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1 BEFORE THE WASHINGTON

2 UTILITIES AND TRANSPORTATION COMMISSION

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4 In the Matter of Determining )DOCKET NO. TE-190079

the Proper Carrier Classification )

5 of, and Complaint for Penalties )

Against )

6 )

)

7 VICKY SANDHU )

D/B/A SEATTLE TOP CLASS LIMO )

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9 TRANSPORTATION COURT, VOLUME I

10 Pages 1-22

11 ADMINISTRATIVE LAW JUDGE LAURA CHARTOFF

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12

13 March 12, 2019

14 9:00 A.M.

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Washington Utilities and Transportation Commission

16 1300 South Evergreen Park Drive Southwest

Olympia, Washington 98504

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1 A P P E A R A N C E S

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ADMINISTRATIVE LAW JUDGE:

3

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15 FOR SEATTLE TOP CLASS

LIMO:

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VICKY SANDHU

17 Owner

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1 OLYMPIA, WASHINGTON; MARCH 12, 2019

2 9:00 A.M.

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P R O C E E D I N G S

5

6 JUDGE CHARTOFF: We are on the record. Good

7 morning. My name is Laura Chartoff. Can you hear me

8 okay? Okay. Thanks. I am an administrative law judge

9 with the Washington Utilities and Transportation

10 Commission.

11 Today is March 12th, 2019, and the time is

12 approximately 9:00 a.m.

13 There are three businesses who should be

14 here today. So the first thing we'll do is see who's

15 here. There is a court reporter who's recording

16 everything we say, so when I call your name, please

17 raise your hand and also say "here" or "present."

18 The first docket is TE-190053, A-Star

19 Limousine?

20 MS. PALM: Michelle Palm.

21 JUDGE CHARTOFF: Okay. Thank you.

22 Docket TE-190079, Vicky Sandhu?

23 MR. SANDHU: Yes, I'm here.

24 JUDGE CHARTOFF: Okay. Doing business as

25 Seattle Top Class Limousine.

0004

1 Okay. Docket TE-190086, Cascade Adventures?

2 MR. ENGEL: Present.

3 JUDGE CHARTOFF: Present, thank you.

4 Okay. So you are here because the

5 Commission has information that your company is

6 operating or advertising as a charter party or excursion

7 carrier without a permit. So operating without a permit

8 is illegal and subject to a penalty of up to $5,000 per

9 violation. If you are found to have engaged in business

10 as a charter party or excursion carrier without a

11 permit, the Commission can order you to stop operating

12 and impose the penalty.

13 The Commission has initiated enforcement

14 action against your business, and at this preliminary

15 hearing, I'm going to ask you how you choose to proceed.

16 So you have two options. So option A is to agree to

17 cease and desist operating as an unpermitted charter and

18 excursion carrier. If you choose this option, you must

19 agree to stop providing, offering, and advertising

20 unpermitted charter or excursion services unless or

21 until you receive a permit from the Commission.

22 If you choose this option, you will need to

23 show what you have done to shut down your business

24 either completely or partially so that you're no longer

25 advertising, offering, or providing unpermitted charter

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1 and excursion services in this state.

2 If you have obtained a permit in advance of

3 this hearing, please let me know that when I call you

4 up. In that case, we won't ask you to stop operating,

5 but we will want you to acknowledge that you were

6 operating without a permit and that you agree to stop

7 operating if your permit is cancelled for whatever

8 reason.

9 So option B is to ask for a classification

10 hearing, and you would choose option B if you believe

11 that your business is not subject to regulation by the

12 Commission. In other words, you're denying that you're

13 advertising, offering, or providing unpermitted

14 services -- charter and excursion services.

15 So if you choose that option, we'll schedule

16 an evidentiary hearing where you will be required to

17 present proof that your business is not within the

18 regulatory jurisdiction of the Commission. That hearing

19 will be set out about two months from now with a

20 deadline a week before the hearing for both you and

21 Commission Staff to list your witnesses and file any

22 exhibits.

23 Jason Hoxit will be speaking for Commission

24 Staff this morning. If you have not already met him, he

25 is seated at the table to my right, and he is a

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1 Commission compliance investigator.

2 So -- okay. So now that I've gone over your

3 choices, I have a few more things to tell you about the

4 proceeding this morning. So in a few minutes, I'll call

5 each of you up to the table to make your choice, and at

6 that time, I will swear you in so that anything you tell

7 the Court will be under oath.

