

Docket No. TC-180624 - Vol. I

In re the Matter of: Puget Express, LLC

October 25, 2018



206.287.9066 | 800.846.6989

1325 Fourth Avenue, Suite 1840, Seattle, Washington 98101

www.buellrealtime.com

email: info@buellrealtime.com



BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In re the Matter of:)
Puget Express, LLC) Docket No. TC-180624
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BRIEF ADJUDICATIVE PROCEEDING

Pages 1 - 34

ADMINISTRATIVE LAW JUDGE LAURA CHARTOFF

Taken at 1300 Evergreen Park Drive Southwest, Room 206
Olympia, Washington

DATE TAKEN: OCTOBER 25, 2018

REPORTED BY: LAURA L. OHMAN, RPR, CCR 3186

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

2 ADMINISTRATIVE LAW JUDGE:

3 LAURA CHARTOFF
4 Utilities and Transportation Commission
5 1300 South Evergreen Park Drive SW
6 Olympia, Washington 98504

7 FOR COMMISSION STAFF:

8 HARRY OSBORNE FUKANO
9 Assistant Attorney General
10 1400 Evergreen Park Drive Southwest
11 Olympia, WA 98502
12 310.995.3430
13 Harry.fukano@utc.wa.gov

14 FOR PUGET EXPRESS, LLC:

15 ISAIAH FIKRE
16 Puget Express
17 3800 South 176th Street
18 SeaTac, Washington 98188
19 206.949.9095
20 Info@PugetExpress.com

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23
24
25

1 BRIEF ADJUDICATIVE PROCEEDING

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1 OLYMPIA, WASHINGTON; OCTOBER 25, 2018

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4 JUDGE CHARTOFF: Let's be on the record.

5 Today is Thursday, October 25th, 2018, and the
6 time is a little after 9:30.

7 The docket is TC-180624, which is captioned In
8 the Matter of Determining the Proper Carrier
9 Classification and Complaint For Penalties Against Puget
10 Express, LLC, Doing Business As Puget Express.

11 My name is Laura Chartoff. I am the
12 administrative law judge presiding over today's brief
13 adjudicative proceeding.

14 Let's start by taking appearances from the
15 parties starting with a short appearance from staff.

16 MR. FUKANO: This is Harry Fukano from the
17 Utilities & Transportation Commission, Attorney General's
18 Office, AAG, here on behalf of Staff.

19 Sorry.

20 JUDGE CHARTOFF: And for Puget Express,
21 please state your full name.

22 MR. FIKRE: My name is Isaac Fikre.

23 JUDGE CHARTOFF: Do you have a -- can you
24 check to see if your microphone is on and pull it a
25 little closer to you.

1 MR. FIKRE: Okay.

2 My name is Isaiah Fikre.

3 JUDGE CHARTOFF: And can you provide your
4 address, phone number, and e-mail address.

5 MR. FIKRE: 3800 South 176th Street, and
6 that would be in SeaTac, Washington 98188. Phone number
7 is (206) 949-9095. E-mail address is
8 info@PugetExpress.com.

9 JUDGE CHARTOFF: Great. Thank you.

10 So this is a classification hearing that was
11 brought by the Commission based on Staff's finding that
12 Puget Express is operating as an auto transportation
13 company without the required permit from the Commission.

14 If we determine here today that Puget Express is
15 engaging in such conduct, we will issue an order
16 requiring the company to cease and desist all operations
17 unless or until it obtains a permit from the Commission.

18 We also have a complaint for penalties that's
19 somewhat of a separate issue. The complaint for
20 penalties alleges that Puget Express has, in fact,
21 engaged in the activities as an auto transportation
22 company.

23 So in today's hearing, we will consider whether
24 Puget Express should be classified as an auto
25 transportation company and whether the recommended

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1 penalty is appropriate.

2 So staff will present its case first today
3 followed by the company.

4 And I'll just give a little bit more information.
5 So when I call on each party to testify, I will swear
6 you in with the oath of witness so that anything you
7 tell the court will be under oath and can be considered
8 sworn testimony.

9 And for the court reporter's benefit, please
10 speak slowly and clearly and also please be sure to use
11 the microphone on the table in front of you.

