## Docket No. TV-180553 - Vol. I

## In the Matter of: Ben's M oving and Delivery Services, Inc.

## November 13, 2018

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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining ) DOCKET NO. TV-180553 the Proper Carrier Classification ) of, and Complaint for Penalties ) against: ) ) ) )
BEN'S MOVING AND DELIVERY ) SERVICES, INC.

MOVER'S COURT, VOLUME I
Pages 1-27
ADMINISTRATIVE LAW JUDGE LAURA CHARTOFF

November 13, 2018
9:00 A.M.

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive Southwest Olympia, Washington 98504

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A P P E A R A N C E S

## ADMINISTRATIVE LAW JUDGE:

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OLYMPIA, WASHINGTON; NOVEMBER 13, 2018
9:00 A.M.
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P R O C E E D I N G S
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JUDGE CHARTOFF: Good morning. My name is Laura Chartoff, and I am an administrative law judge with the Washington Utilities and Transportation Commission.

Today is Tuesday, November 11th [sic], 2018, and the time is approximately 9:00 a.m.

There are four household goods carriers who should be here today, so the first thing we will do is see who is here. And there's a court reporter who is recording everything you say, so when I call your name, please raise your hand and also say "here" or "present."

So the first docket is 180553, Ben's Moving and Delivery Services, Inc.?

Okay. Hearing nothing, Docket 180798, Pro Movers LLC doing business as Groovin Movin?

Hearing nothing, Docket 180804, Total Effort

## LLC?

MR. HEMBRY: Here.
JUDGE CHARTOFF: Thank you.
And Docket 18088 -- I'll say that again.

## Page 4

1 180844, Moving Art Corporation?

MR. DUBONOSOV: Here. JUDGE CHARTOFF: Thank you.

Okay. So there are two companies who are not here today, and those companies will be held in default. I will deal with that later this morning after the break.

Okay. So you are here because the Commission has information that your company is operating or advertising as a household goods carrier without a permit. Operating or advertising as a household goods carrier without the permit is illegal and subject to a penalty of up to $\$ 5,000$ per violation. If you are found to have engaged in business as a household goods mover without a permit, the Commission can order you to cease and desist operating and impose the penalty.

So now I'm going to explain your choices here today. So you can agree to cease and desist providing, offering, or advertising unpermitted household goods services. So if you choose this option, you will need to show what you have done to shut down your business either completely or partially, and I'm going to want to see proof that you are no longer advertising or operating. For example, you will need to

1 prove that you have taken down or changed your website 2 or other online advertisements for your business.

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1 choice. If there is anything else you want to explain
2 to me, you will have a chance to do that.
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10 reach an agreement with Staff about the penalty. Staff

1 will explain the recommendation, but the Commission will
2 make the final decision about the penalty.

So, Staff, I will -- Mr. Braun, I will swear you in now.
(Brian Braun sworn.)
JUDGE CHARTOFF: Thank you.
Okay. So I will call Total Effort LLC. Can you please come forward? You can take a seat at the table. Make sure your microphone is on, pull it towards you, and please state your first and last name, spelling your last name for the court reporter.

MR. HEMBRY: Leon Hembry, $H-e-m-b-r-y$.
JUDGE CHARTOFF: Okay. Can you please stand
while I swear you in?
(Leon Hembry sworn.)
JUDGE CHARTOFF: Thank you. Please be
seated.
So what is your position with the company?
MR. HEMBRY: I am the managing director, founder.

JUDGE CHARTOFF: And do you understand the choices that I laid out?

MR. HEMBRY: Yeah, I do.
JUDGE CHARTOFF: Do you -- have you made
your decision?

MR. HEMBRY: Yeah, I was -- my decision is to cease and desist. I -- my business is actually not in the moving business. I kind of did some, you know, jobs. I was on TaskRabbit, and $I$ just kind of did individual things for people through TaskRabbit and noticed that there were some, you know, opportunities to help people move.

And so $I$ was in a rare of -- not being able to advertise, and so I did advertise one time on Craigslist and then $I$ was -- I did get the letter, and so I immediately took down the ads on there. So my moving -- my business is not in moving, so it'd be no problem to cease and desist.

JUDGE CHARTOFF: Okay. So -- and I assume Staff has no objection?

