

# WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

## NOTICE OF PENALTIES INCURRED AND DUE FOR VIOLATIONS OF LAWS AND RULES

PENALTY ASSESSMENT: TV-143801  
PENALTY AMOUNT: \$4,500

Adam's Moving and Delivery Service, LLC  
17355 1<sup>st</sup> Ave. N.W.  
Shoreline, WA 98177

The Washington Utilities and Transportation Commission (Commission) believes that you have committed violations of the following two rules: (1) Washington Administrative Code (WAC) 480-15-560 – Equipment safety requirements, which requires household goods carriers to comply with parts of Title 49, Code of Federal Regulations (CFR), Part 396 - Inspection, repair and maintenance; and (2) WAC 480-15-570 – Driver safety requirements, which requires household goods carriers to comply with CFR Part 391 – Qualification of drivers.

On October 27, 2014, Motor Carrier Safety Inspector Alan Dickson conducted a compliance review inspection of Adam's Moving and Delivery Service, LLC. (Adams Moving or Company). Mr. Dickson found 104 total violations – 97 of these included violations of the following critical regulations:

- **44 violations of CFR Part 391.45(a)** – Using a driver not medically examined and certified. In September 2014, four of the Company's drivers drove without the required medical certification for a total of 44 days. Driver Maurice Boulton drove nine days, driver Andrien Hawtree drove 10 days, driver Derrick Williams drove eight days, and driver Anthony Olullette drove 17 days.
- **53 violations of CFR Part 396.11(a)** – Failing to require a driver to prepare a vehicle inspection report. The Company failed to have its five drivers prepare daily vehicle inspection reports on 53 separate occasions.

Although authorized to assess \$9,700 in penalties for these violations, the Commission finds that a lesser penalty would be more appropriate based on consideration of the following factors:

1. **How serious or harmful the violation is to the public.** The violations are serious and potentially harmful to the public. Drivers who are not medically certified put the traveling public at risk. If there is an undocumented medical condition, this could present serious safety concerns. In addition, vehicles that are not periodically inspected could potentially harm the public in the event of a malfunction or mechanical problem during transit.

2. **Whether the violation is intentional.** Considerations include:

- Whether the Company ignored staff's previous technical assistance; and
- Whether there is clear evidence through documentation or other means that show the company knew of and failed to correct the violation.

In November 2013, Company owner Adam French attended the Commission's household goods industry training. The training reviews the requirements for driver qualifications and outlines the requirements of the daily driver vehicle inspection report. Commission staff does not believe that the Company ignored previous technical assistance. Staff believes the violations are based on lack of oversight by the Company owner and do not appear to be intentional.

3. **Whether the company self-reported the violation.** Adam's Moving did not self-report these violations.
4. **Whether the company was cooperative and responsive.** Adam's Moving has been cooperative with Commission staff. The Company provided a compliance plan addressing each violation and provided clarifying information for future compliance within 15 days of the review, as requested by staff. While the compliance plan does not fully explain the steps that will be taken to ensure future compliance, Staff will re-inspect in six months to determine if the Company's compliance plan has been effective.
5. **Whether the company promptly corrected the violations and remedied the impacts.** Adam's Moving has assured staff that it has corrected the violations noted in the October 2014 compliance review.
6. **The number of violations.** Staff is concerned with the high number of critical violations noted in the compliance review. While the Company received a satisfactory safety rating, staff will re-inspect the drivers and the vehicles in six months to ensure the Company has corrected the violations.
7. **The number of customers affected.** Customers were not affected by these violations.
8. **The likelihood of recurrence.** Commission staff will conduct a follow-up inspection in approximately six months. Staff expects the Company will improve its safety management controls and avoid recurrence of these critical violations.
9. **The company's past performance regarding compliance, violations, and penalties.** The Company's last compliance review was conducted in 2006 and resulted in a satisfactory safety rating. During that inspection, UTC Inspector Leon Macomber found that one driver was not medically examined and certified. Adam's Moving has had no safety compliance issues with the Commission since that time.

9. **The company's existing compliance program.** The Company provided a compliance plan addressing each violation and provided clarifying information for future compliance. While the plan does not fully explain the steps that will be taken to ensure future compliance, staff will re-inspect in six months to determine if the Company's compliance plan has been effective.
10. **The size of the company.** Adam's Moving reported approximately \$886,000 in gross intrastate operating revenue for 2013.

The Commission's Enforcement Policy outlines that some Commission requirements are so fundamental to safe operations that the Commission may issue penalties for a first-time violation, even if staff has not previously provided technical assistance on specific issues.<sup>1</sup>

The Commission has weighed these factors and determined that Adam's Moving should be penalized \$4,500 as follows:

- **\$100 for one violation of WAC 480-15-560, which adopts CFR Part 396,** as follows:
  - **One violation of CFR Part 396.11(a) – Failing to require a driver to prepare a vehicle inspection report.** The Company failed to have all five drivers prepare daily vehicle inspection reports 53 times during the month of September 2014. This is a critical regulation but these are first-time violations, so we assess a penalty of \$100 for one violation of this type. Future violations of this regulation will result in penalties assessed for each violation.
- **\$4,400 for violations of WAC 480-15-570, which adopts CFR Part 391,** as follows:
  - **44 violations of CFR Part 391.45(a) – Using a driver not medically examined and certified.** Four drivers drove a total of 44 times during the month of September 2014. These are first-time violations, but the Commission grants no leeway with this type of violation. Drivers who are not medically certified put the traveling public at risk.

This information, if proved at a hearing and not rebutted or explained, is sufficient to support the penalty assessment.

Your penalty is due and payable now. If you believe the violations did not occur, you may request a hearing to contest the penalty assessment. The Commission will grant that request only if material issues of law or fact require consideration of evidence and resolution in a hearing. A request for a hearing must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. If there is a reason for the violations that you think should excuse you from the penalty, you may ask for mitigation

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<sup>1</sup> Docket A-120061 – Enforcement Policy of the Washington Utilities & Transportation Commission – Section V.

(reduction) of this penalty through evidence presented at a hearing or in writing. A request for mitigation must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. See RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation or application for mitigation in a Brief Adjudicative Proceeding before an administrative law judge. The administrative law judge will consider the evidence and will notify you of his or her decision.

**You must act within 15 days after receiving this notice** to do one of the following:

- Pay the amount due.
- Request a hearing to contest the occurrence of the violations.
- Request mitigation to contest the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, Post Office Box 47250, Olympia, Washington 98504-7250, **within FIFTEEN (15) days** after you receive this notice.

**If you do not act within 15 days**, the Commission may refer this matter to the Office of the Attorney General for collection. The Commission may then sue you to collect the penalty.

DATED at Olympia, Washington, and effective, November 19, 2014.

GREGORY J. KOPTA  
Administrative Law Judge

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**  
**PENALTY ASSESSMENT TV-143801**

**PLEASE NOTE:** You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

- 1. **Payment of penalty.** I admit that the violation occurred and enclose \$ \_\_\_\_\_ in payment of the penalty.
  
- 2. **Request for a hearing.** I believe that the alleged violation did not occur for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge:
  
- 3. **Application for mitigation.** I admit the violation, but I believe that the penalty should be reduced for the reasons set out below:
  - a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision
  - OR  b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: \_\_\_\_\_ [month/day/year], at \_\_\_\_\_ [city, state]

\_\_\_\_\_  
Name of Respondent (company) – please print

\_\_\_\_\_  
Signature of Applicant

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RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”