

Docket No. TE-161295 - Vol. I

In re the Application of Go VIP, LLC, d/b/a Go VIP
Seattle

April 20, 2017



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1 BEFORE THE WASHINGTON
2 UTILITIES AND TRANSPORTATION COMMISSION

3
4 In re Application of) DOCKET NO. TE-161295
5 Go VIP, LLC d/b/a Go VIP)
6 Seattle)
7 For a certificate to operate)
8 as a charter and excursion)
9 carrier)
10
11 BRIEF ADJUDICATIVE PROCEEDING, VOLUME I
12 Pages 1-129
13 ADMINISTRATIVE LAW JUDGE RAYNE PEARSON

14 9:00 A.M.
15 APRIL 20, 2017

16 Washington Utilities and Transportation Commission
17 1300 South Evergreen Park Drive Southwest
18 Olympia, Washington 98504-7250

19
20
21
22
23 Taken Before:
24 Laura A. Gjuka, CCR #2057
25 Certified Shorthand Reporter

Page 2

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1 OLYMPIA, WASHINGTON; APRIL 20, 2017.
2 9:07 A.M.
3 --o0o--
4 P R O C E E D I N G S

5
6 JUDGE PEARSON: Good morning. Today is
7 Thursday, April 20th, 2017. The time is just after
8 9:00 a.m. This is Docket TE-161295, which is an
9 application for a charter party and excursion carrier
10 certificate filed by Go VIP, LLC. My name is
11 Rayne Pearson. I'm the Administrative Law Judge
12 presiding over the adjudicative proceeding. Let's take
13 appearances from both parties and then we will talk
14 about how we will proceed this morning. So let's start
15 with commission staff.

16 MR. ROBERSON: Good morning. Assistant
17 attorney general Jeff Roberson, commission staff. My
18 address is 1400 South Evergreen Park Southwest,
19 PO Box 40128, Olympia, Washington 198504. My phone
20 number is area code 360-664-1188. And my email address
21 is jroberson@utc.wa.gov.

22 JUDGE PEARSON: Okay. And for the
23 company, if you can state your first and last name,
24 spelling your last name, and provide your address,
25 telephone number, and email address.

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1 MR. VALENTINETTI: I'm sorry. I wasn't
 2 paying attention. I thought we were going to hear from
 3 that person.
 4 JUDGE PEARSON: We are taking appearances
 5 for the record. So you need to state your name and
 6 spell your last name, and give us your address, phone
 7 number, and email address.
 8 MR. VALENTINETTI: Steve Valentinetti for
 9 Go VIP, 14644 Ninth Avenue Southwest, Seattle 98166. My
 10 email address is steve@go-VIP.us. Phone number is
 11 206-242-2000.
 12
 13 JUDGE PEARSON: Can you spell your last
 14 name?
 15 MR. VALENTINETTI:
 16 V-a-l-e-n-t-i-n-e-t-t-i.
 17 JUDGE PEARSON: Okay. Thank you. So I
 18 have just briefly provide a roadmap for today's brief
 19 adjudicative proceeding. We are here today because the
 20 commission issued a notice of intent to deny the
 21 company's application for a charter party and an
 22 excursion carrier certificate for failure to meet the
 23 application requirements.
 24 And Mr. Valentinetti, you requested a hearing to
 25 have an opportunity to respond to the allegations and

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1 explain why the application should be approved. So
 2 after Mr. Roberson gives a brief overview of staff's
 3 case, you'll go first and present your case. And then
 4 after that, both parties will have a chance to make
 5 closing statements. You will also, after Mr. Perkinson
 6 testifies, have an opportunity to ask him questions,
 7 just as Mr. Roberson will have an opportunity to ask you
 8 questions. Okay?
 9 MR. VALENTINETTI: And we have witnesses.
 10 At what time will they go? I think Mr. Ferguson is on a
 11 timeframe.
 12 JUDGE PEARSON: During your turn.
 13 MR. FERGUSON: I am here forever.
 14 JUDGE PEARSON: Mr. Roberson will make a
 15 brief opening statement, and then you'll get to go and
 16 do your testimony and call your witness at that time.
 17 MR. VALENTINETTI: Okay.
 18 JUDGE PEARSON: Go ahead.
 19 MR. ROBERSON: Good morning. As you've
 20 noted, we are here because Go VIP has requested a
 21 hearing after the commission issued a notice of intent
 22 to deny their application for operating authority for it
 23 operating as a charter and excursion carrier.
 24 Staff recommended that the Commission deny the
 25 application for two reasons: First, Mr. Valentinetti

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1 has owned and operated two other companies, AMI
 2 Coaches, LLC and Airline Shuttle, Inc., both of which
 3 are under federal out-of-service orders because of
 4 safety violations, which produced unsatisfactory safety
 5 ratings for both companies. That indicates a lack of
 6 safety fitness, which should cause the commission to
 7 deny the application.
 8 Independently, Go VIP appears to be an attempt to
 9 evade the out-of-service orders affecting those two
 10 companies. Essentially it's a reincarnation of those
 11 companies. Federal regulations incorporated by the
 12 commission prevent that kind of evasion.
 13 JUDGE PEARSON: Okay. Thank you.
 14 Mr. Valentinetti, if you would like to make an opening
 15 statement, you can do so. Or I can swear you in and you
 16 can start your testimony.
 17 MR. VALENTINETTI: I'll make an opening
 18 statement.
 19 JUDGE PEARSON: Okay.
 20 MR. VALENTINETTI: Steve Valentinetti or
 21 myself did own Airline Shuttle and AMI Coaches.
 22 Airline Shuttle was the longest operating company out of
 23 Seatac Airport. And for the record, it has never had an
 24 accident or a violation until the WUTC's unwarranted
 25 attack in 2014 -- '13, make that.

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1 Our safety record is not only the best in the state,
 2 but probably the best in the country. Not sure who the
 3 people in this room are, but I assume it's
 4 Evergreen Trails and Gray Line, who has weekly
 5 accidents. Ride the Ducks, who kills people and is back
 6 on the road has 400 violations. We are AMI Coaches and
 7 Airline Shuttle, who has never had an accident. And I'm
 8 talking about a fender-bender. Never.
 9 The violations that were assessed against
 10 AMI Coaches and Airline Shuttle were false and it was an
 11 attack by the DOT. We're here today to try and get
 12 Go VIP on the road and give the DOT an opportunity to
 13 back down from their reckless disregard for the law and
 14 personal attacks.
 15 But we're also here to establish for the record
 16 we'll address every violation that's been assessed
 17 against AMI Coaches and Airline Shuttle and dispel all
 18 of those. At the end of today, if there is any negative
 19 impact after we've proved, we're going to continue it,
 20 we're going to call that continuing discrimination.
 21 This isn't a "black lives matter" thing. This is
 22 everybody follows the law equally, whether you're
 23 Gray Line, whether you're MTR, Starline or
 24 Airline Shuttle or Go VIP. Everybody follows the same
 25 laws. And already, right this second, four minutes into

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TESTIMONY OF VALENTINETTI

1 it, we're sure that Airline Shuttle has the best safety
 2 record of anyone that's ever been in this office.
 3 Unquestionable. And any time someone wants to deny
 4 that, please tell me a company that's gone 24 years
 5 without an accident. Thank you.

6 JUDGE PEARSON: Okay. And would you like
 7 to present testimony at this time, because I can swear
 8 you in.

9 MR. VALENTINETTI: Sure.

10

11 STEPHEN VALENTINETTI, having been first duly sworn by
 12 the Administrative Law Judge to
 13 tell the truth, the whole truth,
 14 and nothing but the truth, was
 15 examined and testified as follows:

16

17 JUDGE PEARSON: Thank you. So if you want
 18 to go ahead and present your case for why your
 19 application should be granted.

20

21 TESTIMONY OF STEVE VALENTINETTI

22

23 MR. VALENTINETTI: Like I said before, we
 24 would like to -- that's the end of the story why it
 25 should be granted. But we've received the negative

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TESTIMONY OF VALENTINETTI

1 letter from Mr. Perkinson, and it's not personal. We
 2 received a negative letter from the WTC, which affects
 3 our ability to get insurance. It affects our ability to
 4 get contracts. It affects our ability to work in the
 5 future again.

6 It happened three years ago. It actually happened
 7 in the year 2000, but now it's happening again. So
 8 we're going to address everything that's on that letter,
 9 plus a little more. So if you would like me to start
 10 with that.

11 JUDGE PEARSON: Please.

12 MR. VALENTINETTI: I'll give you a history
 13 of Airline Shuttle. It started in 1989 at
 14 Seatac Airport. We started with just a few vans. We've
 15 always had insurance. We've always had qualified
 16 drivers. We've had drug and alcohol testing before
 17 there was an FMCSA, before you people knew what it was,
 18 before most of you probably had jobs.

19 We've never had an accident. We moved airline crew.
 20 I'll just talk about Airline Shuttle for right now,
 21 because there is two companies that we're talking about.
 22 I think that probably very quickly we can dispel that,
 23 not only are we a safe company and we're not trying to
 24 evade, and I'm going to address that to Mr. Roberson.
 25 But really the UTC and the FMCSA don't have jurisdiction

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TESTIMONY OF VALENTINETTI

1 over it.

2 And thank goodness we have the state patrol here to
 3 help, in case -- me and Mr. Perkinson have already
 4 talked about it, but I still want to address those
 5 accused violations anyway, since they continue to affect
 6 us, and that's why we're here in this meeting.

7 Airline Shuttle -- well, let me back up and continue
 8 the story. Airline Shuttle started in 1989; operated
 9 fantastically until 2014. We did almost every airline
 10 crew at Seatac Airport during the late '90s and the
 11 early 2000, until about 2005, where we did 145 runs a
 12 day to downtown Seattle from Seatac Airport with airline
 13 crew.

14 After 9/11, the Twin Towers, the airlines had
 15 trouble. So they couldn't all pay their bills or they
 16 didn't want to. One or the other. But with filing
 17 bankruptcy, we lost some accounts and it was spooling
 18 down.

19 They asked us to work cheaper. And since we are a
 20 company that prides ourselves on being safe and doing
 21 the right thing and having great equipment, we said, No.
 22 This is the number that we need to have windshields, to
 23 have brakes, to have tires, to pay our people good so we
 24 can hire quality drivers. As the airlines dropped off,
 25 we just let that happen.

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TESTIMONY OF VALENTINETTI

1 And basically by 2007 we had -- I believe it was
 2 2007 -- two airlines left that we were transporting.
 3 And those were two international carriers. And that
 4 allowed me to travel -- at the end of almost 20 years at
 5 the time, that allowed me to travel around the world and
 6 take on professionals for a different professional sport
 7 so I didn't have to be there.

8 In 2011, we started AMI Coaches. I came back, I'm
 9 done with professional sports, sport car racing. I came
 10 back, I bought a motor coach and I thought, Oh, this is
 11 nice. I'm going to do motor coaches, I think. And we
 12 started that business.

13 And because of the poor competition -- and when I
 14 say poor, I don't mean financially poor, I mean poor
 15 service that is offered because there is no competition
 16 at the level that it should be for motor coaches, there
 17 is not enough people that have the money to get into
 18 that business -- it was easy for AMI Coaches to grow
 19 very quickly. AMI Coaches within three months secured
 20 the cruise ship contract going from Seatac Airport to
 21 the downtown pier cruise ship. We worked for Microsoft,
 22 Amazon, Seattle Sounders, Seattle U, University of
 23 Washington with no negative impact, no breakdowns, no
 24 anything that would be a negative thing.

25 On April 8th, 2013, about four months into our

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TESTIMONY OF VALENTINETTI

1 business with AMI Coaches, we had gone to Amtrak and
 2 said we have buses. We didn't know that they bussed all
 3 the time at the time, but we told them we did. And so
 4 Amtrak said we have a long list of bus companies that we
 5 call when there is some kind of an emergency and you are
 6 last on the list. We said, Okay, great. We're new.
 7 That's fine.
 8 And April 8th there was a mudslide in Mukilteo. And
 9 they called down their list. And since we're an airline
 10 crew company -- and the other company,
 11 Airline Shuttle -- we have to be quick responding and
 12 have people on call and on duty all the time. You know,
 13 we work from -- Airline Shuttle is used to working from
 14 4:00 in the morning until 1:00 in the morning. You
 15 know, we have people that are on call to do that.
 16 So when Amtrak called us and said, We have an
 17 incident in Mukilteo, can you send two motor coaches?
 18 We said, Sure, we can do that. We were there in
 19 45 minutes. They were shocked. They said, It takes
 20 your competitors four hours to get here. And I said,
 21 Why? And they said, We don't know why, but it does.
 22 We picked up the passengers. We helped with the
 23 removal of passengers off the train through the mud. We
 24 transported those passengers to Seattle's King Street
 25 Station; where our competitors then had buses and

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1 complained that Amtrak was using us instead of them;
 2 where our competitors then transported the people that
 3 were going beyond Seattle to Portland.
 4 Amtrak put our coaches on standby. We stood by at
 5 our office, which is about eight miles away from the
 6 King Street Station. So we let our drivers go and just
 7 stayed on call, and our drivers can respond in ten
 8 minutes.
 9 MR. ROBERSON: Objection, relevance. I'm
 10 not sure how any of this is relevant to what's at issue
 11 here today.
 12 MR. VALENTINETTI: This is one of the
 13 violations, Mr. Roberson.
 14 JUDGE PEARSON: Which violation? What do
 15 you mean "one of the violations"?
 16 MR. VALENTINETTI: This is one of AMI's
 17 violations and the reason we're here today. That's the
 18 relevance.
 19 JUDGE PEARSON: You're saying AMI Coaches
 20 violated --
 21 MR. VALENTINETTI: In two more minutes
 22 you'll get it.
 23 JUDGE PEARSON: Who assessed violation?
 24 MR. VALENTINETTI: The FMCSA and the WUTC.
 25 You'll get this point in two minutes. And if you don't,

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1 then you can sit me down.
 2 JUDGE PEARSON: Just try to get to it
 3 quickly.
 4 MR. VALENTINETTI: Okay. So we moved --
 5 we went to -- in four months into operation, we moved
 6 passengers from Mukilteo to downtown Seattle, King
 7 Street Station. Amtrak rewarded us, not with pay but
 8 with accolades, and said that, You guys were so good,
 9 you should bid for some of our contracts. So we said
 10 okay.
 11 So we were bidding a for a second -- because at the
 12 time we had just gotten the emergency services for
 13 Amtrak, we were bidding for a second contract, the X092
 14 contract that goes from Seattle to Bellingham. Anyway,
 15 I'll get to the point, we can come back to it later.
 16 So we're bidding for a contract, and the only
 17 complaint that we know we've gotten was from the
 18 competitors who called the WUTC, that's you guys, and
 19 said, These guys are killing us. Do something. So
 20 David Pratt, who is probably in this room, I don't know
 21 what he looks like personally.
 22 JUDGE PEARSON: He's not present. Go
 23 ahead.
 24 MR. VALENTINETTI: Okay. Wrote a letter
 25 to Amtrak and said, AMI Coaches is not qualified -- in

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TESTIMONY OF VALENTINETTI

1 short, is not qualified to operate. Use somebody else.
 2 I admit, I was very angry. We got negotiators to
 3 contact the UTC and said we would like that letter
 4 retracted since it's untrue. We got negative feedback
 5 from the UTC that, We will do what we want to do. We're
 6 the state of Washington. So we contacted attorneys to
 7 get them to do that.
 8 Then Mr. Pratt wrote a soft, soft, soft retraction
 9 of the letter. He basically wrote the same letter, and
 10 in the last sentence said, Sorry for any inconvenience.
 11 They have authority now. But in actuality, we had
 12 authority the whole time.
 13 The relevance, Mr. Roberson, is we had authority the
 14 whole time, the state attacked us with that letter,
 15 trying to stop us from the Amtrak contract that was
 16 coming up, and then wouldn't retract the statement.
 17 That's the relevance.
 18 And in your letter, in Mr. Perkinson's letter to me
 19 identifying the violations that we have, the UTC
 20 accidentally forgot the biggest violation that was
 21 assessed against AMI Coaches, which was a \$25,000 fine
 22 for not having authority to operate. The FMCSA carries
 23 a forward stating, Well, that's what the WUTC found,
 24 it's not us. Now you guys are saying, Well, the FMCSA
 25 are the ones that shut you guys down. It's not us.