MR. BRAUN: No objection, Your Honor. I've also verified that his advertisement as $I$ found is no longer advertised on Craigslist.

Also, I think there was changes to your Facebook page. I do see you are on Thumbtack, but it seems to be labor-only.

MR. HEMBRY: Yeah.
MR. BRAUN: Some peer reviews and things like that, so $I$ am in agreement.

JUDGE CHARTOFF: Great.

Okay. So when we take a break in a few minutes, you can talk to Staff and see if you can sign an agreed order. That order will say that you agree you were operating without a permit, that you advertised without a permit, and that you agree to stop operating unless you obtain a permit if you decide to apply for one.

Once you feel comfortable that you understand the order, you and Mr. Braun will both sign it. It will include most likely an agreed penalty amount, but if not, you will have the opportunity to explain why the penalty should be different than what Staff is recommending.

MR. HEMBRY: Okay.
JUDGE CHARTOFF: Do you have any questions? MR. HEMBRY: No, I don't.

JUDGE CHARTOFF: Oh, okay. So please return to the -- your seat and wait for the break.

MR. HEMBRY: All right. Thanks, Your Honor. JUDGE CHARTOFF: Okay. Thank you.

Okay. So now I'm going to call Moving Art Corporation.

MR. DUBONOSOV: What should I --
JUDGE CHARTOFF: Come forward and take one of these chairs. Make sure to pull the microphone

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1 towards you and make sure that it is on. Might have to
2 hit the button. Thank you.

Please state your first and last name, spelling your last name for the court reporter.

MR. DUBONOSOV: Artur Dubonosov.
JUDGE CHARTOFF: Please speak into the microphone.

MR. DUBONOSOV: My name is Artur Dubonosov. JUDGE CHARTOFF: Can you spell your last name?

MR. DUBONOSOV: $\mathrm{D}-\mathrm{u}-\mathrm{b}-\mathrm{o}-\mathrm{n}-\mathrm{o}-\mathrm{s}-\mathrm{o}-\mathrm{v}$.
JUDGE CHARTOFF: Okay. I will swear you in.
(Artur Dubonosov sworn.)
JUDGE CHARTOFF: Okay. Please be seated.
I want to make sure I get your name right.
It's Mr. Dubonosov?
MR. DUBONOSOV: Mm-hmm, correct.
JUDGE CHARTOFF: Okay. So what is your position with the company?

MR. DUBONOSOV: I am the owner of this company, but it's only me basically.

JUDGE CHARTOFF: Did you understand the choices that I explained earlier?

MR. DUBONOSOV: Yes, and please forgive me. I will not do this anymore. I stopped advertisement

1 this -- on Craigslist, so I'm not going to do this

JUDGE CHARTOFF: Okay. So you want to agree -- you will agree to cease and desist?

MR. DUBONOSOV: Yes.
JUDGE CHARTOFF: Do you have any objections? MR. BRAUN: No, Your Honor.

JUDGE CHARTOFF: Okay. Okay. So, again, we'll take a break in a few minutes and at that time, you can talk to Staff and see if you can sign an agreed order.

MR. DUBONOSOV: Sure.
JUDGE CHARTOFF: And that order will say you agree you were operating without a permit, that you advertised without a permit, and that you agree to stop operating until you get a permit if you decide to get one. It sounds like you just want to get out of the business?

MR. DUBONOSOV: No, maybe I can continue, but before I have to get UTC license.

JUDGE CHARTOFF: Okay.
MR. DUBONOSOV: And I see another one, UCR, you know this UCR, something, because somebody sent me a letter, it's another permit issued here. I don't know, but it wasn't in my -- in my --

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MR. BRAUN: My understanding is he specializes in piano moving, nothing that the UTC regulates for besides our household goods moving permit. If there's other things out there, Staff is unaware.

JUDGE CHARTOFF: Okay. Yeah, I am not aware either. So -- yeah, so hopefully you two can agree on an agreed order, and once you feel comfortable that you understand the order, you and Mr. Braun will both sign it. And it will also include most likely an agreed penalty amount, but if not, you can explain why the penalty should be different than what Staff is recommending. Do you have any questions?

MR. DUBONOSOV: No.
JUDGE CHARTOFF: Okay. Okay. You can return to your seat and wait for the break.

