

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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

Huesitos Company II, LLC

DOCKET TG-240590

SETTLEMENT AGREEMENT

I. OVERVIEW

1 Staff of the Washington Utilities and Transportation Commission (Staff) and
Huesitos Company II LLC (Huesitos or Company) (each a “party” and collectively “the
parties”), through their authorized representatives, enter into the following settlement
agreement (Settlement) to resolve all issues in Docket TG-240590, which arose from a
complaint against Huesitos for alleged violations of the public service laws.

2 This Settlement is a “full settlement” as defined in WAC 480-07-730(1) because it is
entered into by all parties and resolves all issues raised in Docket TG-240590. It is subject to
the review and disposition by the Washington Utilities and Transportation Commission
(Commission) to determine whether it complies with the applicable legal requirements and
whether approval of the Settlement is consistent with the public interest. WAC 480-07-740-
750.

II. TERMS OF AGREEMENT

3 The parties have reached an agreement on the issues raised in Docket TG-240590
and present this Settlement for the Commission’s consideration and approval. The parties
therefore adopt the following Settlement, which the parties enter into voluntarily, to resolve
the matters in dispute between them and to expedite the orderly disposition of this
proceeding:

- Violations: Huesitos admits that, between March 12, 2024, and October 31, 2024, it hauled solid waste to Franklin and Benton County landfills for compensation without holding a certificate of convenience and necessity from the Commission at least 80 times and that this conduct constituted 80 violations of RCW 81.77.040.
- Classification. The Commission will enter an order classifying Huesitos as a solid waste collection company.
- Cease and Desist. The Commission will enter an order requiring Huesitos to immediately cease and desist operating as a solid waste collection company within the State of Washington for compensation without a certificate, as required under RCW 81.77.040.
- Bin removal: The Company agrees that within 10 calendar days of the effective date of the Commission order approving this settlement, the Company will remove all improper bins from all worksites. The Company acknowledges that failure to remove the bins within the allotted time will result in Staff requesting the Commission to impose the suspended penalty.
- Monetary penalty: The Commission will impose a penalty of \$80,000 for Huesitos's violations of RCW 81.77.040. The Commission will suspend \$60,000 of this penalty for a period of two years from the effective date of the Commission order approving this Settlement. Staff will recommend that the Commission waive this suspended portion of the penalty after the two-year period provided that Huesitos complies with the cease and desist order, which will be entered in this matter, and all compliance reviews during the two-year period. If the Company violates any term of the agreement, from the effective

date of the order approving the agreement, including the cease and desist order, or Washington law governing solid waste transportation, Staff will seek to impose the suspended portion of the penalty.

- Payment plan. The Commission will enter an order requiring Huesitos to pay the unsuspended \$20,000 portion of the penalty in 24 equal monthly installments of \$833.33, with the first payment due on the first day of the first month following the effective date of this Settlement as defined below. Payment is to be made through the Commission's online portal at <https://www.utc.wa.gov/documents-and-proceedings/online-payments/make-payment-now>.
- Compliance reviews: Compliance will be assessed by Commission Staff through compliance reviews at 6, 12, 18, and 24 months following entry of the Commission order approving this Settlement. Huesitos agrees to fully cooperate with Staff in the execution of these compliance reviews. As part of these compliance reviews, Huesitos agrees to provide Staff with a full and complete list of all current clients and the address(es) where work for those clients takes place. Huesitos acknowledges that should non-compliance be determined, Staff will pursue the suspended \$60,000 penalty.

III. GENERAL PROVISIONS

4 Public interest: The parties submit that this Settlement promotes the public interest, and that it is appropriate for the Commission's acceptance without conditions under WAC 480-07-750(2)(a).

5 Effective date: This Settlement is effective on the service date of a final Commission order approving this Settlement, or on the date that an initial order approving

this Settlement becomes a final order pursuant to WAC 480-07-825(7), whichever occurs first.

6 Advocacy: The parties agree to cooperate in submitting this Settlement promptly to the Commission for acceptance. The parties agree to support adoption of this Settlement in proceedings before the Commission. No party to this Settlement or its agents, employees, consultants, or attorneys will engage in advocacy contrary to the Commission's adoption of this Settlement.

7 Construction: This Settlement shall not be construed against any party solely because that party was a drafter of the Settlement.

8 Other proceedings: This Settlement shall have no precedential or preclusive effect in other proceedings. In the event this Settlement does not become effective, this Settlement shall be null and void, with no binding effect on the parties and with no precedential or preclusive effect on the parties regarding the continued litigation in Docket TG-240590. In the event that the Commission rejects all or any portion of this Settlement, or accepts the settlement upon conditions not proposed in this Settlement, each party reserves the right to withdraw from this Settlement by written notice to the other parties and the Commission. Written notice must be served within 10 business days of service of the order rejecting part or all of this Settlement or imposing conditions not proposed in this Settlement. In such event, no party will be bound or prejudiced by the terms of this Settlement, and the parties agree to cooperate in developing a procedural schedule.

9 Settlement discussions: The parties have entered into this Settlement to avoid further expense, inconvenience, uncertainty, and delay. As such, conduct, statements, and documents disclosed during negotiations of this Settlement shall not be admissible as

evidence in this or any other proceeding, except in any proceeding to enforce the terms of this Settlement or any Commission order fully adopting those terms.

10 Final agreement: The parties have negotiated this Settlement as an integrated document to be effective upon execution. This Settlement supersedes all prior oral and written agreements on issues addressed herein.

11 Counterparts: The parties may execute this Settlement in counterparts and as executed shall constitute one agreement. A signed signature page sent by facsimile or email is as effective as an original document.

12 Authorized representatives: Each person signing this Settlement warrants that he or she has authority to bind the party that he or she represents.

DATED this 17th day of March, 2025.

HUESITOS COMPANY II LLC



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