either completely or partially so
25 that you're no longer advertising, offering, or providing

1 unpermitted charter and excursion services in the state.

2 For example, you'd need to prove that you've taken
3 down or changed your website or other online
4 advertisements for your business. If you have obtained a
5 certificate in advance of the hearing, please let me know,
6 when it's your turn to speak.

7 In that case we will not ask you to stop operating
8 but will want you to acknowledge that you were operating
9 without a permit, and you agree you'll stop operating if
10 your certificate is suspended or cancelled in the future
11 for any reason.

12 Or you can select option B, and you would make
13 this choice if you believe that your business is not
14 subject to regulation by the commission, but you would be
15 denying that you advertised, offered, provided unpermitted
16 charter and excursion carrier services, and if you choose
17 this option, you'll need to present evidence that your
18 business is not subject to regulation by the commission.

19 So Michael Dotson will be speaking for commission
20 staff. He's the commission compliance investigator. And
21 now that we've gone over the choices, I'll explain what
22 else will happen today.

23 In a few minutes I'll swear you in. So anything
24 you say will be under oath. Once you're sworn in, I'll
25 ask you if you understand your choices, and then ask you

1 to state your choice. If there's anything else you want
2 to explain to me, you'll have a chance to do it at that
3 time.

4 If you choose option A, you'll testify about how
5 you're getting out of the charter and excursion business,
6 and you can explain how you plan to do that, and you'll be
7 given an opportunity to meet with staff. We'll take a
8 break to attempt to negotiate an agreed cease and desist
9 order.

10 If you recently applied for or received a permit,
11 you will also be given opportunity to meet with staff to
12 negotiate an agreed outcome to resolve this, and any
13 agreed order will also deal with a penalty amount. So you
14 were served with the complaint that asked the commission
15 to penalize you for engaging in business as charter or
16 excursion carrier without the permit, and the law sets the
17 maximum penalty for each violation at \$5,000.

18 So staff will recommend a penalty. You'll have a
19 chance to reach an agreement with staff about the penalty
20 amount. And if you're unable to agree, staff will explain
21 their recommendation, but the commission will make the
22 final decision about the penalty amount.

23 If you choose option B, that is if you deny that
24 you're operating as a charter and excursion carrier, we
25 will let staff present their evidence and then hear your

1 testimony in response.

2 So Mr. Dotson, I'll go ahead and swear you in
3 first. If you could please raise your right hand, do you
4 swear or affirm that the testimony you give today will be
5 the truth, the whole truth, and nothing but the truth?

6 MR. DOTSON: I do.

7 LAW JUDGE PEARSON: Thank you.

8 And now I will swear in the company
9 representative. So Mr. Russell, I can't see you. If you
10 could just raise your right hand, and do you swear or
11 affirm that the testimony you will give today will be the
12 truth, the whole truth, and nothing but the truth?

13 MR. RUSSELL: Yes.

14 LAW JUDGE PEARSON: Okay. Can you please state your
15 first and last name for the record?

16 MR. RUSSELL: My first name is Brandon. Last name is
17 Russell.

18 LAW JUDGE PEARSON: Okay. And can you also provide
19 your business address?

20 MR. RUSSELL: 302 West 5th Street, Unit A, Cle Elum,
21 Washington, 98922.

22 LAW JUDGE PEARSON: Thank you. What is your position
23 with the company? Are you the owner?

24 MR. RUSSELL: Yes.

25 LAW JUDGE PEARSON: Okay. And do you understand the

1 choices that I explained to you earlier?

2 MR. RUSSELL: Yes.

3 LAW JUDGE PEARSON: Okay. And how would you like to
4 proceed?

5 MR. RUSSELL: I was hoping, because I'd been in touch
6 with Mr. Dotson on a deal, and I was just hoping I could
7 plead no contest and take him up on his offer.

8 Which I started the licensing process right before
9 the pandemic hit, and, you know, obviously the lockdowns
10 affected -- I mean, we were just completely shutdown.
11 Everywhere we take people was closed.

12 So either way I'm not wanting to admit guilt or
13 admitting any innocence. If I can just plead no contest
14 and go ahead and finish getting my license, my
15 certification done.

16 LAW JUDGE PEARSON: Okay. So unfortunately we do not
17 provide an option for a no contest. Your options are
18 either to concede that the offer that staff received and
19 advertisement that staff found and offered into evidence
20 were, in fact, your offer and your advertisement, and then
21 reach an agreement about what would be a reduced penalty
22 amount.

23 Because one of the factors we consider, and this
24 is very important, is willingness to accept responsibility
25 for past behavior and willingness to make corrections

1 going forward.

2 So it's not like a criminal court where it would
3 reflect, you know, where you would think it would reflect
4 poorly on you, perhaps, to take responsibility. It would
5 actually work in your favor in this instance. And if you
6 did make the offer, and you did make the advertisement,
7 owning up to it would be your best bet.

8 MR. RUSSELL: Oh, well, yeah, definitely. It was just
9 the -- the thing was, is I used software, Limousine
10 Anywhere, and I'm not saying -- well, I mean, I signed his
11 deal. So I apologize for wasting the court's time.

12 I wasn't fully aware. Like, admitting guilt was a
13 hard pill to swallow, but I do want to take responsibility
14 and move forward in a positive way.

15 LAW JUDGE PEARSON: Okay. And I understand that. We
16 see many carriers who come in here who are in the same
17 situation as were. They might sign up for a service as
18 more of, like, a passive advertisement. Maybe they forget
19 they signed up for the service, and the person keeps
20 advertising on their behalf.