MR. DUBONOSOV: Okay.
JUDGE CHARTOFF: So before we go on break, Mr. Braun, have you talked to anyone who didn't show up here today?

MR. BRAUN: No, Your Honor. I have reached out to everyone, and I did not return -- no phone calls were returned.

JUDGE CHARTOFF: Okay. So I will handle motions for default after the break. So yeah, at this point, we're going to take a break. It is approximately

1 9:17. As soon as you have a chance to review the cease
2 and desist orders with Staff, you can talk about the
3 penalty. The penalty amount may -- that Staff is
4 requesting may be small or there may be a reason why Staff asked for a larger penalty, for example, if you've been here in mover's court before or you used to have a household goods permit that was cancelled.

Usually part of the penalty is suspended and you will not have to pay it back unless you break the law again. So you will have to pay part of the penalty today and you would only have to pay the rest if you violate the order. And afterwards, I will call each of you back up, make sure you understand the order, and I will sign it, and then you will leave with a copy of it. Is there anything else? MR. BRAUN: No, Your Honor. JUDGE CHARTOFF: Okay. We are at recess. (Recess from 9:16 a.m. until 9:59 a.m.)

JUDGE CHARTOFF: Okay. Let's be back on the record. It's approximately 10:00 a.m. The date is Tuesday, November 13th, 2018.

So I understand we have one cease and desist order. So I will call you back up one at a time in the order we went before.

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So Total Effort LLC, Mr. Hembry?
So, Mr. Hembry, did you have a chance to read the whole order?

MR. HEMBRY: Yes, I did.
JUDGE CHARTOFF: And do you understand it?
MR. HEMBRY: Yes, I do.
JUDGE CHARTOFF: Okay. It looks like you and Mr. Braun have both signed it.

MR. HEMBRY: Yes.
JUDGE CHARTOFF: And for -- okay. And it looks like there are two violations in this case, one for offering to transport household goods and one for advertising a move. And there is a -- the company is assessed a penalty of $\$ 5,000$. A $\$ 4,500$ portion of the penalty is suspended for a period of two years and then waived provided that Total Effort refrains permanently from further operating as a household goods carrier without obtaining a permit. And that -- okay. And for the record, you are agreeing to shut down unless you get a permit?

MR. HEMBRY: Yes.
JUDGE CHARTOFF: Okay. And the $\$ 4,500$ penalty is suspended for two years from today's date, which is November 13th, 2018. That means that if Staff finds an advertisement or you offer a move during this

1 time, you will have to pay the full $\$ 4,500$ penalty.

MR. HEMBRY: Okay.
JUDGE CHARTOFF: And I see there's a payment schedule with $\$ 100$ due today, $\$ 200$ due December 13th, and the final $\$ 200$ due January 14th, 2019. And do you understand that if you miss a payment, you will have to pay the entire amount including the 4,500 suspended penalty?

MR. HEMBRY: Yeah, I understand.
JUDGE CHARTOFF: So if for some reason you're going to be late making a payment, you should contact Staff and make arrangements so that you don't end up having to pay the whole penalty.

And so you understand legally what you can and can't do?

MR. HEMBRY: Yes.
JUDGE CHARTOFF: And remember that Commission Staff is always available to assist you if

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1 you have any questions. Do you have any additional
2 questions about the order?

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MR. HEMBRY: No, I don't. JUDGE CHARTOFF: Okay. I will sign it. Oh, do you have a -- I just brought a red pen up here. Thank you.

MR. BRAUN: Mm-hmm.
JUDGE CHARTOFF: Okay. So I'm handing this to Mr. Braun. He will have Staff make a copy and hand it to you, and when you get that copy, you'll be free to go.

MR. HEMBRY: Okay.
JUDGE CHARTOFF: Okay. Thank you.
MR. HEMBRY: All right. Thank you, Your Honor.

JUDGE CHARTOFF: Okay. So next I'm going to call back Moving Art Corporation, Mr. Dubonos- -Dubonosov, Dubonosov.

Okay. So you were not able to come to an agreement on an order?

MR. DUBONOSOV: Yes, I would like to say you two things. They send me letter about warning, to stop operation. I never get this letter. They send me to the different address and I show you, I live at a different address for two years. So this is title of

1 the home I'm living. You see that -- see 2016 I live at 2 different address.