8 Once you're sworn in, I will ask if you

9 understand your choices for today's hearing, and I'll

10 ask you to state your choice. If there's anything else

11 you want to explain to me, you'll have a chance to do

12 that.

13 If you choose option A, that is, to testify

14 how you're getting out of the business, you can explain

15 how you plan to do that. And depending on what proof

16 you can provide, you may be given an opportunity to meet

17 with Staff during a break in the hearing to negotiate an

18 agreed order.

19 If you have recently received a permit,

20 you'll also be given an opportunity to meet with Staff

21 to negotiate an agreed order to resolve this matter.

22 The agreed order will also deal with the penalty, and

23 I'll briefly talk about that.

24 You were each served with a complaint that

25 asked the Commission to penalize you for engaging in

0007

1 unpermitted business. The law sets the maximum penalty

2 for each violation at $5,000. Staff will recommend a

3 penalty, and you will have the chance to reach an

4 agreement with Staff on the penalty amount. If you are

5 unable to agree, Staff will explain a recommendation,

6 but the Commission will make the final decision on the

7 penalty.

8 And if you choose option B, that is, you

9 deny you're operating as a charter or excursion carrier,

10 we'll schedule another hearing. And in that case, it

11 would help if you have your schedule so we can choose a

12 date.

13 Okay. So, Staff, I'll start by swearing you

14 in.

15 (Jason Hoxit sworn.)

16 JUDGE CHARTOFF: Okay. So I'll start with

17 A-Star Limousine. Can you please come forward, take a

18 seat at the table, and make sure your microphone is

19 turned on.

20 MS. PALM: Check, check. Let's see here.

21 JUDGE CHARTOFF: You might not be able to

22 see the...

23 MS. PALM: Check, check.

24 JUDGE CHARTOFF: Press the button on the

25 front. Is it not coming on?

0008

1 MR. ENGEL: There, try that.

2 MS. PALM: Check, check.

3 JUDGE CHARTOFF: Thank you.

4 Okay. Can you please state your first and

5 last name, spelling your last name for the court

6 reporter?

7 MS. PALM: Yes, I'm Michelle Palm. You said

8 spell the last name? P-a-l-m, Palm.

9 JUDGE CHARTOFF: And can you please state

10 your business address?

11 MS. PALM: Yes, it's 816 West Francis in

12 Spokane, Washington 99205.

13 JUDGE CHARTOFF: And what is your position

14 with the company?

15 MS. PALM: I am the owner.

16 JUDGE CHARTOFF: Okay. So I'm going to ask

17 you to stand and raise your right hand so I can swear

18 you in.

19 (Michelle Palm sworn.)

20 JUDGE CHARTOFF: Okay. So did you

21 understand the choices I explained earlier?

22 MS. PALM: Yes, I do.

23 JUDGE CHARTOFF: Do you know how you want to

24 proceed?

25 MS. PALM: I do. I -- I -- sorry. I

0009

1 believe option A, although, I -- yeah, option A. I -- I

2 guess -- I guess I need to speak with you later, because

3 the -- the business that I was doing was solic- -- or

4 outsourcing, excuse me. I don't know, where do you --

5 where do you want me to start?

6 JUDGE CHARTOFF: Sure. So...

7 MS. PALM: So essentially my -- my max

8 capacity in my limousine service is 14 passengers. I

9 began taking calls for a website that was advertising a

10 wide variety of fleet options, so I was outsourcing.

11 And so I have dissolved that portion of my business, so

12 A.

13 JUDGE CHARTOFF: Oh, okay. So you were

14 advertising for -- for larger vehicles --

15 MS. PALM: Well, it was actually another

16 company that was advertising, but they forwarded their

17 calls to me. So I was taking a network of -- of calls,

18 and so I -- I'm no longer doing that.

19 JUDGE CHARTOFF: Okay.

20 MS. PALM: I'm sticking with my -- my

21 business and my -- and my fleet.

22 JUDGE CHARTOFF: So does Staff have a

23 recommendation or...

24 MR. HOXIT: No, Your Honor. If she wants to

25 proceed with option A, we can discuss that during the

0010

1 break.

2 JUDGE CHARTOFF: Okay.

3 MS. PALM: Thank you.

4 JUDGE CHARTOFF: Okay. So when we take a

5 break, you can talk to Staff and see if you can sign an

6 agreed order.

7 MS. PALM: Okay.

8 JUDGE CHARTOFF: That order will say that

9 you agree -- well, I guess -- you'll have to...

