

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

**PENALTY ASSESSMENT: TE-210120
PENALTY AMOUNT: \$2,000**

Explorers 3, LLC,
d/b/a Evergreen Escapes
2960 4th Ave. S, Ste. 115
Seattle, WA 98134

The Washington Utilities and Transportation Commission (Commission) believes Explorers 3, LLC, d/b/a Evergreen Escapes, (Evergreen Escapes or Company) violated Washington Administrative Code (WAC) 480-30-221, Vehicle and Driver Safety Requirements, which adopts Title 49 Code of Federal Regulations (49 CFR) Part 391 – Qualification of Drivers and 49 CFR Part 396 – Inspection, Repair, and Maintenance.

Revised Code of Washington (RCW) 81.04.405 allows penalties of \$100 for each violation. In the case of an ongoing violation, every day's continuance is considered a separate and distinct violation.

On February 17, 2021, Commission Motor Carrier Investigator Edward Steiner completed a routine safety investigation of Evergreen Escapes and documented the following violations:

- **Eighteen violations of 49 CFR § 391.15(a) – Using a disqualified driver.** Evergreen Escapes allowed driver Janice Simmons to operate a commercial motor vehicle with a suspended driver's license on 18 occasions between July 25 and November 9, 2020. Janice Simmons' driver's license was suspended on March 10, 2020.
- **One violation of 49 CFR § 391.45(a) – Using a driver not medically examined and certified.** The Company allowed driver Sean Petersmark to operate a commercial motor vehicle without a valid medical certificate on November 3, 2020.
- **Three violations of 49 CFR § 396.17(a) – Using a commercial motor vehicle not periodically inspected.** Evergreen Escapes failed to have an annual inspection performed on three commercial motor vehicles.

The Commission considered the following factors in determining the appropriate penalties for these violations:

1. **How serious or harmful the violations are to the public.** The violations noted are serious and potentially harmful to the public. Passenger transportation companies that: (1) use drivers with suspended licenses, (2) use drivers that are not medically examined and certified, and (3) use commercial motor vehicles that have not been inspected put their customers and the traveling public at risk. These violations present significant safety concerns.

2. **Whether the violations were intentional.** Considerations include:

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

On February 10, 2014, the Commission received the Company's application for charter and excursion carrier services. In the application, Evergreen Escapes acknowledged its responsibility to understand and comply with applicable motor carrier safety regulations. On February 13, 2014, Staff provided new entrant safety regulation training to the Company.

On July 20, 2016, Staff completed a routine safety investigation of Evergreen Escapes and documented 55 violations of 391.45(a). The Company knew or should have known about these requirements.

3. **Whether the Company self-reported the violations.** Evergreen Escapes did not self-report these violations.
4. **Whether the Company was cooperative and responsive.** The Company was cooperative throughout the safety investigation and expressed a desire to come into compliance.
5. **Whether the Company promptly corrected the violations and remedied the impacts.** Evergreen Escapes obtained a valid medical certificate for driver Sean Petersmark on January 14, 2021. The Company has not provided Staff with evidence that it corrected the other violations.
6. **The number of violations.** Staff identified 12 violation types with a total of 50 individual occurrences.
7. **The number of customers affected.** Evergreen Escapes traveled 22,295 miles in 2020. These safety violations presented a public safety risk.
8. **The likelihood of recurrence.** Staff provided technical assistance with specific remedies to help the Company assess how well its safety management controls support safe operations and how to begin improving its safety performance. The Company was cooperative throughout the safety investigation and expressed interest in coming into compliance. Despite the repeat violation of using a driver not medically examined and certified, Staff believes the likelihood of recurrence is low.
9. **The Company's past performance regarding compliance, violations, and penalties.** On April 21, 2014, the Commission suspended the Company's authority to provide charter and excursion carrier services for failing to file acceptable proof of insurance in Docket TE-140655. The suspension was lifted on April 22, 2014.

On August 16, 2016, the Commission assessed a \$5,500 penalty against Evergreen Escapes in Docket TE-160946 for safety violations of WAC 480-30-221. On September 7, 2016, the Commission entered Order 01 and reduced the penalty to \$3,000. The Company paid the penalty in full.

On June 20, 2017, the Commission assessed a \$250 penalty against Evergreen Escapes in Docket TE-170616 for failing to file an annual report and pay regulatory fees by the due date. The Company paid the penalty in full.

10. **The Company's existing compliance program.** Kenzi Lacey, General Manager of Evergreen Escapes, is responsible for the Company's safety compliance program.

11. **The size of the Company.** Evergreen Escapes currently operates four commercial motor vehicles and employs five drivers. The Company reported \$176,512 in gross revenue for 2020.

The Commission's Enforcement Policy provides that some Commission requirements are so fundamental to safe operations that the Commission will issue mandatory penalties for each occurrence of a first-time violation.¹ The Commission generally will assess penalties by violation category, rather than per occurrence, for first-time violations of those critical regulations that do not meet the requirements for mandatory penalties. The Commission will assess penalties for any equipment violation meeting the Federal Motor Carrier Safety Administration's "out-of-service" criteria and also for repeat violations of critical regulations, including each occurrence of a repeat violation.

The Commission has considered these factors and determined that it should penalize Evergreen Escapes \$2,000, calculated as follows:

- Eighteen violations of 49 CFR § 391.15(a) – Using a disqualified driver. The Commission assesses a penalty of \$100 for each occurrence of this acute violation, for a total of \$1,800.
- One violation of 49 CFR § 391.45(a) – Using a driver not medically examined and certified. The Commission assesses a penalty of \$100 for this repeat violation.
- Three violations of 49 CFR § 396.17(a) – Using a commercial motor vehicle not periodically inspected. The Commission assesses a "per category" penalty of \$100 for these first-time violations.

This information, if proven 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 any or all of the violations did not occur, you may deny committing the violation(s) and contest the penalty through evidence presented at

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

a hearing or in writing. Alternatively, if there is a reason for any or all of the violations that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. The Commission will grant a request for hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request to contest the violation(s) or for mitigation of the penalty 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(s) 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 their decision.

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

- Pay the amount due.
- Contest the occurrence of the violation(s).
- Admit the violations but request mitigation of the penalty amount.

Please indicate your selection on the enclosed form and submit it electronically through the Commission's web portal **within FIFTEEN (15) days** after you receive this notice. If you are unable to use the web portal, you may submit it via email to records@utc.wa.gov. If you are unable to submit the form electronically, you may send a paper copy to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, Washington 98504-7250.

If you do not act within 15 days, the Commission may take additional enforcement action, including but not necessarily limited to suspending or revoking your certificate to provide regulated service, assessing additional penalties, or referring this matter to the Office of the Attorney General for collection.

DATED at Lacey, Washington, and effective March 3, 2021.

/s/Rayne Pearson
RAYNE PEARSON
Director, Administrative Law Division

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PENALTY ASSESSMENT TE-210120

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 violations occurred and enclose \$2,000 in payment of the penalty.

2. **Contest the violation(s).** I believe that the alleged violation(s) did not occur for the reasons I describe below (**if you do not include reasons supporting your contest here, your request will be denied**):

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.

3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below (**if you do not include reasons supporting your application here, your request will be denied**):

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

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.”