

Service Date: June 20, 2023

## WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

NOTICE OF PENALTIES INCURRED AND DUE  
FOR VIOLATIONS OF LAWS AND RULES

PENALTY ASSESSMENT: TN-230479

PENALTY AMOUNT: \$100

Lincoln Hill Retirement Community  
7430 276<sup>th</sup> St. NW  
Stanwood, WA 98292

Received  
Records Management  
Jul 7, 2023

The Washington Utilities and Transportation Commission (Commission) believes Lincoln Hill Retirement Community (Lincoln Hill or Company) violated Washington Administrative Code (WAC) 480-31-130, Operation of Motor Vehicles, which adopts Title 49 Code of Federal Regulations (49 C.F.R.) Part 391 – Qualification of Drivers.

Revised Code of Washington (RCW) 81.04.405 allows penalties of \$100 for each violation. In the case of an ongoing violation, every day's continuance is considered a separate and distinct violation.

On June 13, 2023, Commission Motor Carrier Investigator Francine Gagne completed a routine safety investigation of Lincoln Hill and documented the following violations:

- **Five violations of 49 C.F.R. § 391.45(a) – Using a driver not medically examined and certified.** The Company allowed drivers Spencer Shultz, Beverly Huffman, Charles Peterson, Robert Nockels, and Jeffrey Bisnett to operate a commercial motor vehicle (CMV) without a valid medical certificate on five occasions between May 3 and May 5, 2023.

The Commission considered the following factors in determining the appropriate penalties for these violations:

1. **How serious or harmful the violations are to the public.** The violations noted are serious and potentially harmful to the public. Passenger transportation companies that use drivers who are not medically examined and certified put their customers and the traveling public at risk. These violations present significant safety concerns.
2. **Whether the violations were intentional.** Considerations include:
  - Whether the Company ignored Commission staff's (Staff) previous technical assistance; and
  - Whether there is clear evidence through documentation or other means that shows the Company knew of and failed to correct the violation.

On December 13, 2010, the Commission received the Company's application for private non-profit transportation service authority. In the application, Michelle Johnson,

Executive Director of Lincoln Hill, acknowledged the Company's responsibility to understand and comply with driver qualification requirements.

On February 2, 2011, and October 27, 2011, Staff provided technical assistance to the Company regarding applicable motor carrier safety regulations.

On March 16, 2022, the Commission received an application to change the Company's name from Stanwood Community & Senior Center to Lincoln Hill Retirement Community. In the application, Deborah Thompson, Finance Manager of Lincoln Hill, acknowledged the Company's responsibility to understand and comply with all local, state, and federal regulations.

The Company knew or should have known about this requirement.

3. **Whether the Company self-reported the violations.** Lincoln Hill did not self-report these violations.
4. **Whether the Company was cooperative and responsive.** The Company was cooperative throughout the safety investigation and expressed a desire to come into compliance with motor carrier safety regulations.
5. **Whether the Company promptly corrected the violations and remedied the impacts.** Lincoln Hill has not provided Staff with evidence that it corrected the violations.
6. **The number of violations.** Staff identified five violation types with a total of 17 individual occurrences during its routine safety investigation of Lincoln Hill. Of those violations, Staff identified one violation type with five individual occurrences that warrant penalties in accordance with the Commission's Enforcement Policy.
7. **The number of customers affected.** Lincoln Hill reported traveling 305,579 miles in 2022. These safety violations presented a public safety risk.
8. **The likelihood of recurrence.** Staff provided technical assistance with specific remedies to help the Company assess how well its safety management controls support safe operations and how to begin improving its safety performance. Lincoln Hill was cooperative during the safety investigation and expressed a desire to come into compliance with applicable safety regulations. Staff believes the likelihood of recurrence is low.
9. **The Company's past performance regarding compliance, violations, and penalties.** Lincoln Hill has no history of penalties for safety violations with the Commission.
10. **The Company's existing compliance program.** Deborah Thompson is responsible for the Company's safety compliance program.

11. **The size of the Company.** Lincoln Hill employs 17 volunteer drivers and operates 12 CMVs. The Company reported \$1,991,047 in gross revenue for 2022.

The Commission's Enforcement Policy provides that some Commission requirements are so fundamental to safe operations that the Commission will issue mandatory penalties for each occurrence of a first-time violation.<sup>1</sup> The Commission generally will assess penalties by violation category, rather than per occurrence, for first-time violations of those critical regulations that do not meet the requirements for mandatory penalties. The Commission will assess penalties for any equipment violation meeting the Federal Motor Carrier Safety Administration's "out-of-service" criteria and for repeat violations of critical regulations, including each occurrence of a repeat violation.