12 So are there any questions at this point?

13 Okay. Mr. Fukano, you may proceed when you're
14 ready.

15 MR. FUKANO: And would you prefer I stand
16 for opening or...?

17 JUDGE CHARTOFF: No.

18 MR. FUKANO: Good morning, Judge. I am
19 Harry Fukano, Assistant Attorney General with the
20 Utilities & Transportation Commission. I am here on -- I
21 am here today on behalf of commissioned staff. We are
22 here today for the classification proceeding involving
23 Puget Express, LLC.

24 RCW 81.68.010 defines an auto transportation
25 company in part as "Every corporation or person owning,

1 controlling, operating, or managing any motor-propelled
2 vehicle used in the business of transporting persons and
3 their baggage on the vehicles of auto transportation
4 companies carrying passengers for compensation over any
5 public highway in this state between fixed termini or
6 over a regular route, and not operating exclusively
7 within the incorporated limits of any city or town."
8 The same statute defines "public highway" as every
9 "street, road, or highway in this state."

10 Under RCW 81.68.040, an auto transportation
11 company may not operate in Washington without obtaining
12 an auto transportation certificate of public convenience
13 and necessity.

14 Staff intends to present evidence that will show
15 that Puget Express and Mr. Isaiah Fikre operated or
16 managed an auto transportation company without proper
17 authorization from the Commission.

18 Staff will present its evidence through Mr. Mike
19 Turcott, who will testify about Staff's investigation
20 and its determinations involving Puget Express.

21 Thank you.

22 JUDGE CHARTOFF: Okay.

23 MR. FUKANO: And I would call Mr. Turcott.

24 ///

25 ///

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1 MICHAEL TURCOTT, having been first duly sworn by the
2 hearing judge, testified as follows:

3

4 D I R E C T E X A M I N A T I O N

5 BY MR. FUKANO:

6 Q. Good morning, Mr. Turcott.

7 A. Good morning.

8 Q. Would you please state your name and spell your
9 last name for the record, please.

10 A. Michael L. Turcott, T-u-r-c-o-t-t.

11 Q. Thank you.

12 And what is your current occupation?

13 A. I am a compliance investigation supervisor at
14 the Utilities & Transportation Commission.

15 Q. And how long have you held that position?

16 A. I've been the supervisor just over a year, and
17 I've been in compliance investigations for three years.

18 Q. And what does that position involve?

19 A. So our unit investigates regulated companies, as
20 the name implies. Our goal is compliance, and so we
21 look for companies that are providing regulated services
22 that are outside of regulation, in other words,
23 operating without a certificate or a permit. And for
24 those companies that are permitted, we work with them to
25 ensure that they're operating within the compliance of

1 the rules that apply to that industry.

2 Q. And are you familiar with the matter involving
3 Puget Express?

4 A. Yes, sir.

5 Q. And how were you involved in that matter?

6 A. I was the compliance investigator on the most
7 recent matter involving the company.

8 Q. And I would like to show you what has been
9 previously designated as a proposed Exhibit MT-1.

10 What is MT-1?

11 A. Exhibit MT-1 is the staff investigation report
12 that I prepared in this matter.

13 Q. And I take it you are familiar with that item?

14 A. Yes.

15 Q. And did you create that item?

16 A. Yes, I did.

17 Q. Do you agree with all of the information
18 contained in the report?

19 A. I do.

20 Q. And do you have any changes that you would
21 recommend to the report?

22 A. No, I do not.

23 MR. FUKANO: At this time, I would like to
24 offer what has been proposed MT-1 into evidence.

25 BY MR. FUKANO:

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1 Q. I would like to ask some questions about the --

2 JUDGE CHARTOFF: Hold on.

3 Do you have any objection to the admission of
4 this report?

5 MR. FIKRE: I don't know what he's looking
6 at, if I can get a copy of it at a break.

7 MR. FUKANO: May I approach?

8 JUDGE CHARTOFF: Yes.

9 MR. FIKRE: Thank you.

10 MR. FUKANO: Yes.

11 MR. FIKRE: Okay. I'm good.

12 JUDGE CHARTOFF: Okay. Exhibit MT-1 is
13 admitted.

14 Okay.

15 MR. FUKANO: Thank you.

16 BY MR. FUKANO:

17 Q. How did staff initially become involved in the
18 matter involving Puget Express?

19 A. In the most recent matter, we received an e-mail
20 May 1st of 2018 from a regulated company alleging that
21 Puget Express was providing illegal auto transportation
22 services within that company's area of their permitted
23 certificated area, specifically from the SeaTac Airport
24 hotels to the cruise ship terminals in Downtown Seattle.

