Staff Investigation of Puget Express LLC TC-180624

Prepared by:
Michael Turcott
Compliance Investigator
Consumer Protection
July 2018

Table of Contents

Purpose, Scope and Authority	Page 3
Investigation	Page 4
Staff Findings and Recommendations	Page 6
Appendix A	Page A-1
Appendix B	Page A-2
Appendix C	Page A-4
Appendix D	Page A-7
Appendix E	Page A-9

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. 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.

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.

Appendix A TC-180624

My DOR

My DOR Unauthenticated → Business Lookup → PUGET EXPRESS LLC

License Information: New search Back to results

> Entity name: PUGET EXPRESS LLC Business name: PUGET EXPRESS LLC Entity type: Limited Liability Company

> > UBI#: 603-103-025 Business ID: 001 Location ID: 0001

Location: Open

3800 S 176TH ST **Location and Mailing address:**

SEATAC WA 98188-4152 USA

Excise tax account and reseller

permit status:

Open (View)

Secretary of State status: Click here

Governing People May include governing people not registered with SOS

Governing people Title

FIKRE, ISAIAH

Registered Trade Names

First issued Registered trade names Status **PUGET EXPRESS** Active May-17-2011

Information current as of 7/26/2018 1:23:23 PM

Working together to fund Washington's future

Appendix B

DOL Home PagTC-180624

Driver and Plate Search

- Home
- Driver Search
- Vehicle Search

Back

Selected Driver

Selected Dirver					
PIC:					
Last:	FIKRE		Suffix:		
First:	ISAIAH				
Middle:					
SSN:		Date of birth:		Gender:	M
Height:	6'0"	Weight:	209	Eye color:	Brown(BRO)
Street:	3800 S 176TH ST	City:	SEATAC	State:	WA
Zip code:	98188 -4152	County:	King	Country:	USA
Out of state:			Return to WA:		-
CDL class:			License info:		
Last trans:	L1 - CORR - License Or	riginal	·		
Expires:	01/25/2024	Last update:	12/29/2017 12:00:00	AM	

Driver Endorsements

Code Info Code Desc Code Detail

Driver Restrictions

Code InfoCode DescCode DetailRestriction JOtherProbationary LicenseRestriction JOtherFinancial Responsibility

Ignition Interlock (IIL) Information

Effective date Expiration date Reason for license

CDL Certification Information

CDL self-certification Self-certification date Medical certification

Driver CDL Waiver Information

Waiver type Issue date Effective date Status

Driver History

Related PICNameCityBirth dateRelationLast updateFIKRE, ISAIAHSEATACName Change08/14/2012 12:00:00 AM

Driver Comments

Code Sequence Last update Effective Comment info

Seq: 1 Company: 00016 Rein Date: 01/06/2015 Policy: 987156090 Status: In

Insurance 00

TC-180622017 12:00:00 AM 01/06/2015 Effect(SR22) Date Policy Typed: 12/31/2014

Insurance 00

Seq: 2 Company: 00522 Rein Date: 12/05/2014 Policy: 987083589 Status: In 12/29/2017 12:00:00 AM 12/05/2014

Effect(SR22) Date Policy Typed: 11/26/2014

Driver Address History

Request date Last update Street City **County** State Address type

Driver Transactions

PIC Transaction code Previous transaction code Transaction date 12/29/2017 L1 - CORR - License Original <u>33</u>

Related Vehicles

License plate Model year Make Series body **Primary color** Secondary color VIN Old plate New plate

The information contained in this system is confidential.

Inappropriate access or use of this information may result in civil and or criminal actions.

DAPS Home | Copyright © 2018 DOL

TC-180624 Appendix C

From: <u>Michael Rogers</u>

To: <u>Perkinson, Mathew (UTC)</u>

Cc: <u>Turcott, Mike (UTC)</u>; <u>Sharp, Jason (UTC)</u>
Subject: RE: Summary of phone conversation
Date: Tuesday, May 01, 2018 12:44:06 PM

Attachments: <u>image001.png</u>

image002.png image003.png image005.png

Mr. Perkinson,

My attorney has drafted a cease and desist letter to send out to National Towncar and Puget Express but before I sent the letters I wanted to confirm that these companies were still violating my autotrans authority. So, I called several hotels (see below) and asked if they offered shuttle service to the cruise piers, each hotel said they use a third party to provide the transfers. All hotels quoted a per person rate and provided a scheduled departure times.