10 MS. PALM: I know. I didn't want to contest

11 it, but I didn't wanna...

12 JUDGE CHARTOFF: Okay. I'll be --

13 typically, you agree you were operating without a

14 permit, you advertised, and that you made an offer. I'm

15 not -- from what you're telling me, I'm not sure if you

16 did all of these things, but it sounds like you -- you

17 did make an offer, so there would be some admission

18 there. And, yeah, it will most likely include an agreed

19 penalty amount, but if not, you can explain why the

20 penalty should be different than what Staff is

21 recommending. Do you have any questions at this point?

22 MS. PALM: I guess I'll just ask you when

23 we -- when we meet with Staff.

24 JUDGE CHARTOFF: Oh, okay. Okay. So -- so

25 please return to your seat and wait for the break.

0011

1 Thank you.

2 Okay. So the next docket is Vicky Sandhu,

3 doing business as Seattle Top Class Limo? Okay. Come

4 on up. You want to be sworn in?

5 (Vicky Sandhu sworn.)

6 JUDGE CHARTOFF: Okay. So please state your

7 first and last name, spelling your last name for the

8 court reporter.

9 MR. SANDHU: Vicky Sandhu, last name

10 S-a-n-d-h-u.

11 JUDGE CHARTOFF: And what is your position

12 with the company?

13 MR. SANDHU: Owner.

14 JUDGE CHARTOFF: Okay. And do you

15 understand the choices I explained earlier?

16 MR. SANDHU: Yes, ma'am.

17 JUDGE CHARTOFF: And do you know how you

18 want to proceed?

19 MR. SANDHU: Yeah. With number A or A

20 option. Want to talk to him.

21 JUDGE CHARTOFF: Okay. So and it sound --

22 I've reviewed the record on the -- on your case. It

23 looks like your -- your certificate was cancelled?

24 MR. SANDHU: Yes, ma'am.

25 JUDGE CHARTOFF: But did you apply for

0012

1 reinstatement?

2 MR. SANDHU: Already got the reinstatement

3 certificate.

4 JUDGE CHARTOFF: Oh, okay. Okay. Great.

5 Okay. Does Staff have any recommendation

6 or...

7 MR. HOXIT: No, Your Honor.

8 JUDGE CHARTOFF: Okay. Staff is fine to

9 discuss option A?

10 MR. HOXIT: Yes, we'll discuss it during the

11 break. Thank you.

12 JUDGE CHARTOFF: Okay. Do you have any

13 questions?

14 MR. SANDHU: No.

15 JUDGE CHARTOFF: Oh, okay. You can return

16 to your seat and wait for the break.

17 Okay. So the third is Cascade Adventures,

18 Cascade Adventures Baker Bus LLC?

19 (Paul Engel sworn.)

20 JUDGE CHARTOFF: Okay. So please state your

21 first and last name, spelling your last name.

22 MR. ENGEL: Paul Engel, E-n-g-e-l.

23 JUDGE CHARTOFF: And what is your position

24 with the company?

25 MR. ENGEL: Owner.

0013

1 JUDGE CHARTOFF: And can you give your

2 business address?

3 MR. ENGEL: PO Box 5147, Glacier, Washington

4 98244.

5 JUDGE CHARTOFF: Okay. So do you understand

6 the choices I explained earlier?

7 MR. ENGEL: I do.

8 JUDGE CHARTOFF: And do you know how you

9 want to proceed?

10 MR. ENGEL: A.

11 JUDGE CHARTOFF: A. So you are willing to

12 admit that you were operating as a charter and excursion

13 carrier?

14 MR. ENGEL: Correct.

15 JUDGE CHARTOFF: And you're willing to cease

16 that aspect of your business or apply for --

17 MR. ENGEL: Yes, I've already applied for a

18 permit, and I believe the lady that I talked to -- it

19 might -- it might already be done. I haven't received

20 it, I just -- this all pretty much happened this week.

21 JUDGE CHARTOFF: Okay.

22 MR. ENGEL: So I haven't actually received a

23 copy of it yet, but I'm hoping since I'm here today,

24 that I might be able to talk to somebody or -- to see if

25 that went through.

0014

1 JUDGE CHARTOFF: Oh, okay.

2 Do you have any information on that?

3 MR. HOXIT: All I know is the company

4 applied for a certificate, I believe it was on the 5th

5 of March, and I'm not aware of any pending motor carrier

6 inspection. Typically, those have to be completed

7 before the certificate itself is issued to the company.