25 Q. And what did staff do in response to that

1 complaint?

2 A. To determine whether the allegation was true or
3 not, staff posed as a consumer and e-mailed the company
4 Puget Express at the address on record and requested a
5 quote for transportation from the Double Tree Hotel at
6 the airport to Pier 91. The request was for six
7 passengers with luggage, and it specified Sunday, June
8 24th, as the proposed date of that travel.

9 Q. And -- thank you.

10 And to clarify, where are both of those
11 locations in Washington?

12 A. Those -- those locations are in the City of
13 SeaTac and the City of Seattle in King County,
14 Washington.

15 Q. And how did Puget Express respond to Staff's
16 e-mail?

17 A. Puget Express responded that it would be \$17 per
18 passenger per direction for that requested
19 transportation.

20 Q. And do you know or recall who responded to
21 staff's e-mail?

22 A. Well, the e-mail account was -- it was
23 info@PugetExpress.com, which is the e-mail address on
24 record with the Commission for Puget Express. The
25 e-mail signature line is Isaiah Fikre, operations

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1 manager. And it goes on and says, Sound Express, LLC,
2 Tours and Transportation, 3800 South 176th Street,
3 Seattle, Washington 98188, and telephone number of
4 (206) 949-9095, which I believe also are the address and
5 phone number on record with the Commission for that
6 company.

7 Q. And was there any additional communication
8 between Staff and Puget Express as part of this
9 investigation?

10 A. We did -- we did follow up and I wrote back
11 asking if it would be possible to accommodate a group of
12 eight, actually, rather than six, and that was -- that
13 follow-up occurred on June 11th, and I received a reply
14 back that same day that it would be -- for that group,
15 it would be a flat rate of \$136 for the entire group,
16 and we would basically have the van -- it appeared that
17 we would have the van exclusive for our group for that
18 trip.

19 Q. What does a company need in order to operate as
20 an auto transportation company in Washington State?

21 A. The company must have a certificate issued by
22 the Commission authorizing them to engage in such
23 service.

24 Q. Does Puget Express have a certificate from the
25 Commission authorizing it to operate as an auto

1 transportation company?

2 A. No, it does not.

3 Q. May a company operate as an auto transportation
4 company without a Commission certificate?

5 A. No, it may not.

6 Q. Does Staff have a recommendation as to
7 classification and penalty on this matter?

8 A. We do, and the recommendation is in two parts.
9 First of all, Staff would request that the Commission
10 classify Puget Express as an auto transportation
11 company, and Staff would also request the standard
12 penalty of \$1,000 for one violation of operating as an
13 auto transportation company without the required
14 certificate.

15 Q. Thank you. No further questions at this time.

16 JUDGE CHARTOFF: Thank you.

17 Mr. Fikre, do you -- you have the opportunity
18 now to ask Mr. Turcott any questions about his
19 testimony.

20 Do you have any questions for him?

21 MR. FIKRE: Yeah. I do, actually.

22 JUDGE CHARTOFF: And then, later, you'll
23 have the opportunity to present your case, so...

24 (Pause.)

25 MR. FIKRE: Okay. Perfect.

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1 C R O S S E X A M I N A T I O N

2 BY MR. FIKRE:

3 Q. Mr. Turcott; right?

4 A. Yes, sir.

5 Q. Yeah. Thank you for all the hard work you're
6 doing for the UTC. It means a lot to me.

7 As much as I respect your profession, I use the
8 profession as a means to make a living for myself and my
9 family, and -- but I do have a question.

10 On -- on your finding, have you realized that
11 you -- have you realized that you were actually not
12 dealing with Puget Express but rather you were dealing
13 with Sound Express, LLC, which is a -- which is a
14 transportation company that's regulated with the --
15 under the limousine company?

16 A. So the -- the request -- I made the request to
17 the e-mail address info at -- let me be accurate here.
18 Info@PugetExpress.com. It was my impression that I was
19 dealing with Puget Express, and the e-mail came back
20 with Isaiah Fikre as the signature name on there, and
21 that was the name -- you and I had never met before
22 today, but that was the name I was familiar with in the
23 numerous dockets that we had handled with Puget Express
24 and Mr. Fikre. It was my understanding that I was
25 dealing with Puget Express.