21 At the end of the day, you are still responsible
22 for that, but we do understand that those situations
23 happen, and it may not have been entirely within your
24 control or your intention to continue to disseminate those
25 advertisements.

1 MR. RUSSELL: Yeah.

2 LAW JUDGE PEARSON: Okay. Great. So at this point
3 what we'll do is we'll take a break so you can talk with
4 staff and see if you can agree to the stipulation of the
5 facts; that I can enter an order based on that
6 stipulation.

7 So the order would say that you agree you were
8 operating without a certificate; that you advertised
9 without a certificate; and that you agree to stop until
10 you get your certificate.

11 And it would also mostly likely include an
12 agreement about the penalty amount, but if you're unable
13 to do that, when we come back you can explain why the
14 penalty amount should be different than what staff is
15 recommending.

16 MR. RUSSELL: Okay.

17 LAW JUDGE PEARSON: So at this point we'll take a
18 break, which just means that I am going to leave the call.
19 You should stay on. I think the court reporter and I will
20 both hang up.

21 And then Mr. Dotson, if you could notify me when I
22 need to come back, and let's go ahead and go off the
23 record, and I will communicate with the court reporter
24 about how to get her back on the line.

25 [Off record at 9:43 a.m.]

1 [Back on record at 9:53 a.m.]

2 LAW JUDGE PEARSON: Mr. Dotson, it looks like you were
3 able to reach an agreement with the company; is that
4 correct?

5 MR. DOTSON: That is correct.

6 LAW JUDGE PEARSON: Okay. And can you summarize the
7 agreement for the record?

8 MR. DOTSON: Yeah. So we've agreed on a \$10,000
9 maximum penalty, \$9,000 of that penalty suspended for two
10 years, \$1,000 of that penalty due. We've agreed on a
11 payment arrangement with eight different payments of \$125
12 each, once per month, starting beginning of January.

13 LAW JUDGE PEARSON: Okay. Great. And Mr. Russell, do
14 you stipulate to the entry of the order?

15 MR. RUSSELL: Can you define "stipulate"?

16 LAW JUDGE PEARSON: Just agree.

17 MR. RUSSELL: I mean, I -- yes. Yes.

18 LAW JUDGE PEARSON: Okay. Great. Okay. So just to
19 summarize, there are two violations; one for offering
20 charter and excursion services and one for advertising
21 those services.

22 The parties agree that a \$10,000 penalty will be
23 imposed. The \$9,000 portion will be suspended, and the
24 company will pay the \$1,000 portion according to the terms
25 of a mutually agreeable arrangement.

1 So just for the record, Mr. Russell, you are
2 agreeing to shutdown operations until you get a
3 certificate?

4 I'm sorry, can you repeat that?

5 MR. RUSSELL: Yes, I do agree to shutdown the
6 operations of the charter portion of my business.

7 LAW JUDGE PEARSON: Okay.

8 MR. RUSSELL: I'm also a limousine business also, so.

9 LAW JUDGE PEARSON: Okay. Understood. So the \$9,000
10 penalty that's suspended for two years from today's date
11 is suspended until December 27th 2023. So that means that
12 if staff finds an advertisement or you offer charter or
13 excursion carrier services during that two-year period,
14 you'll have to pay the \$9,000 penalty.

15 Do you understand that?

16 MR. RUSSELL: Yes.

17 LAW JUDGE PEARSON: Okay. And the cease and desist
18 order is permanent. It never expires. It's just the
19 penalty falls off after two years. So it's very important
20 that you follow the law.

21 MR. RUSSELL: Okay.

22 LAW JUDGE PEARSON: And you do understand that if you
23 miss a payment, you'll have to pay the entire amount
24 including the \$9,000-suspended penalty?

25 MR. RUSSELL: Yes.

1 LAW JUDGE PEARSON: Okay. So if for some reason
2 you're going to be late making a payment, I encourage you
3 to contact staff and make arrangements so that you don't
4 end up having to pay the whole penalty. So as long as you
5 communicate with staff and let them know, it shouldn't be
6 a problem.

7 MR. RUSSELL: Okay.

8 LAW JUDGE PEARSON: All right. Do you have any
9 additional questions?

10 MR. RUSSELL: I do not.

11 LAW JUDGE PEARSON: Okay. Well, I will sign the
12 order. We will get it served today. And thank you, thank
13 you to staff. Is there anything else?

14 MR. DOTSON: Nothing from staff.

15 LAW JUDGE PEARSON: Okay. Thank you.

16 MR. RUSSELL: I deleted any ads that I had.
17 Mr. Dotson, if I don't -- if you see something, I'm --
18 please alert me. I'm not -- like, I just got two Facebook
19 accounts. And if you see something, just please let me
20 know, and I will take it down immediately. But I have
21 taken down everything that I've seen that's posted.

22 Does that make sense? Hello?

23 LAW JUDGE PEARSON: Mr. Dotson, he's talking to you.
24 He looks frozen.

25 MR. DOTSON: Yes, it does.

1 LAW JUDGE PEARSON: Okay.

2 MR. DOTSON: Yeah. Yeah, I did hear, and I, yes, I
3 understand. And yes, I'll let you know.

4 MR. RUSSELL: Okay. All right. Because, yeah, as far
5 as I can see on my end, I've taken everything down. So,
6 yeah, just please let me know.

7 MR. DOTSON: Absolutely.

8 LAW JUDGE PEARSON: Okay. Thank you so much. Thank
9 you to both of you, and we are adjourned.

10 [Matter concluded at 9:57 a.m.]

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1 STATE OF WASHINGTON)
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