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1 You guys are pointing fingers at each other, but it
 2 started here at the WUTC from David Pratt, David Pratt's
 3 letter and his refusal to take it back. The rest of
 4 these violations are the same thing.
 5 So Pratt's letter was May 15th, 2013. Which is --
 6 Your Honor, it's No. 12 in the exhibits there.
 7 JUDGE PEARSON: Okay. So let me just stop
 8 you for a second. We can take a look at the letter.
 9 We're not going to walk through each of the violations
 10 that were assessed by the Federal Motor Carrier Safety
 11 Administration. Those findings have been determined.
 12 We don't have jurisdiction to revisit those.
 13 MR. VALENTINETTI: They were found by your
 14 guy. They were found by the WUTC.
 15 JUDGE PEARSON: I thought you were
 16 referring to -- I don't see what you're referring to in
 17 here. I see photos and an email behind tab No. 12. And
 18 just to let you know, similarly, we're not going to
 19 revisit the past findings that the UTC made either.
 20 MR. VALENTINETTI: You asked me -- you
 21 haven't, Mr. Perkinson asked why should we not -- You
 22 have a history of noncompliance, which isn't true at
 23 all. Again, we're the safest company in the
 24 United States probably. And that sounds funny, but is
 25 there any other company that's gone 25 years? We can

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TESTIMONY OF VALENTINETTI

1 ask Mr. Ferguson. And you've listed publicly now a
 2 bunch of violations -- Mr. Ferguson's letter or
 3 Mr. Pratt, I'm not sure who wrote it -- you've said we
 4 have a history of noncompliance. We would like to
 5 address every one of those violations. And we have the
 6 evidence now to dispute every one.
 7 For instance, I'll just take one, and you've got me
 8 off track, but one is we don't have insurance. There is
 9 Mr. Ferguson and the evidence is going to show we do.
 10 JUDGE PEARSON: So just let me stop you
 11 for a second. You're saying that the violations never
 12 occurred? Are you saying that Mr. Perkinson has
 13 incorrect information about what the Feds said or are
 14 you saying what the Feds determined is incorrect?
 15 MR. VALENTINETTI: I'm saying
 16 Mr. Perkinson is a new guy to the UTC and he doesn't
 17 know what's going on here, although he is very
 18 understanding of the CFRs, the UFCs, the WACs, and the
 19 RCWs. That's correct. I'm saying that those
 20 violations -- today, if you say we don't have
 21 insurance -- you know what? If you said, Steve, you're
 22 a bus owner, do you want to shut this company down? I
 23 would shut them down. I would do what the UTC believes
 24 they are trying do here. I would follow that. But I'm
 25 here to show you and here to prove to you, with an

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1 insurance broker right here, that when the violation
 2 says you don't have insurance, you don't have an
 3 MCS-90 -- which I'm not sure anyone in this room knows
 4 what that is -- you don't have the proper level of
 5 insurance, which I think Mr. Perkinson knows, I'm not
 6 sure everyone knows what that is. I'm here to show
 7 that, guess what, we did. And so that is why -- because
 8 these violations are false, that is why Go VIP is
 9 probably the next safest company in the United States
 10 and should be turned on without any negative impact from
 11 the UTC.
 12 I'm not here to personally attack the UTC or Pratt
 13 for writing his letter. I'm here to move forward and
 14 operate a safe company, just like we did before.
 15 Your Honor, with all the respect in the world, I'm not
 16 going to allow even Mr. Perkinson, who is naive and
 17 nice, to say that we have a history of noncompliance
 18 without addressing it.
 19 JUDGE PEARSON: So again, I'm just going
 20 to stop you right there and explain that I don't have
 21 any jurisdiction to revisit the findings that were made
 22 by the Feds.
 23 MR. VALENTINETTI: I understand that.
 24 JUDGE PEARSON: So there is no point
 25 walking through each of the violations and you trying to

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1 prove that they did or not happen. I have to accept
 2 them at face value and the conclusions that were drawn
 3 by the Feds that they occurred. Period.
 4 MR. VALENTINETTI: No, the conclusions
 5 were --
 6 JUDGE PEARSON: Please don't speak over
 7 me. We have a court reporter in the room. We can only
 8 speak one at a time. I'm speaking now. I also can't
 9 revisit the findings that were made by the Commission
 10 because your opportunity to appeal those decisions has
 11 long since passed.
 12 So if you want to set out your argument why today
 13 the company that you're operating is fit to operate and
 14 show that you now have insurance and you now meet all of
 15 the safety requirements, you are welcome to do that.
 16 And I understand your position that you believe that the
 17 violations were made in error and that they didn't
 18 occur. But, again, we can't revisit that. So what you
 19 can do is show me today that you're fit to operate, that
 20 Go VIP is fit to operate and how that's true. So you're
 21 welcome to make that case.
 22 MR. VALENTINETTI: Thank you, Your Honor.
 23 I'm not asking you to revisit the violations that were
 24 made by the UTC or the FMCSA. But what I am going to do
 25 is dispel the statement on letter, which is on record

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TESTIMONY OF VALENTINETTI

1 now, that we have a history of noncompliance. And so
 2 the UTC understands, whether it is formally or
 3 informally, when the statement is made and the violation
 4 is listed you don't have the minimum levels of
 5 insurance, that I'm going to address, because we do, we
 6 did, and we do now again. That's why we're here today.
 7 If you want to say we didn't have insurance, I'm going
 8 to show you that we did.

9 And it's not from moving backwards to fix
 10 AMI Coaches, it's not to fix Airline Shuttle, it's to
 11 prove that we know what we're doing, we always knew what
 12 we were doing, and we're going to know what we're doing
 13 in the future. I'm not here today to fix AMI Coaches
 14 and Airline Shuttle. That's already ruined. It's done.
 15 It's finished. They can never come back.

16 Today it is about Go VIP. And today is about, Do we
 17 know what we're doing? Do we know what the CFRs are?
 18 Does the UTC know what they are? That's what we're here
 19 about, I believe.

20 JUDGE PEARSON: Why don't you go ahead and
 21 make your case for why Go VIP should be granted a
 22 certificate, why Go VIP is doing everything correctly.

23 MR. VALENTINETTI: Go VIP, just like
 24 AMI Coaches and just like Airline Shuttle, did
 25 everything correctly, is doing everything correctly, and

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1 just like the last two companies did also. We're here
 2 again in this meeting today because of the false
 3 accusations against AMI Coaches and Airline Shuttle.
 4 And I know that the people in this room, if you come to
 5 these hearings very often, you're used to hearing like
 6 the guy who owns Ride the Ducks come in here and
 7 apologize and say, I'm sorry, you know, we killed five
 8 people. We didn't pay any insurance claims.

9 I would be too if we killed someone or if we even
 10 had an accident. I would have the same apologetic
 11 attitude. But no, instead we overpay our people, we
 12 have the best equipment, we've never had an accident,
 13 knock on wood, and we did everything right. This is an
 14 attack by the DOT.

15 And so I'm not going to apologize, and I'm not going
 16 to say that, you know, yeah, maybe we did this or not
 17 unless we did. If we made a violation, we'll pay the
 18 fine, we'll take the whatever result comes from that, as
 19 long as it's the standard that goes to every company.
 20 If it's different, meaning for three years -- and,
 21 Your Honor, I know that you're new to this part of
 22 the -- our case, for three years we have not had a
 23 chance to address any of these violations at all. Ever.
 24 And I know that sounds crazy too, but when you do a
 25 little bit of the research, you're going to find out,

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1 never have we had a hearing. And we asked for it a
 2 hundred times. And I can forward the documents to
 3 Mr. Ferguson and you can look at them.

4 I think everyone in this room would agree when you
 5 come -- especially Your Honor -- when we come to a
 6 hearing you can get discovery, you can have subpoenas,
 7 you can have witnesses like you've allowed today, which
 8 is great. But we've been held back from that for three
 9 years.

10 So we've never addressed those. And it says in your
 11 letter on the back page I looked at, Mr. Perkinson's
 12 letter, it says you have 45 days to dispute it. We
 13 didn't have 45 days, we didn't have any time.

14 JUDGE PEARSON: Which letter are you
 15 referring to? Because I'm not following what you're
 16 saying.

17 MR. VALENTINETTI: Mr. Perkinson's -- is
 18 this your letter, Mr. Perkinson?

19 MR. PERKINSON: Yes.

20 JUDGE PEARSON: Do you have a copy of
 21 that? Is it in the binder?

22 MR. ROBERSON: It's exhibit MP-5.

23 JUDGE PEARSON: Let me get that out. So
 24 this is from January 11th of 2107. And this is --
 25 you're looking at the memo from Mr. Perkinson to

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1 Mr. Pratt?

2 MR. VALENTINETTI: I'm looking at the back
 3 page -- specifically, right now, I'm looking at the back
 4 page that says, "Go VIP appears to have a history of
 5 noncompliance with regulatory," you know, which Go VIP
 6 has never operated yet. But I think what Mr. Perkinson
 7 meant was Airline Shuttle and AMI Coaches. "Go VIP
 8 plans on offering school services, airline flight crew,
 9 cruise ship transfers, which is similar." That's true.
 10 We are going to do that. And those are services that
 11 are -- that were previously done by both AMI Coaches and
 12 Airline Shuttle.

13 And before I forget, I want to get it out of the way
 14 because it makes me angry. When Mr. Roberson says we're
 15 trying to evade -- I'm not sure how you put it,
 16 Mr. Roberson. But I used my name. I used my address.
 17 I used our office. We're using the same vehicles. It
 18 has been three years where we've been shut down. Evade,
 19 that did I put Steve Valentinetti instead of Stephen? I
 20 put all of the honest stuff down on the application.

21 And we think that after three years -- number one,
 22 after three years maybe you guys get it. And secondly,
 23 after three years there is a different group in this
 24 office now than there was back then. Meaning, a guy
 25 like Mr. Perkinson, who does understand the WACs and the

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1 RCWs, the UCSs and the CFRs. And thank goodness we have
 2 a state patrol here too, we would like to talk to a
 3 little bit.

4 JUDGE PEARSON: He's not a witness and you
 5 can't call him as a witness.

6 MR. VALENTINETTI: What's he doing?

7 JUDGE PEARSON: He's here for security.
 8 We always have those at hearings.

9 MR. VALENTINETTI: Real quickly. On these
 10 violations, we can get rid of nine of them in one swoop.

11 MR. ROBERSON: Objection. I think
 12 Mr. Valentinetti is collaterally estopped from
 13 relitigating those violations. There has been a final
 14 finding by the FMCSA. I mean, they happened. It's not
 15 for him to relitigate them in this forum.

16 JUDGE PEARSON: I agree, so I'm going to
 17 sustain the objection.

18 MR. VALENTINETTI: They haven't happened
 19 and there is not a final order on that.

20 JUDGE PEARSON: Mr. Valentinetti, you need
 21 to not speak over people. I've told you that already.
 22 I guess I have a couple of questions for you. Do
 23 you have more that you want to present?

24 MR. VALENTINETTI: Your Honor, I can stand
 25 here for days to show why we're a safe company.

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1 JUDGE PEARSON: Okay.

2 MR. VALENTINETTI: And I could also do the
 3 same for both Airline Shuttle or AMI Coaches. I could
 4 do this very fast, if that's what you want.

5 JUDGE PEARSON: Well, I just have a
 6 question when I'm looking at this memo. This is the
 7 first time I'm looking at this memo. It says that both
 8 companies were given an opportunity to take action with
 9 45 days to improve the safety rating. And I know from
 10 personal experience presiding over these cases that
 11 companies always have 45 days to submit a safety
 12 management plan and have that approved and have their
 13 safety rating upgraded. So are you saying that
 14 opportunity wasn't presented to you?

15 MR. VALENTINETTI: Yes, I am. And I have
 16 that evidence in that folder right here.

17 JUDGE PEARSON: Well, I'm not sure how you
 18 can have evidence of a nonoccurrence.

19 MR. VALENTINETTI: I can show you.

20 JUDGE PEARSON: Okay. Where is it?

21 MR. VALENTINETTI: As I'm looking for it,
 22 to see which one it is, again we're the
 23 longest-operating company at Seatac Airport. We were.
 24 And it also bothers me that the UTC thinks that
 25 we're not smart enough to challenge false violations

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1 within 45 days.