JUDGE CHARTOFF: Oh, this is your -MR. DUBONOSOV: The title to my home. JUDGE CHARTOFF: So what is -- oh, please take a seat so -- we need to -- our court reporter needs to get everything on -- recorded and it's recorded through the mic.

MR. DUBONOSOV: Yeah, I understand. JUDGE CHARTOFF: So what is your current address?

MR. DUBONOSOV: My current address is 12605
East Gibson Road, Unit 37, Everett, Washington 98204. So if I -- if $I$ got this warning in my real address, of course I will stop this right away, but I never got this. So they send me a -- they bring the papers for the court to the -- to my right address. There is no logic, you know, to bring the paper to my real address and they send letter to different address.

JUDGE CHARTOFF: So how did you know about this proceeding?

MR. DUBONOSOV: Because they bring their paperwork -- I mean paper for the court for my real address, to my real address in Everett. So this was my first time ever finding out about these things.

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JUDGE CHARTOFF: Oh, so the previous letters that --

MR. DUBONOSOV: Yeah, yeah, about warning, yeah.

JUDGE CHARTOFF: -- they were sent to the wrong address? So --

MR. DUBONOSOV: I never get it, yeah. Sorry.

JUDGE CHARTOFF: So the first time you heard about this was when you got the court documents?

MR. DUBONOSOV: Yes, correct.
JUDGE CHARTOFF: Okay.
MR. DUBONOSOV: And also, you know, it's
like private, but $I$ was just -- baby was born month ago, I don't have any money to pay penalty for this kind of stuff. Sorry. I mean, I just ask you to...

JUDGE CHARTOFF: So does Staff want to make a recommendation on the penalty?

MR. BRAUN: Yes, Your Honor. As per standard for the Commission is the initial $\$ 10,000$ penalty, to cut that in half to 5,000 with 4500 of that suspended, being 500 due for an individual that was found to have been moving and was offered a move, but has not been in front of the Commission before.

The letter was sent to the address that was

1 on record with the Secretary of State as of
2 June 14th, 2018. As sometimes the process serving of 3 documents -- oh, sorry, the initial cease and desist was 4 mailed out. It is the Commission Staff's position that 5 if the letter does not come back, it is deemed to be 6 served. So whether it was either forwarded or if the 7 person at that address destroyed it, I'm unaware. It 8 just did not come back to us. So I felt that was a good 9 mailing address.

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1 advisement and issue an order in a few days. The order 2 will order you to cease and desist operating. And do 3 you have any questions?

MR. DUBONOSOV: Thank you.
JUDGE CHARTOFF: So that concludes the list of companies present in the hearing room today. There's no one else in the hearing room, so we can proceed with motions for default. We'll start with Ben's Moving and Delivery Services, Inc.

So I've had a chance to review that docket, the Commission's evidence that there was an offer for an intrastate move in Washington, and there was advertising that meets the definition of RCW 81.80.075, engaging in business as a moving company without a household goods permit. So what is Staff's motion with respect to Ben's Moving and Delivery, Inc?

MR. BRAUN: Your Honor, Staff moves to implement the $\$ 5,000$ based on that -- your findings.

JUDGE CHARTOFF: Okay. So nothing would be suspended?

MR. BRAUN: Correct.

JUDGE CHARTOFF: Okay. Let's briefly walk through the evidence you have for each com- -- for this company as well as when and how service was accomplished.

MR. BRAUN: Your Honor, as according to my declaration, on June 12th, 2018, I received an email tip concerning a company, Ben's Moving and Delivery Services, advertisements on -- it was -- I apologize, one second. Then I searched the Commission records. On June 13th, 2018, I found that the Ben's Moving company under an owner of Israel Paredes, $P-a-r-e-d-e-s$, was the owner and was previously permitted and then lost their permit due to lack of insurance.

I found -- or then -- my apologies. On June 13th, I sent out a letter to cease and desist of Ben's Moving and Delivery Services at 11544 Greenwood Avenue North, Unit No. 1, in Seattle. No response. I also found advertisements on Yelp for Ben's Moving and Delivery Services.