1 Q. It was your understanding, but because of the
2 name recognition, or is it because of the e-mail, or, I
3 mean... (Pause.)

4 A. I --

5 Q. Can you be a little bit more -- the question --

6 A. Well, it's -- it's really pretty basic. I think
7 I've covered that in my first response, that I reached
8 out to the e-mail address that the Commission had on
9 record for Puget Express, made the request for
10 transportation, received a response back from the same
11 e-mail address with the signature of Mr. Fikre, who is
12 the individual on Commission records associated with
13 Puget Express, so my understanding was that I was
14 dealing with Puget Express.

15 Q. Yeah. Just for the record, I do want you to
16 know that your intent -- the intent of your
17 investigation is geared towards a company that I owned
18 to some point that was in operation, and due to a lack
19 of compliance, you know, it was out of business, but if
20 your --

21 MR. FUKANO: Your Honor, I believe -- I
22 believe Mr. Fikre is testifying.

23 JUDGE CHARTOFF: Yes.

24 MR. FIKRE: Okay. So I -- I'm done with the
25 question, so... (Pause.)

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1 JUDGE CHARTOFF: Okay.

2 MR. FIKRE: Yeah.

3 JUDGE CHARTOFF: Do you have any redirect?

4 MR. FUKANO: Brief redirect.

5 JUDGE CHARTOFF: Okay.

6

7 R E D I R E C T E X A M I N A T I O N

8 BY MR. FUKANO:

9 Q. Mr. Turcott, on Page A-8 of your second
10 communication, does it state that you would be provided
11 a van?

12 A. Yes. It says, "It will be flat rate of \$136 and
13 you can have your own van and all of you can ride
14 together. You can book round trip as well.

15 Q. Do any of the communication mention a limousine?

16 A. No.

17 Q. Thank you. No further questions.

18 MR. FIKRE: Can I actually ask a question as
19 well since -- because he triggered something, if that's
20 okay? I mean, if I can ask one question as well?

21 JUDGE CHARTOFF: Do you have an objection to
22 him asking a question?

23 MR. FUKANO: No objection.

24 JUDGE CHARTOFF: Okay. Go ahead.

25 ///

1 R E C R O S S E X A M I N A T I O N

2 BY MR. FIKRE:

3 Q. Mr. Turcott, are you aware of a van that can sit
4 up to ten people also qualifies as a limousine?

5 A. There is a limousine -- under the DOL limousine
6 laws, there is a limousine classification as a -- I
7 believe it's an executive van, and the limousine permits
8 allows up to 14 passengers behind the driver, so a van,
9 executive van, under -- if I'm quoting DOL's regulations
10 accurately, can take up to 14. The issue with auto
11 trans is that when there's shared ride, when there's
12 individual seats, you know, transportation is sold by
13 the seat. In other words, the offer that I had was \$17
14 per person. A limousine can only be booked under a
15 single contract for the entire vehicle, so to offer --
16 for a limousine company to be selling tickets or
17 transportation point to point between fixed termini on a
18 per seat basis is not authorized under the DOL rules.
19 That is auto transportation and requires a certificate
20 from the Commission.

21 Q. And as far as the body of the e-mail, you felt
22 comfortable taking the first part of the e-mail over
23 the -- the last part of the e-mail; correct?

24 A. I don't understand your question, sir.

25 Q. The first part of the e-mail states it was \$17

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1 per person, and then later on, it states it's a flat
2 rate of 136 -- or -- yeah, \$136, you know, per van, so
3 you feel comfortable?

4 A. As far as the accuracy of the e-mail are you
5 asking about or...?

6 Q. Yeah. For the purpose of our meeting today, of
7 our court, you felt the violation was made on the first
8 part of the e-mail but not the second part of the
9 e-mail; right?

10 A. I'm -- I'm taking the e-mails at their face
11 value, and I'll let the judge, you know, evaluate those.
12 I have -- I have an offer for transportation for a group
13 of six at \$17 per person, and then I have an offer for a
14 van -- to charter the van for the whole group for a
15 group of eight.