2 Your Honor, do you have another question while I dig
 3 for it?

4 JUDGE PEARSON: No, I'm just curious about
 5 that. Is it in Staff's exhibits?

6 MR. ROBERSON: No.

7 JUDGE PEARSON: No? So I guess I will
 8 say, Mr. Roberson, in Mr. Perkinson's memo on the last
 9 page, page 4, he said, (as read) "I believe it's in the
 10 interest of public safety to request that Go VIP submit
 11 a letter explaining any affiliations and any compliance
 12 history. The letter should explain why the company
 13 believes its compliance history should not have any
 14 bearing on the consideration of its pending
 15 application."

16 So to a certain extent I want to allow
 17 Mr. Valentinetti to make that argument of why the
 18 compliance history should not have any bearing on the
 19 consideration of his pending application. However, like
 20 Mr. Roberson said, Mr. Valentinetti, we cannot
 21 relitigate the findings that were made by the Federal
 22 Motor Carrier Safety Administration.

23 So it sounds to me, Mr. Valentinetti, like your
 24 position is this compliance history should not have any
 25 bearing on the present application because it didn't

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1 happen. That's your contention?

2 MR. VALENTINETTI: Your Honor, my
 3 contention is that -- it's two things. I don't want you
 4 to revisit. I know you don't have the authority to. I
 5 would love to do that. I would love to do that, but I
 6 know that's not what this hearing is about.

7 But when the WUTC makes a current statement that we
 8 have a history of noncompliance and then lists them on a
 9 paper, I want to address each one of those. And I can
 10 do it very quickly.

11 And here is the letters -- they are in that book
 12 somewhere, but I'm not sure where, because we were
 13 late -- but this is an example. This is March 7th,
 14 2014, that has -- look, they sent it UPS Ground. It's
 15 all perfect.

16 Here is the one that says -- and this is just, We
 17 want you to pay money. That's fine. Here is one that's
 18 three days later that says we're going to shut you down.

19 JUDGE PEARSON: There is the 45-day
 20 letter.

21 MR. VALENTINETTI: Yeah, but guess what?
 22 It never came. How did it come? Is there a certificate
 23 of service? No, there is nothing. It never came.
 24 That's an after-the-fact creation.
 25 And there, here is March 7th, March 10th,

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1 April 28th. It's dated April 11th. They never sent it.
 2 And then they backed up and sent it on -- they faxed it
 3 to us on April 28th and said shut down three days
 4 earlier. April 28th, they sent it; it says you're out
 5 of service. April 25th. We never had an opportunity to
 6 challenge that at all.

7 JUDGE PEARSON: So just for the sake of
 8 the record, I'll clarify what's in front of me right
 9 now. Mr. Valentinetti has given me three letters, the
 10 first of which is dated March 7th, 2014, from the US
 11 Department of transportation Federal Motor Carrier
 12 Safety Administration. And he has circled where it
 13 shows the UPS tracking number indicating that it was
 14 sent via UPS Ground service.

15 The second is a letter from March 10th, 2014, from
 16 the same office. And he is showing that -- he has put
 17 this forth to show that it doesn't have any tracking
 18 number on it or show how it was delivered.

19 And then the third is a letter from April 11th,
 20 2014, from the same office, related to the same matter,
 21 showing that this does have a UPS tracking number.

22 And your contention is that you had didn't receive
 23 the one that doesn't have a tracking number on it?

24 MR. VALENTINETTI: And, Your Honor, I want
 25 to continue -- and I thought I had it in here, but I do

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1 have it in this box if I don't. I have the UPS tracking
 2 number for that one, the April 11th letter that they
 3 really faxed us to April 28th, that they contend that
 4 gave us the time. I have the UPS tracking that said it
 5 never was delivered.

6 JUDGE PEARSON: Okay.

7 MR. VALENTINETTI: Never even attempted,
 8 and it's not that we didn't accept it. That's just part
 9 of what's going on here. I know you can't go back and
 10 revisit that. I'm not asking you to do. I just want
 11 you to get that this is not what you think it is here.

12 And I'm asking the court and Mr. Perkinson, who is new,
 13 and Mr. Roberson, who I want to know all this stuff,
 14 whether it be in a more informal hearing, I want you
 15 guys to understand what's really happening here. That's
 16 why I do want to address each one of these things.

17 It's not because I'm saying I'm perfect or my
 18 company is perfect. I'm saying that we followed all the
 19 rules. You don't get accident-free for 24 years by not
 20 following the rules. And actually, you know if -- you
 21 just don't. You have to work at. It's like sports.
 22 You work hard, you make it; you don't, you don't make
 23 it. That's what we did.

24 And so when a letter is written by the WUTC -- and
 25 nothing against Mr. Perkinson because he has a job to

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1 make sure that you don't put unsafe companies on the
 2 road, especially with the negativity that has come to
 3 AMI Coaches and Airline Shuttle. I understand why we're
 4 here. I get why we're here. I think that we should be
 5 here. Because if you guys are going to put Go VIP on
 6 the road, you should do your due diligence and find out.

7 But, likewise, if you're going to stop Go VIP and
 8 you're going to hang onto the leg of Jeff James next
 9 door, you better make sure you know who you're hanging
 10 onto and what's happened. And you should know all that
 11 stuff. We're not going to get through it all in
 12 probably today's hearing. It's impossible. But before
 13 you just -- before you grab onto that and think, Well,
 14 our office is a half block away, we better do whatever
 15 they say, you should know who you're grabbing onto
 16 first.

17 JUDGE PEARSON: Okay. So you said that
 18 you could very quickly explain the violations. How
 19 quickly can you do that? Can you do it in five minutes?

20 MR. VALENTINETTI: Probably for
 21 Airline Shuttle, yeah.

22 JUDGE PEARSON: Okay. I'll let you do
 23 that. Just because, again, the memo says the company
 24 should explain why its compliance history should not
 25 have any bearing on the consideration of the

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1 application, and I don't see a way to do that without at
 2 least letting Mr. Valentinetti briefly make his
 3 explanation as to why he thinks these violations didn't
 4 occur, or there was competitors that were out to get
 5 him, or whatever the theory is. So I'll give you five
 6 minutes.

7 MR. VALENTINETTI: Thank you, Your Honor.
 8 I have a violation list here unless you want me to use a
 9 different one, Mr. Roberson or Matt. Do you know the
 10 one I'm talking about? Is this what you have?

11 MR. ROBERSON: We have the actual safety
 12 audit report, but --

13 MR. VALENTINETTI: This is just a short
 14 list of it.

15 MR. ROBERSON: That's fine.

16 MR. VALENTINETTI: First of all -- and
 17 it's going to take more than five minutes if these guys
 18 do a little research, but I can hit my things quick
 19 while they look it up.

20 JUDGE PEARSON: Go ahead. You make your
 21 presentation.

22 MR. VALENTINETTI: Mr. Perkinson, if you
 23 could answer yes or no for me --

24 JUDGE PEARSON: No, he's not --

25 MR. VALENTINETTI: Well, he's going to let

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1 the law know, because I don't think everyone in the room
 2 knows it.

3 JUDGE PEARSON: He is not being --

4 MR. VALENTINETTI: Airline Shuttle is not
 5 regulated by the UTC; is that true or not?

6 JUDGE PEARSON: So you can make that
 7 argument. You cannot cross-examine him right now. He
 8 is not under oath. He's not on the stand. You are
 9 testifying right now, and then you will be subject to
 10 cross-examination. So you need to just put forth what
 11 facts you want me to consider.

12 MR. VALENTINETTI: Okay. Airline Shuttle
 13 is not under the regulation of the WUTC, not any way in
 14 the whole world, or the FMCSA. And that would be
 15 because of WAC 480-30-011. And I believe it's J,
 16 "Transporting transient air crew or in-transit airline
 17 passengers between an airport and temporary
 18 accommodations under an arrangement between the airline
 19 carrier and the passenger or transportation company."
 20 That is 480-30-011 and then it's number 9.

21 Then also for the federal side, it's 49 CFR 13506.
 22 Which also state that there is no regulation for airline
 23 crew transport or hotel transport. The UTC or the Feds
 24 have a year to go backwards. If they go back to the
 25 year 2000, Airline Shuttle did transport passengers back

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1 then. We had limousine permits, which is one of our
 2 exhibits. We had a limousine permit for the vehicle
 3 that we're talking about, No. 1725, which was inspected
 4 by the state patrol so they know all about it. The WUTC
 5 knows all about it. I'm going to go through the
 6 violations real quick. But the bottom line is you don't
 7 have jurisdiction over Airline Shuttle, so all those
 8 should be out.

9 "Failing to implement a random controlled substance
 10 and alcohol testing." Airline Shuttle drives one
 11 vehicle for two airline crews. There are 12 girls that
 12 come off a plane, 12 flight attendants, two times a day.
 13 And they go three miles to Southcenter, from Seatac to
 14 the hotel. The hotel pays us, not the airline. It's
 15 not direct payment. It's not even indirect payment.
 16 The payment goes from Hainan Airlines, to Nationwide
 17 Hospitality, to the hotel.

18 And for the hotel, since they don't have a big
 19 enough vehicle or someone that can lift the bags and
 20 load international crew, they said, Hey, Steve, can you
 21 move this crew for us? I said, Yes, we can do that. We
 22 work for the hotel. I have it in your -- Mr. Roberson
 23 in your book, I'm not sure which number standing here,
 24 but it shows that.

25 Anyway, the first violation is 49 CFR 382305, which

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1 is, "Failing to implement a random substance or alcohol
 2 testing program." So since I can't ask, I'll just
 3 answer for him, do you have to drug test for a non-CDL
 4 vehicle? The answer is no, you don't. Do I have a CDL
 5 Class A? Yes. Did I have a combination license from
 6 before you guys were born? Yes, which covers
 7 everything.

8 You do not have to drug test, and that's why I was
 9 hoping the state patrol could testify in case
 10 Mr. Perkinson -- of course, he knows too. You do not
 11 have to drug test a vehicle that is not a CDL vehicle.
 12 A 14-passenger hotel van is not a CDL vehicle. So
 13 violation No. 1 is out.

14 No. 2, 49 CFR 387.31, "Operating a
 15 passenger-carrying vehicle without having in effect, the
 16 required minimum levels of financial responsibility."
 17 Again, a 14-passenger van requires, if it was a motor
 18 carrier -- and it's not, it's a hotel van, so really it
 19 requires nothing. Well, it requires hotel insurance.

20 But let's say we were a motor carrier, and we
 21 weren't, it would require 1.5 million for a 14-passenger
 22 van. And I have proof in there of that, in the evidence
 23 book that you have and that Mr. Roberson has. So second
 24 one is out.

25 "Failing to maintain proof of required financial

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1 responsibility for passengers." That is
 2 49 CFR 387.31(d). We have proof of insurance, it's in
 3 the book, it's in the evidence book, and we also have
 4 Mr. Ferguson here who is a broker. That one is out.

5 The next one is, "Failing to maintain driver
 6 qualifications file for every driver employed." Now,
 7 down the road, that's impossible to prove. But we do
 8 have in our records that AMI Coaches had driver files.
 9 And since I owned both companies and our office is in
 10 the same place, one does airline crew, one does
 11 passengers. And the guys we are talking about, which is
 12 me and Jim Mondry and a couple other CDL drivers, we
 13 have drivers' files that are complete on that. The
 14 violation was written because on our driver file box it
 15 didn't separate this is Airline Shuttle, this is
 16 AMI Coaches.

17 And I'm going to throw a bone to the UTC and say, it
 18 wasn't complete complete. The reason it wasn't complete
 19 is because on my file I took a magic marker and blacked
 20 out the year I was born so my office staff didn't know
 21 how old I was. And they said, Oh, my God, look what
 22 you've done. And I said, Well, whatever, write the
 23 violation then. So anyway, that one should be out.

24 Next one, "Failing to require a driver to make a
 25 record of duty status." I think as we all know, a hotel

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1 doesn't have to do that. A hotel van doesn't have to do
 2 that. A record of duty status, for the people that
 3 don't know in this room, is for a cross-country trucker
 4 when he eats dinner in Boise and gets gas in
 5 Salt Lake City, they can track how many hours he's been
 6 on the road and make sure we know what he's doing.
 7 For a hotel van that drives 3.5 miles, we fuel that
 8 vehicle once every three weeks. There is no record of
 9 your duty status. Second of all, again, because it's
 10 not a CDL vehicle, we don't have to keep a record of
 11 duty status. Again, since it's not a CDL vehicle, if we
 12 want the front desk super model in the hotel to drive
 13 our van in the snap of our fingers, it's legal to do
 14 that. It's not a hotel van. It's not a motor carrier.
 15 It's not regulated by the State or the Feds.
 16 The next one is, "Failing to preserve records of
 17 duty status." Again, we don't save the gas receipts for
 18 it. We have a credit card slip, but we don't have the
 19 gas receipts.
 20 The next one, "Failing to keep minimum records of
 21 inspection for the vehicle." Did we get our vehicle
 22 inspected? That's another one that actually is big.
 23 Whether it's a rule or an RCW or federal rule or not, we
 24 have safe equipment. And we always get our stuff
 25 inspected in December, every vehicle we have, in

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1 December of each year, December 1st through
 2 December 30th. The Feds, did we have a federal
 3 inspection? Did we have the FMCSA come out and inspect
 4 our Airline Shuttle vehicle? No, we did not. That's
 5 what that violation is. So that one should be out.
 6 The next one, 49 CFR 396.11, "Failing to require a
 7 driver to prepare a driver vehicle inspection report. A
 8 DVIR. 49 CFR 396.11(a). A DVIR. No, Airline Shuttle
 9 doesn't require our drivers to do that. It's a hotel
 10 van, and they are within the hundred-mile restriction.
 11 It's a hotel van. They can go back and forth and do
 12 what they want. It's not regulated.
 13 The last one is 49 CFR 396.17, using a commercial
 14 motor vehicle not periodically inspected. No. 1, it's
 15 not a commercial motor vehicle by the definition of
 16 either the State or the Feds.
 17 And if you want, Your Honor, I can give you the
 18 definitions of "commercial motor vehicle."
 19 JUDGE PEARSON: I'm familiar. Thank you.
 20 MR. VALENTINETTI: Okay. It does not
 21 meet, by any standard, any -- there is three definitions
 22 of commercial motor vehicle that can be used, and none
 23 of them does it meet.
 24 So first of all, we do have them inspected. We're
 25 all about safety. We don't have them federally