On June 22nd, 2018, I posed as a customer. I called a telephone number that was associated that I found on the Yelp page at 206-673-6122. Left a message, then I was called back. The gentleman identified himself as Ben. Said it was his moving company and that I was quoted 120 per hour for two workers and a 24 -foot

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1 truck plus a $\$ 30$ fill fee. And $I$ was also informed by
2 the owner that the time started from when his employees
3 arrived at my residence and ended when the employees
4 left my residence, and he also offered if I wanted three 5 movers, $\$ 150$ per hour.

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$$ we can move on to the next company.

MR. BRAUN: I believe that is Pro Movers LLC, dba Groovin Movin, Docket 180798.

JUDGE CHARTOFF: Okay. Yes. Yes, so I've had a chance to review that docket and the Commission's evidence that there was an offer for an intrastate move in Washington and there was advertising that meets the definition of RCW 81.80.075, engaging in business as a moving company without a household goods permit. So what is Staff's motion with respect to Pro Movers LLC?

MR. BRAUN: Your Honor, Staff at this time, unique situation in Pro Movers, dba Groovin Movin has since been assigned a temporary permit. I believe he was served through email agreeing to that per our procedures. I am going to move forward at this time to have a $\$ 5,000$ penalty for not showing up with none of that suspended.

JUDGE CHARTOFF: Okay. So I understand this company was served by email. Did you make attempts to contact the company before this hearing?

MR. BRAUN: I did. I made several phone calls and they were not returned.

JUDGE CHARTOFF: Let's walk through the evidence you have for -- for Pro Movers LLC.

MR. BRAUN: On June 14th, 2018, I received an email concerning the operations of Groovin Movin.

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1 That was included with an email of a gentleman's name of
2 Andrey, spelled $A-n-d-r-e-y$, with a cell phone number of
3 360-487-6564. On June 14th, 2018, I searched Commission
4 records and verified that Groovin Movin was not a
5 permitted household goods, that they had lost their
6 permit, and their previous owner by the name of Andrey
7 Goncharuk, spelled $A-n-d-r-e-y, G-o-n-c-h-a-r-u-k$.
Then on July 30th, 2018, I visited the website of Groovinmovin.com, spelled G-r-o-o-v-i-n-m-o-v-i-n.com, where I saw advertisements for truck and labor, two men for $\$ 240$ an hour, and that that company was located at 3101 Northeast 138th Avenue in Vancouver, Washington 98682, and also at a telephone number of 360-612-0090.

On July 31st of 2018, I sent a compliance letter to Pro Movers down at that address in Vancouver to notify them to cease and desist until they got the required permit.

On September 11th, 2018, I called the phone number associated with the website of 360-612-0090. Under an assumed name, there $I$ was able to obtain a quote for moving services, which includes workers and a truck. I spoke with an individual who identified herself as Angela, and $I$ was quoted $\$ 60$ per -- an hour per person and $\$ 2.50$ a mile from the warehouse until the

1 return to the warehouse for two men and a 24 -foot truck.
2 That concludes our evidence.

JUDGE CHARTOFF: Thank you. Oh, okay. So I am concerned about issuing a default order against a company that has come into compliance. Although, I am also concerned that they did not show up or respond to any of your phone calls. So do you know the dates that those phone calls were made offhand?

MR. BRAUN: I am unaware of those offhand. My apologies.

JUDGE CHARTOFF: So --
MR. BRAUN: I know I made actually -October 24 th, $I$ know that one phone call was made.

JUDGE CHARTOFF: Okay. I -- yeah, I would like to continue this proceeding, so I'm not going to -actually, let's go off the record for a minute.
(Pause in the proceeding.)
JUDGE CHARTOFF: Okay. We are back on the record. So I am going to go ahead and grant the default order in this case because they were previously permitted and then they lost their permit and they haven't responded. I am concerned. So I am going to go ahead and issue the default order. I am going to impose the penalty of $\$ 5,000$. I do have to amend the order because as it's currently read, it -- it orders them to

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1 stop operating, and because they have the permit,
2 they -- they can operate. So I will issue an order
3 after -- after the proceeding.
4 MR. BRAUN: Thank you, Your Honor.
5 JUDGE CHARTOFF: Okay. Is there any other
6 business we need to take care of?
7 MR. BRAUN: No, Your Honor.
8 JUDGE CHARTOFF: Okay. We are adjourned.

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STATE OF WASHINGTON
COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill, and ability.

## Jaylen grarlinghouse



Tayler Garlinghouse, CCR 3358