16 Q. Okay. Thank you.

17 A. So I'm presenting that to the Commission for
18 them to decide on.

19 Q. Okay. Thank you.

20 A. I take -- I take the e-mails at face value.

21 Q. Thank you. I appreciate that.

22 JUDGE CHARTOFF: Okay. So, Mr. Fikre, it's
23 your turn to present your testimony.

24 MR. FIKRE: Yes.

25 JUDGE CHARTOFF: So I'll swear you in.

1 ISAIHAH FIKRE, having been first duly sworn by the
2 hearing judge, testified as follows:

3

4 JUDGE CHARTOFF: Okay. So what is your
5 response to the allegations against you?

6 MR. FIKRE: It is not accurate. I think
7 it's somewhat misleading. I do have -- I do have a
8 company that's called Sound Express, LLC, which was
9 formed years to years ago, and the reason why that was
10 formed was for the simple fact that when I realized that
11 there is a need for -- for a different market under
12 different license that UTC wouldn't -- wouldn't allow me
13 to operate, so I went ahead and started the company to
14 be able to accommodate small groups and so forth.

15 And in the past, that is true. Puget Express,
16 you know, we have advertised our rates per person, and
17 amongst other violations, that wasn't intentional, and
18 for that -- and, you know, for all those reasons
19 combined, the company was -- you know, we were told to
20 stop, and we did.

21 And in the process of doing that, it took a lot
22 of resources, a lot of money, a lot of time, and, you
23 know, I've been working with agencies that are familiar
24 with the UTC's rules and regulations to -- to stay on
25 top of the compliance. And it's been -- it's been, you

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1 know, almost a year, and I have a letter that I can
2 present to you showing that I have been working and
3 trying to get in compliance.

4 However, I think the -- the Commission has
5 failed to realize that, first of all, this e-mail right
6 here, I have to admit, it was something my wife had
7 replied and, you know, tried to get me -- you know,
8 tried to kind of help me out a little bit. I always
9 tell her to get, you know, their information -- any
10 customer's information first, you know, name and phone
11 number, to be able to understand their needs and give
12 them their rate. And so in the beginning of the e-mail,
13 I believe -- yeah. Yeah, my wife had sent an e-mail in
14 regards to trying to reach out to the client who
15 posed -- the client in this matter to discuss the
16 information details, and no information was provided,
17 never responded with the phone number for me to reach
18 out, and so she went ahead and replied \$17 a person,
19 and -- which I was not happy with that because I'm aware
20 that we don't -- you know, we don't -- we don't offer
21 prices -- we don't charge per person. It's a flat rate.

22 So -- but a month before -- a month prior to
23 UTC's notice in regards to this matter, I went ahead and
24 responded to an e-mail that preceded -- the number of
25 people went from six to eight, and then I responded

1 myself, clearly stating that it is -- you know, that it
2 is a flat rate. It didn't matter if it was, you know,
3 two people or ten people. It is a flat rate. And I
4 stated so there.

5 And I -- if you don't mind, I have some
6 information I would like to share with you.
7 Unfortunately, I didn't make any other copy, so
8 basically, what I have here is -- if you don't mind,
9 number one, I have a letter from -- from the company
10 VATA Safety Training & Compliance, showing that I've
11 been working with them for almost a year. We're almost
12 ready to submit our application with UTC. Number 2, be
13 more specific in this matter, I do have a license for
14 Sound Express, LLC, showing that it is a limousine
15 company and there are vehicles that are active in there,
16 along with insurance for each and every vehicle listed,
17 as well as how we -- how we present our information at
18 every hotel, every -- you know, every hotel we work with
19 throughout the Puget Sound. This is put in a folder
20 like this stating the prices for town cars, SUVs, and
21 vans.

22 So mistakes do happen here and there, but, you
23 know, I do -- you know, I don't have -- I don't have any
24 intention to be able to advertise in a way that we have
25 done in the past. Clearly that was a violation. I paid

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1 for that hefty. And -- and while I appreciate all the
2 hard work that some of the Staff members that worked
3 with me in the beginning of the investigation; however,
4 I don't have -- I kept my e-mail address. I took down
5 my website, and -- in support of the -- in support of
6 not operating -- in support of the court's decision or
7 UTC's decision. My e-mail address is my e-mail address.
8 It's something that I reply to people, you know, as --
9 as -- you know, as they -- as I'm approached, and,
10 however, Your Honor, at the very bottom of each and
11 every e-mail, it does state my name and also the name of
12 the company that I represent; although, it is the
13 same -- it is the same name -- my name and different
14 company, same address, same phone number. But as far as
15 advertising, seeking out people, it's not something that
16 I have done since -- since they -- the UTC took a
17 position for me to cease and desist.