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1 inspected when it is Airline Shuttle and they have
 2 nothing do with us. Thirdly, it is not a commercial
 3 motor vehicle and we did have annual inspections.
 4 In closing, on just that part, I want to say that
 5 just because you think, Oh, he's trying to slip out of
 6 it because there is no jurisdiction over
 7 Airline Shuttle, that's not the truth. Because we have
 8 AMI Coaches, the big bus company, which has absolute
 9 federal and state regulation. And we like the
 10 regulation. We like safe companies. So we do the same
 11 thing for Airline Shuttle as we do for AMI Coaches,
 12 whether it's the law or not. It's not because I think
 13 Mr. Perkinson is my dad and I want to do what he thinks;
 14 it's because we want to be safe.
 15 So we do the same thing for AMI Coaches, we follow
 16 the same roadmap for AMI Coaches which is regulated,
 17 which is regulated both by the Feds and by the State.
 18 We follow that roadmap down into Airline Shuttle, with
 19 the exception of every time someone hops in the hotel
 20 van we don't have them do DVIRs, and we don't keep fuel
 21 receipts and stuff like that for it. So really,
 22 Airline Shuttle should be completely out and off that
 23 page.
 24 Your Honor, just in case some people don't know, I
 25 don't know you and I don't know what you know. But I

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1 know the state patrol knows, and Mr. Perkinson and maybe
 2 Mr. Roberson, that really there is no jurisdiction over
 3 Airline Shuttle. So all those violations should be off
 4 the table. And it frustrates me that I can't address
 5 them more deeply --
 6 JUDGE PEARSON: I understand what you're
 7 saying, you've made your position clear, and it makes
 8 sense to me. I'm ready to move on from Airline Shuttle.
 9 MR. VALENTINETTI: Then let's go to
 10 AMI Coaches then.
 11 JUDGE PEARSON: And I need you to be a
 12 little bit quicker when you go through the ones for
 13 AMI Coaches. Keep in mind that I'm familiar with these
 14 regulations, quite familiar.
 15 MR. VALENTINETTI: Do you have that list?
 16 Did you give that to me?
 17 JUDGE PEARSON: So you don't need to
 18 explain in depth what the violations are. Just briefly
 19 walk through, and I'll give you another five minutes to
 20 do that.
 21 MR. VALENTINETTI: The first one, "Failing
 22 to implement random controlled alcohol testing." That's
 23 not true. We have it. It shows on paper. You don't
 24 want to revisit it. We're not trying to reopen AMI.
 25 But when this violation, the date that they did this was

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1 November of 2013. We have it. Drug and alcohol
 2 testing.
 3 Second one, "Knowing and permitting and allowing to
 4 operate a CMV when the driver have a current CDL or the
 5 proper endorsement." Guess what? I'm going to give you
 6 another bone. That's me. My "P" endorsement. And I
 7 think the state patrol would know for sure. I'm not
 8 sure, Matt, you've been here long enough to understand.
 9 When you have a combination license in the old days,
 10 combination means you can drive anything, truck,
 11 triples, doubles, bus, anything.
 12 Then it came to a CDL where it changes and now there
 13 is endorsements. I had every endorsement except for
 14 hazmat. And when you look backwards in the driver's
 15 license thing, you should be able to find that.
 16 And I drove for UPS for three years, you know, the
 17 big trucks. The big trucks that go down the road, not
 18 the ones that knock on your door, I drove for them. If
 19 I'm wrong or making a mistake, they must have made a
 20 mistake for three years too. So yes, we found that I
 21 personally somehow didn't have a "P" endorsement on my
 22 license. So I stopped driving until I got it back.
 23 "Making a fraudulent or intentionally false entry."
 24 This is one I want to address because it was also on
 25 Mr. Perkinson's letter, which really makes me angry so

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1 I'm going to take the most time on that.
 2 We bought one bus when we started AMI Coaches, and
 3 business came so quickly that we bought three more. And
 4 we bought them and had annual inspections by MCI, the
 5 motor coach company.
 6 They came to my office. You know, it's a used car.
 7 Being proud, we're fixing them up. We're cleaning them
 8 and doing all this stuff. And one of them had a rusty
 9 exhaust tip. So I said, Get it off and get a new one.
 10 We chopped it off -- and we had annual inspections -- we
 11 chopped it off and had a new exhaust tip that we bought
 12 from MCI. It's chrome. It's pretty. We had that. So
 13 when the inspection came out, that tip was cut off, the
 14 old one was off, and the new one was sitting in our
 15 shop. So yeah, it wasn't ready to roll down the road.
 16 So they said you fraudulently made -- that's how
 17 crazy the DOT is -- you fraudulently said this bus was
 18 ready to go. And I said we didn't say it yesterday.
 19 What happens when we come in and do an oil change two
 20 weeks from now. So you caught us with the tailpipe off
 21 and it's not welded back on. Big deal. We're upgrading
 22 this.
 23 That bus had never, ever been on the road with
 24 passengers in it. We didn't put it on service yet. Was
 25 it insured? Yes, it was, because it came across the

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1 country from MCI in Chicago to Seattle. And it had a
 2 tip on it, a nasty old one at the time. So anyway,
 3 that's the fraudulent entry. That's accusing me of
 4 making a fraudulent entry. That makes me crazy. I
 5 could really scream about that, but we're in a nice
 6 hearing and --
 7 JUDGE PEARSON: And you're running out of
 8 time.
 9 MR. VALENTINETTI: Yeah. "Using a driver
 10 before we received a negative preemployment." We hire
 11 our drivers like myself. Right this second, I drive for
 12 Clover Park School District. Which is a trick, you
 13 know. I drive the school bus, I can see everyone that
 14 drives -- we have a hundred drivers or something -- I
 15 can see who drives good and who drives bad. I can see
 16 who I want to drive for my company and who drives over
 17 curbs or drives recklessly or speeding.
 18 So our drivers come from there. First of all, we
 19 know they have it. Second of all, we a copy of their
 20 drug and alcohol test before they ever drive. So when
 21 you say that, that's right, we let a guy drive before
 22 AMI Coaches had a negative preemployment test. But the
 23 law states you've got 30 days to get your own. We got a
 24 copy of his from Clover Park School District. We put it
 25 in his file. Then if we decide to keep him after a

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1 couple days of driving, then we send him down to get his
 2 own drug test. I work with them. I know they have it.
 3 But we have the copy too.
 4 No. 5, "Using a driver not medically examined or
 5 certified." It's just not true. We always have that.
 6 That's again, we're school bus drivers then you better
 7 go off the school district. Oh, you don't have
 8 jurisdiction.
 9 "Failing to maintain inquiries to driving records
 10 and driver qualification files." That one, No. 6 is
 11 true. Did you understand what I said? I'm rambling.
 12 I'm trying to go fast.
 13 "Failing to make inquiries to a driving record."
 14 That's right. When AMI Coaches started, it was
 15 November 2011. When I hired Jim Mondry, it was -- I'm
 16 not sure what month, I think it was March 1989. So in
 17 his record, I did not have his application from 1989. I
 18 did not have his inquiry for employees from 1989. The
 19 guy had been working for me for 20 years. So yeah, I
 20 didn't have that one in his file from the date he was
 21 hired in 1989.
 22 No. 7, "Failing to require a driver to make a record
 23 of duty status." It's just not true. If we make -- our
 24 DVIRs also have -- driver vehicle inspection report --
 25 in our DVIRs we incorporate start time and finish time.

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1 Because as an employee or a driver or a bus driver or
 2 whatever you are, you don't care about the paperwork.
 3 You're just driving around. But as an employer, you do
 4 care. So in order to get these guys to fill out their
 5 paperwork correctly, we include their time that they
 6 worked on there. So that way if they don't turn in a
 7 DVIR, they don't get paid. They're working for free.
 8 When you do that, everybody does their paperwork.
 9 That's what we did. No. So to say no record of duty
 10 status, it's ridiculous.
 11 "Failing to preserve driver's records of duty status
 12 for six months. Port of Seattle trip slip was issued to
 13 the driver. Did not maintain them." That's probably
 14 true. When we go to the Port, there is a gate that goes
 15 up and down to go into the south parking lot. And when
 16 you're doing charter work, they write a slip and say
 17 Okay, bus 2 or 3, here is your thing. Yeah, we didn't
 18 have one of those. That's right. Ken McAllister didn't
 19 keep one.
 20 The next one -- there is only two more left,
 21 Your Honor. "Using a commercial motor vehicle not
 22 periodically inspected." That's just not true. We have
 23 all the inspections. Not only do we have them, but so
 24 does MCI Motor Coaches who we bought the buses from.
 25 It's just not true.

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TESTIMONY OF VALENTINETTI

1 The last one, "Failing to require a driver to make a
 2 record of duty status." Again, they are trying to
 3 switch back to the one where they are saying that the
 4 guy didn't turn in this thing. If that's true, he
 5 worked and didn't get paid. But it's just not true.
 6 We're happy to follow the rules. Not because we
 7 want to, and like I said, not because Mr. Perkinson is
 8 my dad and I have to, it's because we want to have a
 9 safe company. That's what we do. We want to keep a
 10 24-year, accident-free record going. We want to keep it
 11 forever. You know, as an owner, as an owner of the
 12 company, my fear is not do we make enough money or are
 13 my buses cool enough or is the DOT corrupt. My fear is
 14 getting a phone call 11:00 o'clock at night and finding
 15 out one of our buses is on its side like you see in
 16 California or like you see in Oregon or like you see the
 17 Ride the Ducks thing.
 18 Which I'm not making the slightest bit of fun of
 19 that, attacking the Ride the Ducks guy. I'm not doing
 20 that. It's not funny. It's horrible. It's an
 21 accident. But I'm thankful that it's never happened to
 22 AMI Coaches or Airline Shuttle.
 23 But that's my biggest fear, because I know that we
 24 follow the rules. And even when you follow the rules,
 25 sometimes accidents happen. And we've been lucky, I

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EXAMINATION OF VALENTINETTI/ROBERSON

1 admit. But to say that for the UTC, a government
 2 organization, or the FMCSA to say that you have a
 3 history of, you know, unsafe activity and fraudulent,
 4 you know, that makes me crazy.
 5 Because we are -- unless someone else knows, and
 6 when you guys get to testify, I want you to tell me a
 7 company that's gone 24 years without an accident ever.
 8 I'm not talking about an insurance claim; I'm talking
 9 about an accident.
 10 Okay. I'm done. I could continue on but --
 11 JUDGE PEARSON: I think that's good for
 12 now. At this point, I will allow Mr. Roberson to ask
 13 you questions. And then if you want to call
 14 Mr. Ferguson, you're welcome to do that at that point.
 15 So Mr. Roberson, I will turn it over to you.
 16 MR. ROBERSON: I just have a couple quick
 17 questions.
 18
 19 EXAMINATION
 20 BY MR. ROBERSON:
 21 Q So you say that between Go VIP, AMI Coaches, and
 22 Airline Shuttle, you said the same names, you are the
 23 owner and operator of all three companies?
 24 **A AMI Coaches is dead now, because our DOT number is**
 25 **revoked and we can't get insurance. The same with**

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EXAMINATION OF VALENTINETTI/ROBERSON

1 Airline Shuttle, it's dead now. And both have been
 2 three years.
 3 Go VIP, yes, I'm the owner, and yes I was the owner
 4 of AMI Coaches and Airline Shuttle.
 5 Q You also said, I believe it's a direct quote, that it
 6 would be the same offices for all three companies?
 7 **A Correct. And can I address that for just a second?**
 8 Q Yeah.
 9 **A That's correct. I bought an office building right by**
 10 **Seatac Airport. And then we got shut down and we're in**
 11 **this big fight now. I sold the company to another**
 12 **group, and the building. And in October or something,**
 13 **they couldn't make the payment anymore and so I took it**
 14 **back.**
 15 **At that point I had to make a decision: Am I going**
 16 **to stay in the bus business or am I going to hit golf**
 17 **balls and lay in bed all day. I had to weigh it, what**
 18 **am I going to do? I decided, you know what? I really**
 19 **miss this. I love the people. I like the whole**
 20 **business. I'm going to do that. Not because I need**
 21 **more money. And I'm not trying to pat myself on the**
 22 **head, but I don't need to.**
 23 **I'm -- I'm not going to say how old because I used**
 24 **to mark it out, but I could go home and ride my**
 25 **motorcycle and drive my car every day and not have to**

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EXAMINATION OF VALENTINETTI/ROBERSON

1 work. But I like this business. That's why I'm here.
 2 And people know that. That's why we get business.
 3 That's why we get those good contracts.
 4 When someone says -- and this is ten seconds of the
 5 bad part -- when someone says, We have a bachelor party
 6 and we want to go to nine bars in Seattle. We say,
 7 Okay, it's \$5,000 for the bus. They say, Well, we can
 8 get it cheaper. We say, Great go do it. Because we
 9 don't want those people. We want your mom and dad, my
 10 mom and dad, our grandparents on the bus going to a
 11 cruise ship, all happy. We want Microsoft going to a
 12 rah-rah meeting downtown. We want Amazon going to their
 13 thing. We don't want the weird people. We're just here
 14 to do good work.
 15 Q So following up on what you just said, you said you sold
 16 the company; which company did you sell and buy back?
 17 **A I sold the buses and I sold the building.**
 18 Q Okay.
 19 **A Because we have equipment.**
 20 Q So that leads, I guess, to my next question. You said
 21 it would be the same vehicles --
 22 **A I repo'd it all.**
 23 Q Okay.
 24 **A So now I have the office back which is a mess. And you**
 25 **can imagine. It's paper everywhere and stuff. And**

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EXAMINATION OF VALENTINETTI/ROBERSON

1 we're doing work to get the computer and the phone
 2 system and all that stuff back operational. I mean, it
 3 is operational, but it's not as good as we had it when I
 4 was the owner.
 5 Q Okay. And so you love your work; is it fair to say that
 6 the only way for you to engage in that line of business
 7 is to incorporate Go VIP and carry out business under
 8 its auspices?
 9 **A Well, I could sell the busses. I could sell the**
 10 **building. I could lay in bed, like I said. I don't**
 11 **want to. I can drive a school bus, which I do for a**
 12 **dollar an hour. I don't even know, but it's about a**
 13 **dollar an hour, I think. If I go to McDonald's, my**
 14 **paycheck is spent for the month. I do that because I**
 15 **like it. I like the kids. I like the organization. I**
 16 **think it's a good thing. It's a good group.**
 17 Q But you can't carry out business under AMI Coaches or
 18 Airline Shuttle, correct?
 19 **A That is correct.**
 20 Q So --
 21 **A For two reasons: One, because those businesses are dead**
 22 **because of what's happened -- not here, but starting**
 23 **here; and, number two, because today even, there is**
 24 **mudslinging, with both Airline Shuttle and AMI Coaches,**
 25 **which disallows us to be able to get the business that**