8 JUDGE CHARTOFF: Okay. Okay. So while

9 that's pending --

10 MR. ENGEL: Yeah, I have -- I have not had

11 the busses inspected again. I remember doing that on my

12 first permit, and that has not happened yet. It sounded

13 to me that when I talked to the lady, that that was my

14 last step basically that I would have to do.

15 JUDGE CHARTOFF: Okay. Okay. So when you

16 talk to Staff about an order today, the order will say

17 that you agree to stop operating until your -- you get

18 your permit --

19 MR. ENGEL: Which I have.

20 JUDGE CHARTOFF: -- so --

21 MR. ENGEL: Stopped operating.

22 JUDGE CHARTOFF: Oh, okay. Stopped

23 operating. Yeah, I just want to make sure you stop

24 operating until that --

25 MR. ENGEL: Yep.

0015

1 JUDGE CHARTOFF: -- permit is issued.

2 Okay. And once you feel comfortable that

3 you understand the order, you and Mr. Hoxit will both

4 sign it, and it will most likely include an agreement on

5 the penalty amount. But if not, you can explain why the

6 penalty should be different than what Staff is

7 recommending. So do you have any questions?

8 MR. ENGEL: Nope.

9 JUDGE CHARTOFF: Okay. You can return to

10 your seat.

11 I just have one last thing to talk about

12 before we take the break. So -- okay. So at this

13 point, we're going to take a break, and as soon as you

14 have the chance to review the cease and desist orders

15 with Staff, you can talk about the penalty. The

16 penalty -- the recommended penalty may be small or there

17 may be a reason why Staff asked for a larger penalty,

18 for example, if you've been in front of a judge here

19 before or you used to have a penalty that was -- a

20 permit, you used to have a permit that was cancelled.

21 So usually part of the penalty is suspend,

22 and you will not have to pay it unless you break the law

23 again. So you'll pay the unsuspended part of the

24 penalty today, and you would only have to pay the rest

25 of it if you violate the order.

0016

1 Okay. And after the break, I'll call each

2 of you back up, make sure you understand the order, and

3 I will sign it, and you will leave with a copy of it.

4 Are there any questions?

5 Anything else before the break?

6 MR. HOXIT: Not from Staff.

7 JUDGE CHARTOFF: Okay. We are in recess.

8 (Recess taken from 9:20 a.m.

9 until 10:46 a.m.)

10 JUDGE CHARTOFF: Okay. Let's be back on the

11 record. So I understand the cease and desist orders

12 have been explained to each company, so I will call you

13 back up one at a time in the order we went before.

14 So we'll start with Michelle Palm, A-Star

15 Limousine.

16 MS. PALM: Still on? Yep.

17 JUDGE CHARTOFF: So did you have a chance to

18 read the whole order?

19 MS. PALM: Yes, we went through it together.

20 JUDGE CHARTOFF: And do you understand it?

21 MS. PALM: Yes.

22 JUDGE CHARTOFF: Okay. And I see you've

23 both signed it. Okay. And it looks like there's two

24 violations in this case; one for offering charter party

25 or excursion services and one for advertising. And a

0017

1 $10,000 penalty will be imposed, a 9,000 portion of the

2 penalty is suspended for a period of two years; is that

3 correct?

4 MS. PALM: Yes.

5 JUDGE CHARTOFF: Okay. And for the record,

6 you are agreeing to cease and desist operations as a

7 charter party or excursion service carrier?

8 MS. PALM: Correct, yes.

9 JUDGE CHARTOFF: So and 9,000 is suspended

10 for two years from today's date, and that means that if

11 Staff finds an advertisement or you offer charter party

12 or excursion carrier services during that time, you will

13 have to pay the $9,000 penalty; do you understand that?

14 MS. PALM: Yes.

15 JUDGE CHARTOFF: And the order to cease and

16 desist is permanent, it never expires. So if Staff

17 discovers you are still operating even after the two

18 years, Staff can go straight to Superior Court and ask

19 for much higher penalties. So it's very important that

20 you follow the law, okay?

21 MS. PALM: Absolutely.

22 JUDGE CHARTOFF: And it looks like as far as

23 the payment, you're making a full payment today?

24 MS. PALM: That's correct.

25 JUDGE CHARTOFF: And do you understand

0018

1 legally what you can and can't do?

2 MS. PALM: Yes.

3 JUDGE CHARTOFF: Okay. Okay. So I'll go

4 ahead and sign this. So I'll hand this to Staff, and

5 Staff will make a copy of it, and when you get that

6 copy, you'll be free to go.