This has been going on for years, and these companies are openly violating the law at my expense. The new cruise season is kicking into gear with no resolution in sight, meanwhile I'm losing thousands of dollars a day, not too mention Puget Express doesn't have any operating authority to my knowledge?

Can you please make this a priority?

Hotels, Operators, Schedule and Price

Puget Express

Country Inn & Suites – 3100 S 192nd 10:30 & 12:00pm

Cost: \$18 pp one way

Comfort Inn and Suites – 19333 International Blvd.

9:15am & 11:15am Cost: \$25 pp one way

National Towncar

Hampton Inn on $28^{th} - 18850 \ 28^{th}$ Ave S

10am & 12pm

Cost: \$14 pp one way

Fairfield Inn – 19631 Intl Blvd

10:15am & 12:15pm Cost: \$14 pp one way

Holiday Inn Express – 19621 Intl. Blvd

10:15am & 12:15pm Cost: \$14 pp one way

I also called the Ramada Inn Sea-Tac and they said they operate their own shuttle service to the piers and the cost is \$15 per person and it departs every hour on the top of the hour.

I have another 15 properties to audit, I'll keep you updated as new information becomes available.

Best,

Michael Rogers President

Beeline Charters & Tours Ltd. | Show Me Seattle Inc. | Seattle Express Inc.







From: Perkinson, Mathew (UTC) <mathew.perkinson@utc.wa.gov>

Sent: Wednesday, April 25, 2018 9:38 AM

To: Michael Rogers <michael@beelinetours.com>

Cc: Turcott, Mike (UTC) <mike.turcott@utc.wa.gov>; Sharp, Jason (UTC) <jason.sharp@utc.wa.gov>

Subject: RE: Summary of phone conversation

Mr. Rogers,

Thank you for continuing to offer critical safety information about potentially unsafe or illegal operators. We are following-up on both complaints and will let you know the outcome.

Mathew Perkinson

Motor Carrier Safety Manager Work (360) 664-1236 Cell (360) 701-1601 mperkinson@utc.wa.gov

Utilities and Transportation Commission

Respect. Professionalism. Integrity. Accountability. www.utc.wa.gov







From: Michael Rogers [mailto:michael@beelinetours.com]

Sent: Tuesday, April 24, 2018 5:22 PM

To: Perkinson, Mathew (UTC) < <u>mathew.perkinson@utc.wa.gov</u>>

Subject: Summary of phone conversation

Hi Mathew,

Thank you for being so generous with your time, I appreciate you listening to the issues I'm facing with illegal operators infringing on my auto transportation authority. I've recapped some of the details for you below.

Puget Express – Has removed all identification and DOT numbers from his fleet which he parks behind the Country Inn and Suites located on 3100 S. 192nd St, Sea-Tac. We believe he's contracted with Alaska Air Group to provide shuttle service between Home 2 Suites located at 380 Upland Dr, Tukwila, to Alaska Airlines Flight Operations on S. 192 and 28th Ave. S. He keeps two 56 passenger coaches parked at the Home 2 Suites, transfers Alaska Air employees to flight center for training and spots both coaches at Alaska Air between 2pm and 2:30pm for return service to the hotel. He operates this shuttle service Monday through Friday. He is also providing scheduled cruise ship transfers from Comfort Inn Sea-tac and Country Inn and Suites to cruise piers, I called each hotel to ask if they offered cruise ship transfers and they said that service was provided by a third party Puget Express.

National Towncar – I confirmed last year that they are providing per person schedule cruise ship transfers from Holiday Inn Express, Fairfield Inn and Hampton on 28th hotels located in Sea-Tac. Since National Towncar is permitted as limo/towncar company we asked to have them reclassified as auto trans but as of yesterday we had yet to receive any updates from the UTC regarding reclassification.