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1 we had before. Meaning, the investigators -- and I'm
 2 going to just go neutral on the thing -- went to -- and
 3 I'm going to give you a tip of the iceberg -- I'm going
 4 to try to say it politely -- went to Hainan Airlines --
 5 and yes, I'm single; yes, my girlfriend is a flight
 6 attendant for Hainan Airlines -- but the investigator
 7 went to Hainan Airlines and said, "By the way, Steve is
 8 doing one of your girls," which is Chinese. And they
 9 are way more prejudiced than anyone in this room.
 10 So can I go back and get that account? Can I go
 11 back and get that account when we've been shut down
 12 because we're unsafe? And, if you want to fly to
 13 America, you better get a different company. There has
 14 been a lot of things said that we don't have time and
 15 Your Honor has already said we're not going to address
 16 here. But, believe me, there is a ton. There is a ton
 17 of things. Could I bring those people? Some, yes, but
 18 some are from China and long gone. But I can bring
 19 those people that would say, Yeah, the guy came in the
 20 office and said this. Yeah, we can't get those accounts
 21 back. We can't. Never. It's dead.
 22 No, I can't operate AMI Coaches. I could do another
 23 corrective action plan. Which I just talked to
 24 Jeff James, the FMCSA guy. Saying, Steve, look, saying
 25 that you didn't do it, didn't work, even if it didn't

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1 work. He said, It's not me. It's not me. He's
 2 pointing the finger over here at you guys. He said, Why
 3 don't you admit all violations and we'll turn it on and
 4 just move forward. And I said, We're never going to
 5 admit things we didn't do. That will ruin our future,
 6 and it's always disrespectful to the people. You know,
 7 when -- the people that worked for me before.
 8 We had -- and I really am our worst employee. I
 9 really am. I'm a professional athlete. I'm not nice.
 10 I like the best of everything. So the people that I
 11 hired are really good. Just like this. Just like these
 12 three people right here. They are good people. When I
 13 hire drivers, I do the same. I work at the airport
 14 myself. I see who the drivers are. I see who drives
 15 safe. If I follow you for five minutes on the freeway,
 16 I know if you're a good driver or not.
 17 We hired the best people. We had retired
 18 firefighters from the City of Seattle. I had Mr. Bob,
 19 who was the "X" dinner train guy. We had great people.
 20 I had Jeff Barstow, who is a guy that's the head of the
 21 PSIA ski instructor thing. These are really good
 22 people.
 23 And for you guys to write a thing and say we have a
 24 history of noncompliance and we're unsafe just makes me
 25 crazy because I have the best people ever. And it's not

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1 because I love my company, and it's not because I love
 2 myself -- and I do, I know -- it's because we hire that
 3 way?
 4 We pay more -- I pay my drivers more than I make
 5 driving the school bus. I don't even know what I make.
 6 It's not much, though. But we pay our drivers more than
 7 that, way back before we were shut down in 2014. We
 8 have the best people. We have the best insurance. We
 9 have the best office staff. That's how you have a
 10 company that doesn't mess up.
 11 Q Okay. So given the out-of-service orders on
 12 Airline Shuttle and AMI Coaches, the only way for you to
 13 do what you love is to incorporate Go VIP and carry out
 14 business under its auspices, correct?
 15 **A The FMCSA director, do you guys know who that is? No?**
 16 Q No.
 17 **A Jeff James. He's right over here, he's your neighbor.**
 18 **He said, "Steve, if you want them to turn this on --**
 19 **I'll tell you a secret, admit all the violations and**
 20 **they will turn it on." I said, "I'm not going to do**
 21 **that no matter what." That was in a meeting two weeks**
 22 **ago. And I said, "Besides, it's dead. Our reputation**
 23 **is ruined."**
 24 **So to move forward, to answer your question, yes,**
 25 **this is the only way to move forward. So with a new**

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1 company -- and, no, we're not trying to evade anything.
 2 If you want to attack me and say, Steve, you didn't have
 3 insurance, guess what? Here is Doug.
 4 If you want to say you don't have maintenance files
 5 or drivers' files. I'll bring them. I didn't today,
 6 but I have them already for vehicles that haven't moved
 7 an inch, we haven't used.
 8 I'm happy with your investigation, Mr. Roberson. I
 9 know you think, Oh, he is trying to -- maybe the
 10 perception is this guy is trying to slip by these things
 11 because Airline Shuttle is not regulated. That's not
 12 true because AMI Coaches is heavily regulated and it
 13 should be. Airline Shuttle probably should be too, but
 14 it's not. I'm not the one that writes the laws; we just
 15 follow them. We just do whatever.
 16 So I like the fact that you guys are here. The UTC.
 17 I like that because I want other bus companies to be
 18 safe too. And there is bus companies that give us all
 19 bad reputation. You know that. You've seen the
 20 accidents.
 21 I watch TV and I think, you know, if anything good
 22 came out of -- I'm going to just tell you, if anything
 23 came out of us being shut down, one thing is the
 24 Bellingham Airporter who was involved in the Ride the
 25 Ducks thing, that was our account. Those kids from

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EXAMINATION OF VALENTINETTI/ROBERSON

1 North Seattle Community College, we did that the year
 2 before. That was our move. And I think, you know, why
 3 is this happening? Why are these guys such jerks --
 4 meaning you guys -- and I think, you know, if there is
 5 anything good came out of it, it's that my company and
 6 my people weren't involved with that.
 7 Accidents happen. It's so horrible. I just can't
 8 even imagine it. I know that the Ride the Ducks guy
 9 feels horrible. I know that Bellingham Airporter, even
 10 though they have hid under the radar, I know they feel
 11 horrible. Lots of lives were lost. Lots of damage.
 12 I'm just glad we're not involved with that.
 13 Q So let's turn to your jurisdictional argument. So your
 14 contention is that Airline Shuttle just took people from
 15 the airport to the hotel, correct? You operated it as a
 16 hotel van?
 17 **A Not even people; only crew.**
 18 Q Okay. Did you ever take them anywhere else?
 19 **A Yes.**
 20 Q Where?
 21 **A From the hotel -- okay, let's use Hainan Airlines as an**
 22 **example. Hainan Airlines is a Chinese carrier that**
 23 **flies into Seattle. So they fly there. Our little van,**
 24 **14-passenger, 12 girls get off. We pick them up. And**
 25 **you know the hotel, the real hotel van that's owned by**

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EXAMINATION OF VALENTINETTI/ROBERSON

1 the hotel is going to the airport and picking up
 2 passengers, you know, Mr. and Mrs. Smith and their three
 3 kids, and it's running around doing stuff.
 4 With an airline crew, you have to be on time, you
 5 can't say, Hey, we will be there ten minutes. They have
 6 just flown 13 hours, and they are going to scream at you
 7 like crazy. So the hotel hired us to do their airline
 8 crew transportation.
 9 So we drive to the airport. Actually, we take the
 10 crew from the hotel to the airport. Bye. See you
 11 later. Have a nice time in Beijing or Shanghai. And
 12 then we're sitting there for half an hour. And the
 13 plane in the meantime has landed and the other crew
 14 comes off the airplane and gets on the van. Hi, welcome
 15 to Seattle, and we drive them to the hotel. Okay. What
 16 are you going to do? We're going to go shopping, an
 17 outlet mall, go to Mt. Rainier, whatever. That's what
 18 they do.
 19 So then we -- since they are Chinese, and I'm not --
 20 this is going to sound like I'm prejudice now -- but
 21 since they are Chinese, they think their crew doesn't
 22 know what they are doing. They, through another
 23 company, set up, Steve, can your company take them to go
 24 eat lunch and dinner twice a day? One time lunch; one
 25 time dinner. And I said, Sure, we can do that.

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1 For sure that is not interstate. It is not
 2 anything. It's from the hotel after they change clothes
 3 and they turn into -- instead of their flight uniforms,
 4 they have been in 11 to 13 hours, they change clothes
 5 and everyone looks cute and weird. And then they come
 6 out hopping into our van. And they go 1.5 miles to the
 7 Chinese restaurant, and we sit there while they eat.
 8 And then they take them back to the hotel. Bye, have a
 9 nice day.

10 But never -- and when I say never, Jeff, I want to
 11 say that yes, if this was 2000, even 2004, yeah, if Mr.
 12 and Mrs. Smith said we need go to the airport and here's
 13 my kids and sorry we have a lot of luggage, we did that.
 14 We did that with limousine, Washington state -- it's in
 15 the book somewhere -- we did that with limousine permits
 16 through Washington state for our small vans. That's
 17 when we ran 30 vans at the time. Here it is right here.
 18 Here's a picture of it, and it's also in your book, I'm
 19 not sure which number. Yes, we used to pick up
 20 passengers.

21 But since 2009, I believe it was, and it might be
 22 '10 or it might be '08 even. Then we only pick up
 23 airline crew, and we only do it for the hotel. We never
 24 got a paycheck from anybody for Airline Shuttle within
 25 the last four years -- well, not since -- not once we

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EXAMINATION OF VALENTINETTI/ROBERSON

1 have been shut down -- but the last years of operation,
 2 our paycheck for Airline Shuttle only came from the
 3 hotel.

4 Q Okay. With regard to Airline Shuttle, you said that you
 5 only had a -- was it a 14-passenger van?

6 A Yes.

7 Q I have one question: You were cited for having -- it
 8 was one of the insurance violations with regards to a
 9 24-passenger bus.

10 A That's correct. And I'm glad you asked that question
 11 because I want to address that, and hopefully Your Honor
 12 will give me three minutes to address that.

13 JUDGE PEARSON: I can give you about one
 14 minute.

15 THE WITNESS: In 2002, Steve Valentinetti,
 16 who owns every vehicle -- you know, the company doesn't
 17 own anything else, Steve Valentinetti owns it and then
 18 leases to my company, and back in 2002, it was called
 19 Seattle Super Shuttle. So I would lease it to them,
 20 which is really my company. But I leased it to them,
 21 that way -- I just do.

22 Okay? So back in 2002 I bought this bus,
 23 24-passenger bus, CDL required, drug and alcohol really
 24 back then wasn't required but we had it anyway because I
 25 was on the US ski team, and that's what did, so we did

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EXAMINATION OF VALENTINETTI/ROBERSON

1 it. We used that for one airline crew, and that was
 2 Scandinavian Airlines who flew from wherever to Seattle
 3 and then went to the hotel. And they had 17 people. So
 4 we bought that 24-passenger bus.

5 In 2006, they stopped flying to Seattle so we parked
 6 that bus. We never used it again. It's sitting there
 7 getting dirty and nothing ever happens again. It didn't
 8 get licensed, it didn't get insured, it didn't do
 9 anything. And I have a bunch more vans still today
 10 even. Unfortunately, I have vans back in those days
 11 that don't work anymore. Well, they work, but they are
 12 not in use.

13 Then in 2011 I think, Hey, I'm going to have a bus
 14 company again -- or not again, I'm going to have a bus
 15 company. I'm going to -- because I've been tired --
 16 well, I'm not tired but I told you I raced around the
 17 world. I came back and said I'm going back to work now.
 18 I'm done racing, and I'm going to have bus company, big
 19 guys, just like MTR the buses go up and down. I think
 20 that's so cool.

21 So bus No. 1 for me, which I already owned, was the
 22 AMI Coaches 24-passenger bus. There is a picture in
 23 there, isn't there? What number is it? There is a
 24 24-passenger bus. I already own it. Steve Valentinetti
 25 is the owner in 2002, '03, '04, '05, and '06 I leased to

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EXAMINATION OF VALENTINETTI/ROBERSON

1 Airline Shuttle. But then it never worked again.

2 In 2011, still owned by Steve Valentinetti, we paint
 3 it, we beautify, we insure it, we do an annual
 4 inspection, put new tires on it, and we detailed it up.
 5 And my coaches with the VIN number, the MC number, the
 6 charter and excursion number, the gross vehicle weight,
 7 the whole deal. That's bus No. 1. I'm so happy. I'm
 8 starting a new company.

9 Then I bought bus No. 2, which is my first motor
 10 coach. And now I'm off track.

11 JUDGE PEARSON: Get to the violation.

12 THE WITNESS: The registration shows
 13 Steve Valentinetti, the owner, and it still, because I
 14 never changed it when I started the new company, shows
 15 Airline Shuttle as the registered owner.

16 Steve Valentinetti, the owner, and insured both two
 17 times -- two times, double the amount -- one by
 18 AMI Coaches, one by Steve Valentinetti. Five mill, five
 19 mill. But the registration shows leased to
 20 Airline Shuttle in 2006. My mistake. Kill me. I'm
 21 wrong. But no, we never changed it. But that's an
 22 AMI Coaches's bus. It's owned by Steve Valentinetti.

23 So the Feds were trying to say they picked one day,
 24 and they couldn't find two. We used that a thousand
 25 times a year it goes to the airport. A thousand times.