The Commission has considered these factors and determined that it should penalize Lincoln Hill \$100 (Penalty Assessment), calculated as follows:

- Five violations of 49 C.F.R. § 391.45(a) – Using a driver not medically examined and certified. The Commission assesses a "per category" penalty of \$100 for these critical violations.

This information, if proven at a hearing and not rebutted or explained, is sufficient to support the Penalty Assessment.

Your penalty is due and payable now. If you believe any or all the violations did not occur, you may deny committing the violation(s) and contest the penalty through evidence presented at a hearing or in writing. Alternatively, if there is a reason for any or all the violations that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. The Commission will grant a request for hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request to contest the violation(s) or for mitigation of the penalty must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. *See* RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation(s) or application for mitigation in a Brief Adjudicative Proceeding before an administrative law judge. The administrative law judge will consider the evidence and will notify you of their decision.

**You must act within 15 days after receiving this notice** to do one of the following:

- Pay the amount due.
- Contest the occurrence of the violation(s).
- Admit the violations but request mitigation of the penalty amount.

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<sup>1</sup> Docket A-120061 – Enforcement Policy of the Washington Utilities & Transportation Commission – Section V.

Please indicate your selection on the enclosed form and submit it electronically through the Commission's web portal at <https://efiling.utc.wa.gov/Form> **within FIFTEEN (15) days** after you receive this Penalty Assessment.<sup>2</sup> If you are unable to use the web portal, you may submit it via email to [records@utc.wa.gov](mailto:records@utc.wa.gov). If you are unable to submit the form electronically, you may send a paper copy to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, Washington 98504-7250.

If you wish to make a payment online, please use this link: [Make a Payment Now \(wa.gov\)](#).<sup>3</sup>

**If you do not act within 15 days**, the Commission may take additional enforcement action, including but not necessarily limited to suspending or revoking your certificate to provide regulated service, assessing additional penalties, or referring this matter to the Office of the Attorney General for collection.

DATED at Lacey, Washington, and effective June 20, 2023.

*/s/ Rayne Pearson*  
RAYNE PEARSON  
Director, Administrative Law Division

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<sup>2</sup> <https://efiling.utc.wa.gov/Form>.

<sup>3</sup> <https://www.utc.wa.gov/documents-and-proceedings/online-payments/make-payment-now>

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
PENALTY ASSESSMENT TN-230479

**PLEASE NOTE:** You must complete and sign this document and send it to the Commission within 15 days after you receive the Penalty Assessment. Use additional paper if needed. I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

- 1. **Payment of penalty.** I admit that the violations occurred.
  - Enclose \$100 in payment of the penalty.
  - OR  Attest that I have paid the penalty in full through the Commission’s payment portal.
  
- 2. **Contest the violation(s).** I believe that the alleged violation(s) did not occur for the reasons I describe below (**if you do not include reasons supporting your contest here, your request will be denied**):
  - a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.
  - OR  b) I ask for a Commission decision based solely on the information I provide above.
  
- 3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below (**if you do not include reasons supporting your application here, your request will be denied**):
  - a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.
  - OR  b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: 07/07/2023 [month/day/year], at Stanwood, WA [city, state]

Deborah Thompson  
Name of Respondent (company) – please print

[Signature]  
Signature of Applicant

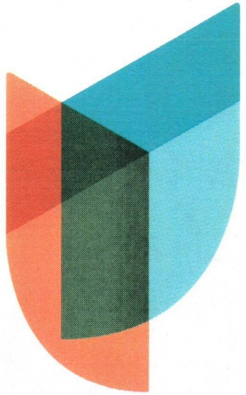
RCW 9A.72.020 "Perjury in the first degree."

- (1) A person is guilty of perjury in the first degree if in any official proceeding he or she makes a materially false statement which he or she knows to be false under an oath required or authorized by law.
- (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor's mistaken belief that his or her statement was not material is not a defense to a prosecution under this section.
- (3) Perjury in the first degree is a class B felony.

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Commission

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## Make a Payment Now

Online Payments will be down intermittently for maintenance on July 6 from 7 pm until 11 pm. Please do not attempt to use Online Payments during this

time.

### **Thank You for Submitting Your Payment**

Your payment of \$100.00 has been processed on 7/7/2023.  
(Please allow up to three business days for this charge to post to your account.)

Your confirmation number is: **21684**

If you provided an e-mail address when you submitted your payment, an additional confirmation will be sent to you. If you did not provide an e-mail address, this message will be your only record of this transaction, so please save it to your records.

Any questions can be directed to Accounts Receivable, 360-664-1349