Best.

Michael Rogers

President

Realing Charters & Tours Ltd | Show Ma Soatt

Beeline Charters & Tours Ltd. | Show Me Seattle Inc. | Seattle Express Inc.







Appendix D



Miguel Torres-Garcia <miguel.torres.dr650@gmail.com>

Transportation

5 messages

Miguel Torres-Garcia <miguel.torres.dr650@gmail.com>

Wed, May 23, 2018 at 1:02 PM

To: info@pugetexpress.com

Bcc: miguel.torres.dr650@gmail.com

Helo.

We are needing transportation for goup of six plus bags and you were recommended. Sunday June 24 doubletree hotel at SeaTac to pier 91 cruise terminal approx. noon on Sunday. What is your cost for six people pluse bags?

Thank you Miguel

Puget Express Tours <info@pugetexpress.com>

Wed, May 23, 2018 at 1:41 PM

To: Miguel Torres-Garcia <miguel.torres.dr650@gmail.com>

Good afternoon Miguel, would I be able to call you and discus this in details. If so please provide me with a number.

Cheers.

Isaiah Fikre Operations Manager

Sound Express, LLC
Tours and Transportation
3800 South 176th ST
Seattle, WA 98188
Tel: +1 206-949-9095
Fax: + 206-466-5331
Info@pugetexpress.com

[Quoted text hidden]

Puget Express Tours <info@pugetexpress.com>

To: Miguel Torres-Garcia <miguel.torres.dr650@gmail.com>

Thu, May 24, 2018 at 5:50 PM

Either way, its \$17/per person per direction.

Cheers,

Isaiah Fikre Operations Manager

Sound Express, LLC Tours and Transportation 3800 South 176th ST Seattle, WA 98188 Tel: +1 206-949-9095

Gmail - Transportation

TC-180624

Fax: + 206-466-5331 sinfo@pugetexpress.com

> On May 23, 2018, at 1:02 PM, Miguel Torres-Garcia <miguel.torres.dr650@gmail.com> wrote:

>

[Quoted text hidden]

Miguel Torres-Garcia <miguel.torres.dr650@gmail.com>

Mon, Jun 11, 2018 at 1:14 PM

To: Puget Express Tours <info@pugetexpress.com>

Sorry for not getting back toyou. its been super busy. the price sounds awesome but our group just went up to 8 can you get us all in one trip?

Miguel

[Quoted text hidden]

Puget Express Tours <info@pugetexpress.com>

Mon, Jun 11, 2018 at 1:37 PM

To: Miguel Torres-Garcia <miguel.torres.dr650@gmail.com>

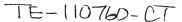
It will be flat rate of \$136 and you can have your own van and all of you can ride together. You can book round trip as well.

Cheers,

Isaiah Fikre Operations Manager

Sound Express, LLC Tours and Transportation 3800 South 176th ST Seattle, WA 98188 Tel: +1 206-949-9095 Fax: + 206-466-5331 info@pugetexpress.com [Quoted text hidden]

Appendix E





1300 S. Evergreen Park Dr. SW P.O. Box 47250 Olympia, WA 98504-7250 Phone: 360-664-1222 Fax: 360-586-1181 TTY: 360-586-8203

1-800-416-5289 e-mail: Transportation@utc.wa.gov

APPLICATION FOR CHARTER AND EXCURSION CARRIER SERVICE **CERTIFICATE**

Application Fee and Initial Regulatory Fees due at time of application: \$200 PLUS \$25 PER VEHICLE