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EXAMINATION OF VALENTINETTI/ROBERSON

1 Probably really 800. Because it goes to the airport.
 2 They picked one time where they could look at the
 3 records where a flight crew was on the ground and that
 4 bus came in the airport within an hour. And they said,
 5 You used a 24-passenger bus to pick up a flight crew, so
 6 now Airline Shuttle doesn't -- a 24-passenger bus
 7 requires 5 million insurance, which we have and
 8 Mr. Ferguson can show and plus I can show you here.
 9 That bus was -- that particular bus exactly was insured
 10 for, both AMI Coaches and Steve Valentinetti, for
 11 5 million, including an MCS-90B, which is the form you
 12 have to have. And with the actual VIN number right on
 13 there, which I can show you in a second, that proves
 14 that bus is insured and run and operated by AMI Coaches.
 15 But the Feds, in trying to get us, said, Well, we think
 16 the airline crew got on that bus because it was within
 17 an hour of the pickup time. And I said, No, why would
 18 we pick up airline crew, No. 1, with the big bus?
 19 No. 2, the entry to the gate shows two different times.
 20 That's in there too. It takes too long to explain.
 21 But really the point is -- let me get to the end of
 22 it. If we wanted to pick up airline crew with that bus;
 23 too bad, we can. If we want to pick up the president;
 24 we can. AMI Coaches had every authority to do it. But
 25 the point is we didn't. We sent the normal crew bus

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EXAMINATION OF VALENTINETTI/JUDGE PEARSON

1 that picks up the crew every day. And AMI Coaches went
 2 and picked up normal passengers -- you know what I mean?
 3 Normal passengers for AMI Coaches, airline crew, airline
 4 bus. 1.5 mill for the airline crew bus because it's
 5 small, no CDL. 5 million for everything else. And
 6 that's why Mr. Ferguson is here today.
 7 JUDGE PEARSON: Got it.
 8 THE WITNESS: Okay.
 9 MR. ROBERSON: I think I'm done, I think.
 10 THE WITNESS: Jeff, I want to give you a
 11 hug. I'm listening to myself. I'm yelling at you. I
 12 don't mean to yell at you.
 13 MR. ROBERSON: It's totally fine.
 14
 15 EXAMINATION
 16 BY JUDGE PEARSON:
 17 Q I have one question for you. So your position is that
 18 Airline Shuttle is not subject to any regulation,
 19 federal or state? Did Airline Shuttle have a
 20 certificate with the Commission?
 21 **A No.**
 22 Q Airline Shuttle did not? Did AMI Coaches have a
 23 certificate?
 24 **A Yes.**
 25 Q Okay. And AMI Coaches was the more recent of the two?

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EXAMINATION OF VALENTINETTI/JUDGE PEARSON

1 **A No, they both were operating at the same time.**
 2 Q Okay.
 3 **A Airline Shuttle used to have a charter and excursion**
 4 **permit, but we let it expire because in the old days we**
 5 **used to go to, when there is only one company, we used**
 6 **go to people's houses and pick them up in the vans and**
 7 **bring them to the airport --**
 8 Q In an airport shuttle type?
 9 **A Yeah. So we had a charter and excursion permit. We**
 10 **also had a limousine permit.**
 11 Q I don't need all that. I just wanted to clarify which
 12 of the companies had a certificate with the
 13 Commission --
 14 **A Both did in the old days. But in the new days, within**
 15 **the last -- I'm going to say four years just to be**
 16 **safe -- Airline Shuttle was only airline crew, only for**
 17 **the hotel. That's it.**
 18 Q Okay.
 19 **A And it was one van, one thing. And it was easy for me**
 20 **to go personally -- kind of like a retirement job**
 21 **almost. I could stay in the business, I know when the**
 22 **flight is coming, I rip over from my office on the**
 23 **motorcycle.**
 24 Q I don't need all that. The Airline Shuttle was,
 25 however, registered with the FMCSA?

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EXAMINATION OF VALENTINETTI/JUDGE PEARSON

1 **A No.**
 2 Q It was not?
 3 **A No.**
 4 Q So why did they come in and do an audit?
 5 **A Retaliation. And I know it sounds crazy but I mean**
 6 **that.**
 7 Q You had no sort of certificate through them?
 8 **A None.**
 9 Q I'm not sure what the certification process is, but you
 10 had a DOT number?
 11 **A We did have a DOT number.**
 12 Q Okay. So by virtue of having a DOT number, does that
 13 not give them authority over you?
 14 **A No. Well, it does if we do interstate. An MC number,**
 15 **like an MCS-90, which is the insurance document, "MC"**
 16 **means motor carrier and you have to apply. Just like**
 17 **we're applying right now to you guys for the charter and**
 18 **excursion permit, you have to apply for that. You don't**
 19 **just get it.**
 20 Q That's my question then: Did Airline Shuttle ever make
 21 an application --
 22 **A No.**
 23 Q -- to the FMCSA for anything?
 24 **A No.**
 25 Q You just had a DOT number?

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EXAMINATION OF VALENTINETTI/JUDGE PEARSON

1 **A Yeah.**

2 **JUDGE PEARSON: Okay. Thank you. Did you**

3 **want to call Mr. Ferguson?**

4 MR. VALENTINETTI: I would like to.

5 JUDGE PEARSON: Okay. We're going to need

6 to keep this brief. We have to finish my noon today.

7 Hopefully, we will be done before then, but that's our

8 absolute drop-dead time. Let's try to make this quite a

9 bit briefer if you have a few things you want him to

10 say.

11 MR. VALENTINETTI: If you guys have

12 questions, I'll answer them very quickly. But yes, I

13 would like to call Mr. Ferguson.

14 JUDGE PEARSON: Mr. Ferguson, if you could

15 please stand and raise your right hand.

16

17 DOUGLAS W. FERGUSON, having been first duly sworn by the

18 Administrative Law Judge to tell

19 the truth, the whole truth, and

20 nothing but the truth, was examined

21 and testified as follows:

22

23 JUDGE PEARSON: You may be seated. And if

24 you could state your full name for the record and spell

25 your last name.

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EXAMINATION OF FERGUSON/VALENTINETTI

1 THE WITNESS: Douglas Ward Ferguson,

2 F-e-r-g-u-s-o-n.

3 JUDGE PEARSON: Okay. And what's your

4 position, your job?

5 THE WITNESS: I'm the owner of DW Ferguson

6 & Associates, Inc., a retail insurance agency. I'm the

7 president of Western Experts in Transportation, which is

8 a managing general agent writing business in 43 states.

9 We specialize -- since 1986 specialize in public

10 transportation, writing limousines, airport shuttles,

11 casino buses, throughout the country.

12 JUDGE PEARSON: Thank you. So if you have

13 questions that you want to ask him.

14 MR. VALENTINETTI: I know the answers to

15 the questions, but I just would like the court to

16 understand them.

17 JUDGE PEARSON: Sure. So just in a

18 typical way, when a representative gives direct

19 examination to a witness.

20

21 EXAMINATION

22 BY MR. VALENTINETTI:

23 Q Mr. Ferguson, what is the required minimum amount of

24 insurance for a charter bus?

25 **A Five million.**

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EXAMINATION OF FERGUSON/VALENTINETTI

1 Q And what is the required minimum amount of insurance for

2 a vehicle less than 16 passengers?

3 **A In the state of Washington, it's 1,200,000, I believe.**

4 MR. VALENTINETTI: Can I talk to you while

5 I'm doing this?

6 JUDGE PEARSON: If you have additional

7 testimony --

8 MR. VALENTINETTI: I do. I'm going to ask

9 more questions but I want to address it before we got

10 off track.

11 JUDGE PEARSON: Just go ahead and finish

12 with him and then you can make a closing statement.

13 BY MR. VALENTINETTI:

14 Q And MCS-90 -- Mr. Ferguson, can you describe what an

15 MCS-90 is?

16 **A It's a specific endorsement to the policy for interstate**

17 **commerce, ICC requirements for the Department of**

18 **Transportation, and it's done for 5 million limit of**

19 **liability.**

20 Q I think that you know, but to your knowledge, did

21 AMI Coaches have a \$5 million policy?

22 **A Yes, they have 5 million. They have to, couldn't offer**

23 **it without it.**

24 Q And I know this part, you probably don't know, but we're

25 going to look it up real quick. I built those books

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1 late last night, so these guys haven't seen them. In

2 there, there is a -- not only is there an MCS-90 from

3 Mr. Ferguson's company for AMI Coaches for 5 million

4 that covers all the equipment we have, but there is also

5 a particular form like we get in our personal cars that

6 identifies the VIN number that's covered, and that's the

7 24-passenger bus that you asked me about. 6629. Do you

8 understand what I mean?

9 MR. ROBERSON: Yes.

10 MR. VALENTINETTI: Okay. So that's from

11 Mr. Ferguson's company, that covers our motor coaches

12 and bus No. 1, which is our 24-passenger bus, for sure

13 insured. Not only Steve Valentinetti insured it because

14 I want to be safe, because I don't want to have to eat

15 at McDonald's the rest of my life if something happens.

16 Steve Valentinetti was insured for 5 million,

17 because I'm the owner of the bus. And my coaches is the

18 leaser of the bus, it's also insured, and I believe the

19 Port of Seattle is a rider --

20 THE WITNESS: It's an additional named

21 insured.

22 MR. VALENTINETTI: -- on that. So I want

23 the court to know, and the reason Mr. Ferguson is here

24 is because, one, the violations, or some of the

25 violations that were said -- and I'm not sure which ones

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EXAMINATION OF FERGUSON/VALENTINETTI

1 they are when I'm standing here -- are that they didn't
 2 have insurance. The second one is we didn't have the
 3 required minimum amounts.
 4 And that is a trick again by our neighbor -- and I'm
 5 not saying him personally -- but that is Airline Shuttle
 6 doesn't have 5 million insurance -- this is in the book.
 7 JUDGE PEARSON: I saw that in the book.
 8 MR. VALENTINETTI: 6629.
 9 Airline Shuttle -- that violation comes from
 10 Airline Shuttle doesn't have 5 million insurance for the
 11 AMI Coaches 24-passenger bus. Well, Steve Valentinetti
 12 does and so does AMI Coaches.
 13 So that's that violation. So we did get a violation
 14 for that. And then, of course, the court said, Well --
 15 and they haven't decided still -- but they said, Well,
 16 this isn't about AMI Coaches, so we're not letting you
 17 produce that we had insurance for it.
 18 That's the kind of crap that happens next door. I
 19 shouldn't say that, but you know what I mean. That's
 20 the kind of -- you've seen it? 6629 is the
 21 24-passenger. I know you have to believe me when I say
 22 that, but it is. I can prove that later, but that's the
 23 insurance and the document.
 24 Mr. Ferguson is just here to -- you know, briefly
 25 that's why I was going to try to get rid of him -- not

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EXAMINATION OF FERGUSON/VALENTINETTI

1 get rid of you, you can stay, I would love you to
 2 stay -- but Mr. Ferguson is here to confirm, just in
 3 case the people in the court don't know, it's 5 million
 4 for a big bus, anything over 16 passengers. It's 1.5
 5 for everything below. And we had both. It's in the
 6 book. I could show you. I don't know what number it
 7 is. This is the small --
 8 JUDGE PEARSON: Just quickly, was the
 9 violation for failure to maintain insurance or failure
 10 to maintain proof of insurance?
 11 MR. VALENTINETTI: Well, it changes. The
 12 bus changes. You know, that's another thing I wanted
 13 to -- if we had more time. When the guy came to our
 14 office and wrote the violation, we have his violation
 15 list --
 16 JUDGE PEARSON: I just want a quick
 17 answer to my question --
 18 MR. VALENTINETTI: It was both.
 19 JUDGE PEARSON: Okay.
 20 MR. VALENTINETTI: It was three. One, not
 21 having insurance; two, not having the required minimum;
 22 and three, not having proof of insurance.
 23 JUDGE PEARSON: Okay.
 24 MR. VALENTINETTI: If you look at his
 25 violation list when he did the audit, the 24-passenger

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1 bus is not even on it.
 2 JUDGE PEARSON: So you're maintaining that
 3 you had insurance, you had acceptable levels of
 4 insurance, and you had proof of insurance?
 5 MR. VALENTINETTI: Thank you, Your Honor.
 6 I should have you testify for me. You are quicker and
 7 better.
 8 JUDGE PEARSON: I'm just --
 9 MR. VALENTINETTI: Yes.
 10 JUDGE PEARSON: -- paraphrasing. I got
 11 that. So do you have any more questions for
 12 Mr. Ferguson?
 13 BY MR. VALENTINETTI:
 14 Q Mr. Ferguson, is there anything that I'm leaving out?
 15 **A No, not that I know of.**
 16 Q AMI Coaches, you know, had insurance; is that correct?
 17 **A Yes.**
 18 Q The proper level?
 19 **A Yes. And you paid your bills on time.**
 20 MR. VALENTINETTI: Thank you.
 21 JUDGE PEARSON: Mr. Roberson, do you have
 22 any questions for Mr. Ferguson?
 23
 24
 25

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1 EXAMINATION
 2 BY MR. ROBERSON:
 3 Q Do you know if Mr. Valentinetti maintained proof of
 4 insurance as required by the law at his office?
 5 **A Absolutely.**
 6 Q You know that for a fact?
 7 **A I did it.**
 8 Q Have you been to his office though and seen it there?
 9 MR. VALENTINETTI: You mean the MCS-90?
 10 MR. ROBERSON: Yes.
 11 THE WITNESS: I issued it.
 12 BY MR. ROBERSON:
 13 Q Do you know that he had it at his office, though?
 14 **A I have not been to his office. No, sir.**
 15 MR. ROBERSON: I think that does it for
 16 me.
 17 THE WITNESS: But I mailed it.
 18 MR. VALENTINETTI: We provided it for
 19 them, too.
 20 MR. ROBERSON: Okay.
 21 JUDGE PEARSON: Thank you.
 22 MR. VALENTINETTI: Jeff, just to answer
 23 your question deeper, what they are stating by that is
 24 Airline Shuttle doesn't have proof of insurance for the
 25 AMI Coaches' 24-passenger bus. We don't.