18 And since doing so, you know, I could have
19 been -- I could have been followed in a different way
20 and I could have been -- you know whether it be Seattle
21 Express or Beeline or UTC can pose as customers and come
22 in and they would have clearly have fallen under the
23 category where they would pay a flat rate rather than
24 per person.

25 So, in this case, it's one mistake that

1 happened, and -- and I'm sorry that it happened. But
2 also extension in the e-mail shows that that was
3 corrected. But for me to be able to come here when, in
4 fact, you know, I -- the license that I operate under is
5 through the limousine license. And I get that -- I get
6 that there might be vehicles, same size vehicles as mine
7 that fall under the category of UTC, but they are within
8 the compliance of limousine license, have proper
9 stickers, you know, two and from the airport and, you
10 know, from Seattle as well as to the City of Seattle.

11 So, you know, to take my e-mail address when
12 clearly states that, you know, I'm operating, you know,
13 under a limousine license, to me, I think that's
14 somewhat misleading.

15 And I have no intention to be able to -- to
16 operate under my -- big buses and shuttles are not
17 operating under limousine license and they're not
18 qualified to, you know, under that umbrella.

19 So it's just a small mistake that happened, but,
20 like I said, I think towards the end, it was corrected,
21 so -- and for that, I'm sorry about that, but I think,
22 you know -- you know, I'm doing anything and everything
23 that I can to -- to comply and correct, you know,
24 mistakes that I've done in the past, but, you know,
25 that's -- that's pretty much what I have to say.

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1 JUDGE CHARTOFF: Okay. So -- okay. So I
2 want to make sure I understand your testimony.

3 So are -- are you saying that you -- you shut
4 down Puget Express, LLC?

5 MR. FIKRE: Correct. Yes.

6 JUDGE CHARTOFF: And where did the -- what
7 vehicles are you using in your -- in your new business?

8 MR. FIKRE: It is not exactly a new
9 business, Your Honor. It's been around at the same
10 time, you know, my charter license was active. And for
11 the simple fact that, you know, that's the business line
12 that I came from, you know, working with, you know,
13 limousine license, town cars, vans, SUVs. And when I
14 realized there was a need for a larger vehicle is when I
15 stepped in to -- to -- to the bigger vehicles. Puget
16 Express came to the picture later, so the vehicles that
17 I'm using are vans, mostly vans, SUVs.

18 JUDGE CHARTOFF: So did any of the vehicles
19 from Puget Express, were they transferred to -- what's
20 the new business called --

21 MR. FIKRE: Sound Express.

22 JUDGE CHARTOFF: -- Sound Express.

23 MR. FIKRE: No, there -- no, Your Honor,
24 they're too big, too large. They only fall under UTC.
25 And none of the vehicles that are under Puget Express

1 are currently or any time have they been transferred
2 into -- into the limousine license, which is Sound
3 Express, LLC. And they will continue to stay that way
4 as well.

5 JUDGE CHARTOFF: At this point, I -- I may
6 have some more questions later, but I think I'll let you
7 go ahead and do cross if you're -- if you want to do
8 that.

9 MR. FUKANO: Yes. I have a few questions.

10 JUDGE CHARTOFF: Okay.

11

12 C R O S S E X A M I N A T I O N

13 BY MR. FUKANO:

14 Q. Mr. Fikre, what -- do you recall what the
15 physical address associated with Puget Express was?

16 A. Yeah. It's my residence, 3800 South 176th
17 Street, Seattle, Washington -- or SeaTac, Washington
18 98188.

19 Q. And is that the same address associated with
20 Sound Express?

21 A. Absolutely.

22 Q. And does Sound Express hold a certificate to
23 operate an auto transportation company?

24 A. No, not at all.

25 Q. And you mentioned that you advertise in hotel

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1 lobbies?

2 A. Yes, we do.

3 Q. Okay. And in the e-mail on Page 87, there was a
4 rate discussed of \$17 per person?

5 A. Right.

6 Q. And if that rate were applied to eight people,
7 would that be \$136?

8 A. Absolutely.

9 Q. Okay. No further questions. Thank you.

10 JUDGE CHARTOFF: Okay. I -- I want to take
11 a -- well, first -- okay. So I want to take a five --
12 just a very short recess because I want to review a
13 procedural question that I have, so we'll take a
14 five-minute recess, and then we'll be back; okay?