Passenger Charter and Excu	ursion Carrier Service	s <u>Fee Required</u>
Application fee (Application for new certificate, to rein an existing certificate to a new owner or		\$200.00 ifficate, or to transfer
Name Change (Application to change a company's color change the surname of an individual		\$ 35.00 ame, add a new trade name,
Regulatory Fee (per vehicle)		\$ 25.00
0 J u	TYPE OF PAYME	ENT
□ Cash □ Check □ I Credit Card Information (if applicable	t de	□ MasterCard Visa Exp Date Month/Vear
Amount \$(Company Name: <u>Puge</u>	+ Express LLC
CERTIFICATION: I, the undersig information is true and correct, tha applicant, and that all information	t I am authorized to execute	statement, certify that the following and file this document on behalf of the
Cardholder's signatur		Date: 4/25/11
VISA		
(For Commission Use Only) 111 0268 232 01	Company ID: 0 426	Docket TE-
111 0268 232 02 275.	Date Filed: 728	Safety Inspection:
111 0268 232 03	Reg Fees: OK X3	Insurance:
111 0268	DOL:	sos:

0032020

Revised 07/09

Page 2 of 6

SECTION 1 – APPLICANT INFORMATION						
Name of Applicant: Fraigh Fike						
Trade Name(s) (if applicable): Pugett Etpress LLC						
Mailing Address: Physical Address:						
Street 3500	5.176th st	Street	380	0 5	5.176+	h St.
City · <u>Seatar</u>		City	Seato	e u	JA	
State/Zip WA 9	8188	State/Zip	WA	9818	f8	
Phone Number: 206 -	949-9095	Fax Numb	er: 20	6-41	66 - 166.	f
UBI#: 603-10	3 0 25 0	E-Mail:				
Type of business str ☐ Individual ☐	ructure: Partnership	□ Corpo	oration	Otl	her (LP, LL	P, LLC)
List the name, title, and stockholders:	percentage of partne	er's share	or stock dis	tribution		Netributions
Name ISAIAH FIKRE	Stock Distributions Name Title OWNER OWNER Stock Distributions or Percentage of Shares					
			· · · · · · · · · · · · · · · · · · ·			· .
List other certificates or	permits held with the	ne commis	sion:	·		· .
List your USDOT # (If you don't have one you can go online at www.fmcsa.dot.gov/online-registration or contact the Washington State Patrol at 360-596-3816 or 360-596-3803 for assistance.)						
SECTION 2 — EQUIPMENT (Attach additional sheets if necessary)						
License Number	Year And Make (Vehicle	Of	hicle ID N	ımber	Seating	Capacity
B387305	2006 Ford	1F	DX 45P	46MA=	1083 10	
B597 645	1996 Ford	1F	0 KE30	55 TH	141279	26
B96295N	Chevy 200	2 161	AHG-39R	82120	3693	毒 5

Name:

SECTION 3 - SAFETY AND OPERATIONS

In each of the categories shown below, list the person and position responsible for understanding and complying with the Federal Motor Carrier Safety Regulations (FMCSR) and Washington State laws and rules. Please refer to the WAC rules, fact sheets and publication "Your Guide to Achieving a Satisfactory Safety Rating" for assistance with requirements.

SAFETY RESPONSIBILITIES

- COMMERCIAL DRIVER'S LICENSE (CDL) STANDARDS REQUIREMENTS AND PENALTIES (Title 49, Code of Federal Regulations Part 383). If you operate commercial motor vehicles, your drivers must have a valid CDL.
- DRIVER QUALIFICATION REQUIREMENTS (Title 49, Code of Federal Regulations Part 391). Each of your drivers must meet minimum qualification requirements. You must maintain driver qualification files for each driver.
- DRIVERS HOURS OF SERVICE (Title 49, Code of Federal Regulations Part 395). Each
 of your drivers must maintain hours of service logs. You must maintain true and accurate
 hours of service records for each driver.
- CONTROLLED SUBSTANCE AND ALCOHOL USE AND TESTING (Title 49, Code of Federal Regulations Part 382 and Part 40). If you operate commercial motor vehicles, your drivers must be in a Controlled Substance and Alcohol Use and Testing program. You must have a alcohol and controlled substances testing program.
- INSPECTION, REPAIR AND MAINTENANCE (Title 49, Code of Federal Regulations Part 396). You must systematically inspect, repair and maintain all motor vehicles.
- SAFETY REGULATIONS, GENERAL (Title 49, Code of Federal Regulations Part 390). You must follow safety regulations.
- DRIVING COMMERCIAL MOTOR VEHICLES (Title 49, Code of Federal Regulations Part 392). You must follow regulations for driving commercial motor vehicles.
- PARTS AND ACCESSORIES NECESSARY FOR SAFE OPERATION (Title 49, Code of Federal Regulations Part 393). You must maintain parts and accessories in safe condition.