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1 Airline Shuttle doesn't have insurance for the 747 they
 2 flew out on either. We don't. It's not our bus. It's
 3 two different companies.
 4 JUDGE PEARSON: Mr. Valentinetti, you're
 5 done at this point? Ready to move on to Staff's
 6 portion?
 7 MR. VALENTINETTI: Sure.
 8 JUDGE PEARSON: And you will have an
 9 opportunity to ask questions within reason.
 10 So I would like to take a five-minute recess so
 11 everyone can have a quick break. We will be off the
 12 record for about five minutes and we will come back
 13 here.
 14 (Short break taken.)
 15 JUDGE PEARSON: We are back on the record.
 16 Mr. Roberson, if you would like to call your witness.
 17 MR. ROBERSON: Staff will call
 18 Matt Perkinson.
 19 JUDGE PEARSON: Mr. Perkinson, please
 20 raise your right hand.
 21
 22 MATHEW PERKINSON, having been first duly sworn by the
 23 Administrative Law Judge to tell
 24 the truth, the whole truth, and
 25 nothing but the truth, was examined

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1 and testified as follows:
 2
 3 JUDGE PEARSON: You may be seated. Go
 4 ahead.
 5
 6 EXAMINATION
 7 BY MR. ROBERSON:
 8 Q Would you please state your name and spell it for the
 9 record?
 10 **A Mathew Perkinson, M-a-t-h-e-w, P-e-r-k-i-n-s-o-n.**
 11 Q And who employs you?
 12 **A Washington Utilities and Transportation Commission.**
 13 Q In what capacity does the Commission employ you?
 14 **A I supervise the motor carrier safety unit.**
 15 Q How long have you held that position?
 16 **A Eight months.**
 17 Q Can you describe any training that has prepared you to
 18 carry out your duties?
 19 **A Leading up to my current position, I performed**
 20 **compliance reviews for a couple of years. Previous to**
 21 **that, I was an investigator with the Commission in both**
 22 **consumer protection and transportation, and I've**
 23 **received federal training as part of my certification**
 24 **process.**
 25 Q Are you familiar with AMI Coaches, Airline Shuttle, and

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EXAMINATION OF PERKINSON/ROBERSON

1 Go VIP?
 2 **A Yes.**
 3 Q And who owned AMI Coaches?
 4 **A Mr. Valentinetti.**
 5 Q Who managed AMI Coaches?
 6 **A Again, Mr. Valentinetti.**
 7 Q And could you turn to the exhibit marked MP-4. Could
 8 you identify that document?
 9 **A This is a snapshot of the FMCSA portal, showing that**
 10 **AMI Coaches, LLC, is inactive and out of service.**
 11 Q And does the second page of that exhibit list
 12 Mr. Valentinetti as the owner and manager of
 13 AMI Coaches?
 14 **A Yes.**
 15 Q And is that a true and accurate copy of that document?
 16 **A Yes.**
 17 Q And are you familiar with the Federal Motor Carrier
 18 Safety Administration's practices?
 19 **A Yes, I am.**
 20 Q And how are you familiar with those practices?
 21 **A Again, when going through initial certification, I**
 22 **became federally certified on federal complaint**
 23 **investigations. I worked closely with the FMCSA to**
 24 **accomplish my certification.**
 25 Q Does FMCSA compose documents like Exhibit MP-4 in the

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1 normal course of its business?
 2 **A Yes.**
 3 Q Does it compose those documents contemporaneously with
 4 any safety audit?
 5 **A Yes.**
 6 Q And if FMCSA modifies a carrier's safety rating, does it
 7 modify the portal showing whether or not the carrier is
 8 active or inactive?
 9 **A Yes. They would update the carrier's current status.**
 10 Q And is it important that documents like this are
 11 accurate?
 12 **A Yes.**
 13 Q Why?
 14 **A Well, like in this case, they might be used for**
 15 **consideration of a new applicant.**
 16 Q Do you have access to documents like this to enable you
 17 to carry out your duties?
 18 **A Yes, I do.**
 19 Q Do you rely on those documents when carrying out your
 20 duties?
 21 **A Yes.**
 22 Q Why?
 23 **A It's critical for staff to be able to evaluate the**
 24 **fitness of the carrier.**
 25 MR. ROBERSON: Staff would move to admit

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1 MP-4.
 2 JUDGE PEARSON: I think I was looking at
 3 MP-5. Okay. There it is. Okay.
 4 MR. VALENTINETTI: We object, but allow
 5 its admission as to non-truthful if that's the FMCSA
 6 report on Airline Shuttle. I don't have it in front of
 7 me.
 8 JUDGE PEARSON: It's the AMI Coaches's
 9 status of operating authority.
 10 MR. VALENTINETTI: We object to the
 11 contents -- we don't object to the admission of it, but
 12 we object to that it's taken as truth.
 13 JUDGE PEARSON: Understood. I will admit
 14 that and mark it as Exhibit MP-4.
 15 (Exhibit No. MP-4 admitted into evidence.)
 16 BY MR. ROBERSON:
 17 Q Turning to Airline Shuttle, do you know who owned
 18 Airline Shuttle?
 19 **A Mr. Valentinetti.**
 20 Q Who managed Airline Shuttle?
 21 **A Again, Mr. Valentinetti.**
 22 Q Could you turn to the exhibit marked MP-3. Could you
 23 identify that document?
 24 **A This would also be a document that's explaining Airline**
 25 **Shuttle's operating status as out of service from FMCSA.**

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1 Q And it reflects that Mr. Valentinetti is the owner and
 2 manager of that company?
 3 **A Yes.**
 4 Q And is that a true and accurate copy of that document?
 5 **A Yes.**
 6 MR. ROBERSON: Staff would move to admit
 7 Exhibit MP-3.
 8 JUDGE PEARSON: Mr. Valentinetti?
 9 MR. VALENTINETTI: Same objection. We
 10 would like to allow its admission, but the content is
 11 wrong.
 12 JUDGE PEARSON: Well, I understand that
 13 you disagree with the basis for the status reflected,
 14 but you would acknowledge that Airline Shuttle, Inc. has
 15 been placed out of service, correct?
 16 MR. VALENTINETTI: Absolutely, Your Honor.
 17 JUDGE PEARSON: Okay. Then I will admit
 18 this and mark it as Exhibit MP-3.
 19 (Exhibit No. MP-3 admitted into evidence.)
 20 BY MR. ROBERSON:
 21 Q Now, turning to Go VIP, who owns Go VIP?
 22 **A Mr. Valentinetti.**
 23 Q And who would manage Go VIP if the Commission grants it
 24 operating authority?
 25 **A Mr. Valentinetti is listed as manager on the**

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1 application.
 2 Q Have you examined the business addresses of AMI Coaches,
 3 Airline Shuttle, and Go VIP?
 4 **A Yes.**
 5 Q And what did you notice about those addresses?
 6 **A They were the same.**
 7 Q And have you examined the services that AMI Coaches,
 8 Airline Shuttle, and Go VIP would offer?
 9 **A Yes, I have.**
 10 Q And what did you notice about those services?
 11 **A That they were very similar in nature. They are the**
 12 **type of service that was going to be provided.**
 13 Q Can you turn to the exhibit marked MP-5? Could you
 14 identify that document?
 15 **A This is a memorandum dated January 11, 2017, from myself**
 16 **to -- sent to Dave Pratt.**
 17 Q Is that a true and accurate copy of that document?
 18 **A Yes.**
 19 Q And in that document, do you identify the commonality of
 20 ownership, management and purpose of these three
 21 companies?
 22 **A Yes.**
 23 Q At the end of that document, did you recommend that the
 24 Commission offer Go VIP a chance to explain its
 25 compliance history?

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1 **A Yeah. The recommendation was to request additional**
 2 **information.**
 3 Q And why did you make that recommendation?
 4 **A To give Go VIP an opportunity to explain why they**
 5 **believed that their compliance history shouldn't be**
 6 **associated with the current application.**
 7 MR. ROBERSON: At this point staff would
 8 move to admit Exhibit MP-5.
 9 JUDGE PEARSON: Mr. Valentinetti, no
 10 objection?
 11 MR. VALENTINETTI: No objection.
 12 JUDGE PEARSON: Okay. Then I will admit
 13 that and mark it MP-5.
 14 (Exhibit No. MP-5 admitted into evidence.)
 15 BY MR. ROBERSON:
 16 Q You've mentioned you've had federal training. Are you
 17 familiar with the FMCSA safety audit process?
 18 **A Yes.**
 19 Q And could you describe how that process works?
 20 **A An overview of the process would be, come in, review**
 21 **records, record any violations that we discovered. In**
 22 **this case, if there was an unsatisfactory safety rating,**
 23 **the carrier would be given some sort of documentation**
 24 **and opportunity to request that that safety rating be**
 25 **upgraded. And if there were violations that warranted**

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1 penalties, penalties would be generated.

2 Q Does a carrier also have the opportunity to appeal the

3 unsatisfactory rating if they think it's incorrect?

4 **A Yes, they can request an upgrade.**

5 Q Does the FMCSA's inspector draft a memo about the safety

6 audit contemporaneously with close of the audit?

7 **A Yes.**

8 Q And is it important that those safety audit memos be

9 accurate?

10 **A Yes.**

11 Q And why is that?

12 **A Because, as I said, it impacts the operating status of a**

13 **company, and it can result in monetary penalties that**

14 **clearly impact companies.**

15 Q And do you have access to the FMCSA safety audit memos

16 to allow you to carry out your duties?

17 **A I do.**

18 Q And do you rely on documents like those safety audit

19 memos to carry out your duties?

20 **A Yes.**

21 Q Can you turn to the exhibit marked MP-1. Can you

22 identify that document?

23 **A This is a compliance review performed on**

24 **Airline Shuttle, Inc.**

25 Q Is that a true and accurate copy of that document?

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1 **A Yes.**

2 MR. ROBERSON: At this point Staff would

3 move to admit Exhibit MP-1.

4 MR. VALENTINETTI: No objection.

5 JUDGE PEARSON: Okay. I will admit that

6 and mark it as Exhibit MP-1.

7 (Exhibit No. MP-1 admitted into evidence.)

8 BY MR. ROBERSON:

9 Q Can you turn to the exhibit marked MP-2. Can you

10 identify that document?

11 **A This is also a compliance review performed on**

12 **AMI Coaches, LLC in 2013.**

13 Q And is that a true and accurate copy of that document?

14 **A Yes.**

15 MR. ROBERSON: At this point staff would

16 move to admit Exhibit MP-2.

17 MR. VALENTINETTI: I do object to it being

18 a true and accurate copy. It is not accurate, but it is

19 a true copy. And all the documents that have come in,

20 when we say true and accurate, Mr. Roberson doesn't know

21 if they are accurate or not and neither does

22 Mr. Perkinson. But he does know this is the form. And

23 to that I don't object. Do you understand what I mean?

24 JUDGE PEARSON: I do. It's a similar

25 objection to earlier. I understand that you dispute

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1 whether these violations occurred, but you're not

2 objecting to this --

3 MR. VALENTINETTI: Correct. And there is

4 a lot of information, like "owns four," and we owned

5 five. That can be proved. So there is a lot of

6 mistakes in this, but that's okay.

7 JUDGE PEARSON: I understand. I will

8 admit it and mark it as Exhibit MP-2.

9 (Exhibit No. MP-2 admitted into evidence.)

10 BY MR. ROBERSON:

11 Q Turning now to the safety audit of AMI Coaches performed

12 on November 7th, 2013. Can you describe the violations

13 found by FMCSA during the course of that audit?

14 **A Just a general overview, there would be a failure to**

15 **have a random controlled substance and alcohol testing**

16 **program. As Mr. Valentinetti already spoke about, there**

17 **was violations of operating a commercial vehicle without**

18 **the proper endorsements. There was also making or**

19 **causing to make fraudulent or intentionally false entry**

20 **on annual inspection form. Those particular violations**

21 **are acute violations. And --**

22 Q Before moving on, what is the significance of those

23 violations being acute?

24 **A Acute is the highest level of risk associated with a**

25 **violation, I guess would be one way to explain it.**

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1 Critical is the second level. And then no acute or

2 critical association would be more administrative, maybe

3 paperwork missing.

4 Q When you say "risk," what do you mean? Risk of what?

5 **A Of an accident occurring or potential breakdown within**

6 **the company's operations that could impact the public.**

7 Q Okay. And could you describe the remainder of the

8 violations?

9 **A So next there was a using a driver before the motor**

10 **carrier has received a negative preemployment controlled**

11 **substance test result, using a driver not medically**

12 **examined and certified, failing to maintain inquiries**

13 **into driver's driving record in the driver qualification**

14 **file, failing to require drivers to make a record of**

15 **duty status, failing to retain those records for six**

16 **months, using a commercial motor vehicle that was not**

17 **periodically inspected, failing to require drivers to**

18 **prepare records of duty status.**

19 MR. VALENTINETTI: Is that on the

20 AMI Coaches's one we're talking about?

21 THE WITNESS: Yes. And then the remainder

22 of the violations could be more administrative. Would

23 you like me to go through every one?

24 BY MR. ROBERSON:

25 Q That's fine. The last couple violations you've just

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1 listed, those are all critical violations?

2 **A Yes, critical or acute.**

3 Q Okay. And are you familiar with regulations underlying

4 the violations found during the safety audit?

5 **A Yes, I am.**

6 Q And how are you familiar with them?

7 **A When I'm performing a compliance review, I have access**

8 **to databases that allow me to search all of these**

9 **violations. I'm not sure what you're --**

10 Q So the actual regulation itself, are you familiar with

11 the federal regulations?

12 **A Yeah, absolutely. I've spent a couple of years going**

13 **through training and certification throughout the**

14 **country, specific to the code of federal regulations.**

15 Q Does state law incorporate those federal regulations?

16 **A Yes.**

17 Q So would the conduct constituting these violations also

18 constitute violations of state law?

19 **A Yes.**

20 Q And does the FMCSA use the safety audit to determine a

21 proposed safety rating for a carrier like AMI Coaches?

22 **A Yes.**

23 Q Did it do so here?

24 **A Yes, it did.**

25 Q And what was that rating?

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1 **A Unsatisfactory.**

2 Q And did that rating become final?

3 **A Yes.**

4 Q And does an unsatisfactory safety rating cause the

5 federal government to order a carrier out of service?

6 **A Yes.**

7 Q And did that happen here?

8 **A Yes.**

9 Q And does that out-of-service order remain in effect

10 today?

11 **A As of April 14th, it was out of service, yes.**

12 Q And that's reflected on Exhibit MP-4?

13 **A Correct.**

14 Q Turning to the safety audit of Airline Shuttle performed

15 on March 7, 2014, could you please describe the

16 violations found by the FMCSA during course of that

17 audit?

18 **A Acute violations were identified as failing to implement**

19 **a random controlled substance and alcohol testing**

20 **program, operating a passenger-carrying vehicle without**

21 **having in effect the required minimum levels of**

22 **insurance, failing to maintain proof of that insurance**

23 **at the principal place of business, failing to maintain**

24 **the driver qualification file on each driver employee.**

25 **I'm sorry, the last two of those violations were**

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1 critical, as opposed to the first two that were acute.

2 Another critical violation for failing to require

3 drivers to make a record of duty status, and then

4 failing to preserve those records for the required six

5 months, another violation of failing to keep minimum

6 records of inspection and vehicle maintenance, failing

7 to require drivers to prepare driver vehicle inspection

8 reports. Another critical violation, using a commercial

9 motor vehicle not periodically inspected.

10 Q So the last -- everything after the first two violations

11 you listed, those were all critical violations?