15 MR. FIKRE: Is that -- I meant to actually
16 have you take a look at what I have here. Do you need
17 those? I feel comfortable with you having them.
18 (Indicating.)

19 JUDGE CHARTOFF: I'm actually going to ask
20 about that, so... (Pause.)

21 (Recess from 10:04 a.m. to
22 10:10 a.m.)

23 JUDGE CHARTOFF: Thanks. We are back on the
24 record.

25 So you wanted to offer -- Mr. Fikre, you wanted

1 to offer a couple of documents into evidence?

2 MR. FIKRE: Yes, ma'am. On the -- on the
3 e-mail -- sorry -- yeah, the e-mail as well as the copy
4 that was sent to me by UTC. They stated two specific
5 locations that pretty much ties Puget Express into doing
6 business and violating.

7 And I did get a -- I asked the same question,
8 just copied and pasted the same question to be more
9 consistent to those two hotels. One was for Comfort Inn
10 Suites -- sorry -- yeah, Comfort Inn Suites. The other
11 one is the Country Inn Suites, which the Commission
12 there, you know, Michael Turcott stated on -- well, not
13 him, but the Seattle Express or Beeline. And one of the
14 hotels happened to be the Country Inn Suites where I pay
15 monthly to park my vehicles on the rear of their
16 property, and I have an e-mail where I asked -- you can
17 see for yourself, to ask him what exactly is used for
18 the cruises' transportation. It clearly state the
19 Seattle Express with their phone number, and the same --
20 same goes for the -- for the other hotel. And then also
21 a copy that we advertise in pretty much all the hotels
22 we do business with, not just SeaTac, everywhere. There
23 is -- I'll give you a copy of that, a list of transfer
24 rates that we have for each and every, you know,
25 category -- vehicle category, basically, which shows a

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1 flat rate, so if I can hand those to you.

2 JUDGE CHARTOFF: So can you hand them to
3 Staff.

4 MR. FIKRE: Yeah. Sorry.

5 JUDGE CHARTOFF: We ask people to bring
6 several copies of their exhibits so everyone can see
7 them.

8 MR. FIKRE: Sorry.

9 I do have my business license for Sound Express,
10 insurance certificate for Sound Express, as well as the
11 compliance company that have been helping me for the
12 last year to work -- to bring Puget Express up to -- up
13 to compliance to UTC standard. I do have a copy of
14 those as well. Should I hand those up?

15 JUDGE CHARTOFF: Yeah.

16 MR. FUKANO: Staff has no objection.

17 JUDGE CHARTOFF: Okay.

18 MR. FIKRE: Should I hand this forward?

19 JUDGE CHARTOFF: Yes, please.

20 Mr. Fikre, can we keep these copies?

21 MR. FIKRE: Yeah. That's fine. You can
22 keep them.

23 JUDGE CHARTOFF: Okay.

24 MR. FUKANO: And we have no objection to
25 either.

1 JUDGE CHARTOFF: Okay. Typically, they're
2 supposed to be marked beforehand and I'm not supposed to
3 mark them myself, but I will -- I will call these
4 Exhibit IF-1 is admitted.

5 Do you have any questions for Mr. Fikre about
6 these exhibits or...?

7 MR. FUKANO: No.

8 JUDGE CHARTOFF: Okay. So I have no further
9 questions.

10 Does -- do either of you want to make a closing
11 statement?

12 MR. FUKANO: I prepared a brief statement.

13 JUDGE CHARTOFF: Okay. You can proceed.

14 MR. FUKANO: Thank you, Judge.

15 You heard some testimony today that Mr. Fikre
16 may be operating as a limousine carrier; however, Staff
17 maintains that Mr. Fikre's business operations meet
18 definition as an auto transportation company that is
19 still subject to Commission regulation. You have heard
20 today from Staff that Mr. Fikre and Puget Express
21 offered to provide transportation for persons and their
22 baggage in a self-propelled motor vehicle from a hotel
23 in SeaTac to a pier in Seattle. You also heard in
24 evidence that that was originally offered at a per
25 person rate and that when circumstances changed, that

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1 rate was consistently applied to the new amount of
2 persons that was discussed. You've also heard evidence
3 that Mr. Fikre is the operations manager of Puget
4 Express. Finally, Staff has testified that Mr. Fikre
5 and Puget Express -- or Puget Sound [sic] do not possess
6 the necessary authority from the Commission to act as an
7 auto transportation company; therefore, Staff asks the
8 Commission to classify Puget Express as an auto
9 transportation company subject to the Commission's
10 authority and to impose the recommended penalty of
11 \$1,000.