Position:

when

OPERATIONAL RESPONSIBILITIES					
List the person and position responsible for understanding and complying with the requirements of each category shown below.					
ANNUAL REPORTS AND REGULATORY FEES. You must file an annual safety report and pay regulatory fees by December 31 of each year.					
Name: Isaich Fikre Position: Owner					
STATE OF WASHINGTON GENERAL LAWS, RULES AND REGULATIONS. You must					
comply with the regulations of local, state, and federal agencies such as, but not limited to:					
Department of Labor and Industries, Department of Licensing, Secretary of State, Department of					
Revenue and Internal Revenue Service and Employment Security.					
Name: Took Deckers Position: Position:					

SECTION 4 – DECLARATION OF APPLICANT

I understand that filing this application does not in itself constitute authority to operate as a passenger charter and excursion carrier.

As the applicant for a passenger charter and excursion certificate, I understand the responsibilities of a charter and excursion carrier, and I am in compliance with all local, state, and federal regulations governing business in the State of Washington.

I certify under penalty of perjury under the laws of the State of Washington that the information contained in this application is true and correct.

I certify that I am authorized to execute and file this document.

Printed name of applicant	H FIKRE	**
Signature of applicant Queru	Lilen	
	County, State Thurston,	WA _

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION P.O. BOX 47250 Olympia, WA 98504-7250

CHARTER AND EXCURSION REGULATORY FEE CALCULATION SCHEDULE

Con	pany Name PUGET EXPRESS	140		
Excu	ecordance with RCW 81.70.350 "Regulatory Fees", the ursion companies to file reports of the number of vehicle sum of \$25 for each vehicle operated. There is a	icles operat	ted by the com	Charter and pany and
. 1	Total number of vehicles operated			3
2	Total Regulatory Fees owed (enter amount from line 1)	3	x 25.00 =	\$ 75
	There is a minimum fee of \$25.00.		•	

(For Commission Use Only) 001-111-02-68-232-01	Docket TE-	Permit No:
Reception Number:		

PUGET EXPRESS LLC 3800 S 176TH ST SEATAC WA 98188

DETACH BEFORE POSTING



MASTER LICENSE SERVICE PO Box 9034 • Olympia, WA 98507-9034 • (360) 664-1400

REGISTRATIONS AND LICENSES

Domestic Limited Liability Company

PUGET EXPRESS LLC 3800 S 176TH ST SEATAC WA 98188

TAX REGISTRATION

Unified Business ID #: 603 103 025

Business ID #: 1 Location: 1

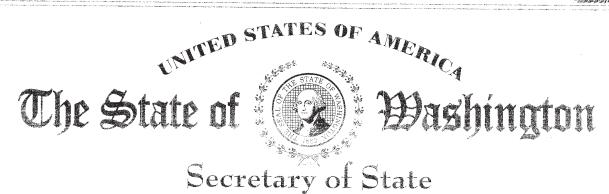
The licensee named above has been issued the business registrations or licenses listed. By accepting this document the licensee certifies the information provided on the application for these licenses was complete, true, and accurate to the best of his or her knowledge, and that business will be conducted in compliance with all applicable Washington state, county, and city regulations.

Page A-Page A-14

Director, Department of Licensing

Elijabetti a luce





I, SAM REED, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF FORMATION

to

PUGET EXPRESS LLC

a/an WA Limited Liability Company. Charter documents are effective on the date indicated below.

Date: 4/11/2011

UBI Number: 603-103-025

APPID: 2007169



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

Sam Reed, Secretary of State