7 MS. PALM: Okay. Thank you.

8 JUDGE CHARTOFF: So yeah, you can take a

9 seat.

10 MS. PALM: Okay.

11 JUDGE CHARTOFF: Okay. So the next is Vicky

12 Sandhu, Seattle Top Class Limo. Have you had a chance

13 to read the entire order?

14 MR. SANDHU: Yes, ma'am.

15 JUDGE CHARTOFF: And do understand it?

16 MR. SANDHU: Yes.

17 JUDGE CHARTOFF: Okay. And it looks like

18 there's two violations in this case; one for offering to

19 conduct operations after the cancellation of your

20 certificate and one for advertising to conduct

21 operations.

22 MR. SANDHU: Yes.

23 JUDGE CHARTOFF: And there is a $10,000

24 penalty imposed, an $8,500 portion of the penalty will

25 be suspended for a period of two years.

0019

1 MR. SANDHU: Yes.

2 JUDGE CHARTOFF: And I see there's a payment

3 schedule. You'll make a payment of 300 today?

4 MR. SANDHU: Yes, ma'am.

5 JUDGE CHARTOFF: And then one, two, three,

6 four, four more payments of $300 --

7 MR. SANDHU: Yes.

8 JUDGE CHARTOFF: -- in approximately the

9 middle of the month?

10 MR. SANDHU: Yep.

11 JUDGE CHARTOFF: Do you understand that if

12 you miss a payment -- if you miss a payment, you'll have

13 to pay the entire amount --

14 MR. SANDHU: Yes.

15 JUDGE CHARTOFF: -- including the suspended

16 penalty? So if for some reason you are going to be late

17 making a payment, please contact Staff and make

18 arrangements so you don't end up having to pay the

19 entire penalty.

20 MR. SANDHU: Okay.

21 JUDGE CHARTOFF: Do -- oh, okay. So you

22 have your permit now?

23 MR. SANDHU: Yeah, I do.

24 JUDGE CHARTOFF: Okay. So there is no cease

25 and -- we're not ordering you to cease and desist here.

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1 So do you have any questions?

2 MR. SANDHU: No, I don't.

3 JUDGE CHARTOFF: Okay. So I will sign this,

4 and I'll hand this to Staff, and when you get a copy,

5 you'll be free to go.

6 MR. SANDHU: Okay. Thank you.

7 JUDGE CHARTOFF: Thank you.

8 Okay. You can come forward, Cascade

9 Adventures. So have you had a chance to read the whole

10 order?

11 MR. ENGEL: Yes.

12 JUDGE CHARTOFF: And do you understand it?

13 MR. ENGEL: Yes.

14 JUDGE CHARTOFF: Okay. I see you both have

15 signed it, and looks like there's two violations; one

16 for offering to conduct operations and one for

17 advertising. And there's a penalty imposed of $10,000,

18 $8,500 of the penalty has been suspended for a period of

19 two years from today's date. And that means that if

20 Staff finds an advertisement or you offer charter party

21 or excursion services during this time, you'll have to

22 pay the entire $10,000 penalty; do you understand?

23 MR. ENGEL: Until I get my permit, correct?

24 JUDGE CHARTOFF: Correct.

25 MR. ENGEL: Yeah.

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1 JUDGE CHARTOFF: Correct. And -- okay. And

2 there is a payment schedule. Your first payment is due

3 April 12th, $300, and then $300 monthly until the 1,500

4 is paid.

5 Okay. And did you hear what I said about

6 the late payments?

7 MR. ENGEL: Yeah.

8 JUDGE CHARTOFF: Make sure to contact Staff

9 if you think you're going to have trouble making a

10 payment, because otherwise, you would have to pay the

11 full amount. Okay.

12 Okay. So do you understand legally what you

13 can and can't do?

14 MR. ENGEL: Yes.

15 JUDGE CHARTOFF: Do you have any questions?

16 No? Okay. I'll sign the order, and when you get a

17 copy, you'll be free to go.

18 Okay. Thank you. We are adjourned.

19 (Adjourned at 10:55 a.m.)

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1 C E R T I F I C A T E

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3 STATE OF WASHINGTON

4 COUNTY OF THURSTON

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6 I, Tayler Garlinghouse, a Certified Shorthand

7 Reporter in and for the State of Washington, do hereby

8 certify that the foregoing transcript is true and

9 accurate to the best of my knowledge, skill and ability.

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13 Tayler Garlinghouse, CCR 3358

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