12 Thank you.

13 JUDGE CHARTOFF: Do you wish to make a
14 closing statement?

15 MR. FIKRE: Yes, I do, Your Honor.

16 And when the gentleman here asked me about
17 the -- of the rate of \$17 per person would amount to
18 \$136 for eight people, it does; however, then, you know,
19 on my -- the way I set up my business is, for
20 instance -- in that particular case, it does look like
21 \$17 a person, but they could have up to ten people,
22 which clearly shows on there on the flier that I'm
23 giving you, you can have up to ten people and still be
24 \$136, and so if you do the math, \$136 divided by ten is
25 going to be less than 17. Nine people, it's going to be

1 less than 17. Eight people, it comes out to be 17.
2 And, you know, due to the number of -- to the amount of
3 luggage that a group might have, six, seven people can
4 fit in the SUV. You know, even up to five people, if
5 they have tons of luggage, they would have to upgrade to
6 a van because of the luggage issue.

7 So the \$17 per person that was communicated in
8 that, like I said, that was a mistake. You know, even
9 though I still take responsibilities for the simple fact
10 that my wife responded to that, but I took
11 responsibility enough to be able to correct that in the
12 end and let her know that it is a flat rate.

13 And -- and, again, I have been doing business as
14 Sound Express and this was a former, you know -- a
15 previously created company before Puget Express was shut
16 down, and I take offense to the fact that I'm being
17 labelled as someone who is operating as Puget Express.
18 Like I said, I have every intention to comply, however
19 long it takes to get it right with UTC, and to be at a
20 operating, you know, level. However, right now, the
21 complaint is against a company that's been dead.

22 I'm trying to provide, which take a lot of time
23 and a lot of resources, but I'm finding my limousine
24 license -- I'm finding myself here today to defend my
25 limousine license, which clearly, you know, has nothing

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1 to do with UTC.

2 At the same time, I also want to make sure -- in
3 closing, I want to share this with you: My knowledge of
4 the violations that I've made with UTC left me with
5 enough knowledge to make sure even though I'm operating
6 under a limousine license, to make sure that I don't
7 violate UT -- the -- the UTC rules and regulations.
8 Just because I'm operating under a town car/limo
9 service, it doesn't mean I will carry on doing business
10 that will violate, you know, UTC. Some day when I get
11 up to date, I would want someone to respect that. And
12 I've done everything that I can in my power to make sure
13 it's not violated. And the company that's not happy
14 with doing business, they're not just losing business
15 because I happen to be in business. There are over
16 3,000 companies that operate under a limousine license.
17 On top of that, there's Uber, Lyfts and all of that.
18 And one of the e-mails will show you that the hotels
19 that we work with, they're not strictly using us.
20 They're also using Seattle Express, Uber, Lyft amongst,
21 you know, as well taxi cabs and for hires, so thank you
22 for taking the time and I'm done.

23 JUDGE CHARTOFF: Okay. Thank you. So I --
24 the regulations require that I issue a decision within
25 ten days. I would like -- since there was so much

1 testimony today, I would like to ask if the parties are
2 willing to waive the ten-day requirement so I can have
3 the benefit of the transcript.

4 Would it be okay -- are the parties willing to
5 do that?

6 MR. FIKRE: I'm okay with it.

7 MR. FUKANO: Staff is willing.

8 JUDGE CHARTOFF: Okay. So I will issue a
9 decision within ten days of me getting the transcript.

10 Is there anything further?

11 MR. FIKRE: No, Your Honor.

12 JUDGE CHARTOFF: Okay. Thank you. We are
13 off the record.

14 (Proceedings concluded 10:22 a.m.)

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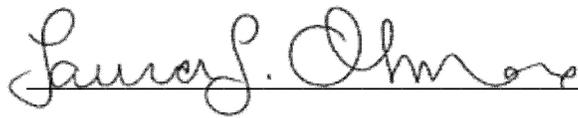
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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF KING

I, Laura L. Ohman, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing proceeding on October 25, 2018, is true and accurate to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of November, 2018.




LAURA L. OHMAN, RPR, CCR 3186

My commission expires:
MARCH 2019