12 **A Correct.**

13 Q And the first two were acute?

14 **A Yes.**

15 Q And there were more administrative violations?

16 **A Yes.**

17 Q And does the conduct giving rise to those federal

18 violations, if you had found them, would they also be a

19 violation of state law?

20 **A If operating in interstate commerce, yes.**

21 Q Did the FMCSA calculate a proposed safety rating based

22 on that audit?

23 **A Yes.**

24 Q What was that proposed safety rating?

25 **A Also unsatisfactory.**

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EXAMINATION OF PERKINSON/ROBERSON

1 Q Did that rating become final?

2 **A Yes.**

3 Q Did the FMCSA order Airline Shuttle out of service based

4 on that rating?

5 **A Yes.**

6 Q And that does out-of-service order remain in effect?

7 **A As of April 14th also, yes.**

8 Q And is that reflected in Exhibit MP-3?

9 **A Yes, it is.**

10 Q And how would you describe the regulatory history of

11 AMI Coaches and Airline Shuttle?

12 **A I would say, based on the violations, that there is a**

13 **history of noncompliance as it relates to safety**

14 **violations.**

15 Q And does the Commission consider a carrier's history of

16 compliance with commission regulations when determining

17 whether the carrier is fit for operating authority?

18 **A Yes. The Commission is responsible for that by law.**

19 Q And given that Mr. Valentinetti is going to be the owner

20 and operator of Go VIP coaches, do you think that

21 history is relevant here?

22 **A Yes, I do.**

23 Q And so given that safety history, do you recommend that

24 the Commission deny Mr. Valentinetti's application for

25 operating authority?

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1 **A Yes.**
 2 MR. ROBERSON: I have no further
 3 questions.
 4 JUDGE PEARSON: Okay. Thank you.
 5 Mr. Valentinetti, before I let you cross-examine
 6 Mr. Perkinson, I just have a question.
 7 MR. VALENTINETTI: Yes, Your Honor.
 8
 9 EXAMINATION
 10 BY JUDGE PEARSON:
 11 Q These safety audits that are marked as Exhibit MP-1,
 12 MP-2, did you receive copies of these at the time they
 13 were performed?
 14 **A Yes.**
 15 **JUDGE PEARSON: Okay. Go ahead.**
 16
 17 EXAMINATION
 18 BY MR. VALENTINETTI:
 19 Q Mr. Perkinson, you are familiar with the CFRs and USCs
 20 because you had training in federal law as well as you
 21 worked for the state?
 22 **A Yes, sir.**
 23 Q And the state law and the federal law is meant to
 24 parallel, you said? What was your word, Mr. Roberson's
 25 word?

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1 **A Yes, the Washington state adopts federal law.**
 2 Q Does the UTC work for the FMCSA?
 3 **A We have investigators that are trained to perform**
 4 **federal investigation. We operate under a grant.**
 5 Q So sometimes the Washington State Utilities and
 6 Transportation Commission investigator does the
 7 investigation for the FMCSA?
 8 **A Yes.**
 9 Q When you say that you recommend the history of
 10 compliance, when you see nine violations, I believe it
 11 is, against Airline Shuttle, and you know that
 12 Airline Shuttle's been in operation for 24 years, you
 13 think that that is a history of noncompliance? Assuming
 14 those were true, assuming the violations were true, nine
 15 violations in 24 years is a history of noncompliance?
 16 **A I think given the recent nature of the violations, that**
 17 **they were discovered a few years ago, yes.**
 18 Q And has Go VIP or Airline Shuttle sufficiently shown you
 19 what the evidence that you have in the book in front of
 20 you, that violation No. 1 that's acute, failing to
 21 implement a random controlled alcohol and substance
 22 testing, that that violation is not true? Do you
 23 understand that?
 24 MR. ROBERSON: Objection, I think this is
 25 decided by the federal courts.

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1 JUDGE PEARSON: I agree. I'm going to
 2 sustain the objection. Move on to your next question.
 3 MR. VALENTINETTI: Well, it's an acute
 4 violation that the UTC is standing behind. And,
 5 Your Honor, the violation originally came from the UTC
 6 is what I'm saying.
 7 BY MR. VALENTINETTI:
 8 Q My point is -- let me ask you a question: Do you know
 9 who John Foster is?
 10 **A Yes.**
 11 Q Is John Foster a UTC investigator?
 12 **A He was, yes.**
 13 Q What is an MC -- let me see what it says here for him --
 14 did Mr. Foster do the investigation for the FMCSA on
 15 AMI Coaches?
 16 **A He performed a safety audit in June of 2013, and then,**
 17 **yes, a state compliance review July 2013.**
 18 Q And what does "MCLE special investigator" mean?
 19 **A I'm not exactly sure. It's motor carrier, similar to**
 20 **what the title is.**
 21 Q So John Foster was a contract worker for the FMCSA?
 22 **A No.**
 23 Q No?
 24 **A No.**
 25 Q He did an investigation -- can you look at exhibit --

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EXAMINATION OF PERKINSON/VALENTINETTI

1 **A John Foster worked for the Utilities and Transportation**
 2 **Commission.**
 3 Q Can you look at Exhibit No. 12, John Foster's FMCSA
 4 review?
 5 JUDGE PEARSON: So I get what you're
 6 saying, this is on UTC letterhead. This came from the
 7 Commission, saying that --
 8 MR. VALENTINETTI: He doesn't work for the
 9 FMCSA.
 10 JUDGE PEARSON: Correct. He is performing
 11 a safety audit, in accordance with the FMCSA
 12 requirements, which are adopted by the Commission.
 13 MR. VALENTINETTI: He also has -- there is
 14 also a letter, which I'm going to dig out while we're
 15 talking, that the parallel letters that are May 20th
 16 that say I'm doing an investigation for the WUTC, safety
 17 audit, and then this is the second one. The only reason
 18 I put that in there is because it's from the Feds. It's
 19 the same. Different letter, same day, same guy.
 20 JUDGE PEARSON: I'm not sure what you're
 21 trying to establish here because John Foster was a UTC
 22 employee.
 23 MR. VALENTINETTI: I know. He is the one
 24 who wrote the fault violations, and then the Feds
 25 adopted them. Do you understand what I'm saying, or

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1 should I explain it more?

2 JUDGE PEARSON: I understand.

3 MR. VALENTINETTI: He works for the UTC.

4 We know Foster from way back in 2000 or whenever. So

5 Foster came to our office and wrote -- well, I'll hit

6 that later.

7 BY MR. VALENTINETTI:

8 Q But are you looking at No. 12, Mr. Perkinson?

9 A Yes.

10 MR. VALENTINETTI: If the Court needs to

11 see it, there is a parallel one dated the same day that

12 says, "I'm John Foster, I'm doing an investigation, a

13 safety audit for the WUTC." And this letter that says

14 two of them, separate, and now I'm doing the

15 investigation for the FMCSA. So my point is is that

16 Foster works -- he is a contract worker for the Feds.

17 MR. ROBERSON: Objection, relevance.

18 JUDGE PEARSON: Yeah, I'm going to sustain

19 the objection.

20 MR. VALENTINETTI: He's not then?

21 JUDGE PEARSON: No.

22 BY MR. VALENTINETTI:

23 Q Do you guys work together or you don't?

24 JUDGE PEARSON: Mr. Valentineti,

25 Mr. Foster was a long-time commission employee who is

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1 since retired. He doesn't work here anymore.

2 MR. VALENTINETTI: I know.

3 JUDGE PEARSON: He was not a contract

4 worker for the FMCSA. You need to drop that --

5 MR. VALENTINETTI: He was not?

6 JUDGE PEARSON: -- and move on.

7 BY MR. VALENTINETTI:

8 Q I guess I didn't get the answer, Mr. Perkinson. The

9 nine violations in 24 years is a history of

10 noncompliance?

11 A Again, considering 2013/2014 violations and the severity

12 of those violations.

13 Q And with the evidence in front of you in the book that

14 the violations are false, since you don't want to

15 revisit it, do you still stand behind that statement?

16 A I'm not clear on the question.

17 Q What I'm saying is: One of the violations was we didn't

18 have the effective -- since we have Mr. Ferguson here,

19 I'll use that one -- we didn't have the effective

20 required amount of insurance, and Mr. Ferguson, he is

21 here in person, telling you that's not true.

22 MR. ROBERSON: Objection. This is decided

23 by the Feds.

24 JUDGE PEARSON: Right. Okay. So I'm

25 going to sustain the objection. Do you have any other

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1 questions for Mr. Perkinson?

2 MR. VALENTINETTI: Your Honor, Mr. Foster,

3 your employee, wrote that violation and the Feds adopted

4 it. So when you do that, I get what you're saying, that

5 was done by the Feds. No, it was done by the UTC, then

6 the Feds said, Well, that's what they said, and now

7 you're saying that's what they said. You're pointing

8 your fingers and trying to dance out of it. Foster

9 wrote it, it's your guy, we're proving it wrong.

10 JUDGE PEARSON: So just to clarify. Do

11 you know who prepared these audits?

12 THE WITNESS: Yes, these were done -- I

13 believe it was for AMI Coaches' 2013 report was

14 Chad Lagerway is what my note reflects. And then --

15 MR. VALENTINETTI: And Nolan Rice.

16 THE WITNESS: Nolan would be the '14.

17 JUDGE PEARSON: So to your knowledge, did

18 those two individuals go out and perform the audit and

19 make the findings on their own?

20 THE WITNESS: Yes.

21 JUDGE PEARSON: They did not adopt what

22 John Foster found? That was a separate safety audit

23 that Mr. Foster did?

24 THE WITNESS: Correct.

25 JUDGE PEARSON: That hasn't been offered

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1 today, correct?

2 THE WITNESS: That's correct. We had a

3 quick turnaround to get this hearing together.

4 MR. VALENTINETTI: We did, too.

5 JUDGE PEARSON: So it looks to me like

6 these investigators from the FMCSA came out, did safety

7 audits on your companies, they made these findings, not

8 Mr. Foster.

9 MR. VALENTINETTI: Okay. That's not true,

10 but okay, Your Honor. You're the boss.

11 JUDGE PEARSON: I understand that that's

12 your position, it's not true, but from what --

13 MR. VALENTINETTI: I'm going to show you a

14 different example now.

15 BY MR. VALENTINETTI:

16 Q Mr. Perkinson, can you tell me the date on your

17 exhibit -- I'm not sure what exhibit number it is --

18 your exhibit where the safety audit was done on

19 Airline Shuttle?

20 A I can tell you the closing date was March 7th, 2014.

21 Q Okay. Then could you turn to Exhibit 1 in our book,

22 please, to the second page.

23 A "Statement of drug and alcohol testing"?

24 Q Yes. Can you tell me the date on the top of that?

25 A October 22nd, 2013.

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1 Q And to the left where it says "this certifies that,"
 2 what two companies are there?
 3 **A AMI Coaches and Airline Shuttle.**
 4 Q And if you skim that document real quickly for the
 5 court, and I think you've looked at it before, would you
 6 say that that is a document that states that both
 7 AMI Coaches and Airline Shuttle had a random drug and
 8 alcohol testing program on October 22nd, 2013?
 9 **A I would not. I mean, I know in the course of my work,**
 10 **we would contact whatever the consortium is if there is**
 11 **a document like this to verify the carrier had drug and**
 12 **alcohol --**
 13 Q So there is a possibility that this was falsified like
 14 the exhaust pipe?
 15 **A I did not say that.**
 16 Q Well, it's a possibility?
 17 JUDGE PEARSON: Yeah, so I think what
 18 Mr. Perkinson is saying is that's not enough. If he
 19 were doing the audit, he would follow up and require
 20 additional information.
 21 MR. VALENTINETTI: I wish Mr. Perkinson
 22 did do the audit, Your Honor, or Mr. Roberson. It would
 23 have come out much differently.
 24 JUDGE PEARSON: And I understand -- you've
 25 already explained at length that you believed that you

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1 were in compliance and had a drug and alcohol testing
 2 program in place.
 3 MR. VALENTINETTI: This is real evidence.
 4 JUDGE PEARSON: You need to move on to the
 5 next point.
 6 MR. VALENTINETTI: Your Honor, for ten
 7 seconds, this is real evidence. A phone call could be
 8 made to these guys in one second, and these could run
 9 out of the room and say, Did they have it? Yes or no.
 10 What I'm trying to say is, I know in a perfect world
 11 you guys stand around the water heater and say, We do a
 12 good job. We put bad operators out of business. That's
 13 not what's going on here. With two hours of time,
 14 you're not allowing me to address it. This is real
 15 evidence. Can I show you --
 16 JUDGE PEARSON: No. I'm just going to
 17 just stop you right there, because I know enough about
 18 these audits to know that they look at the six months
 19 prior to the date that the audit occurred. And so just
 20 because you obtained this mid-October doesn't mean you
 21 had it in the months preceding that the auditor was
 22 looking at.
 23 BY MR. VALENTINETTI:
 24 Q Mr. Perkinson, do you have to drug and alcohol test for
 25 a 14-passenger bus?

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1 **A Before I answer your question, I want to point out that**
 2 **the violation in the report is for a trip for**
 3 **Mr. Valentinetti in May 2013. And the letter, if it**
 4 **were to be stating that he had a drug and alcohol, or**
 5 **the company had a drug and alcohol program, was**
 6 **effective I believe it was --**
 7 **JUDGE PEARSON: October.**
 8 THE WITNESS: October.
 9 BY MR. VALENTINETTI:
 10 Q I think May is not the -- that is for the -- I think May
 11 is the medical certificate that Ken McAllister did, but
 12 that's okay. Let's move on from it. So you don't
 13 obviously get what I'm saying.
 14 If you did the investigation, you would call?
 15 **A Yes. We contact, standard course of business we contact**
 16 **the consortiums.**
 17 Q In doing an investigation for Go VIP today, you know, or
 18 next week or two weeks ago, when a statement is made
 19 that this is untrue and evidence is produced, not only
 20 evidence from a live person that's a broker,
 21 Mr. Ferguson, but evidence that can be contested if you
 22 call U.S. HealthWorks, you wouldn't do that
 23 investigation to see if what I'm saying is true or not?
 24 Would that be too much to ask?
 25 **A No. No.**

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1 Q That's what I think should happen here. I think that
 2 you don't have to believe that this document is
 3 truthful. I would like you to -- on your own time, we
 4 can't do it now obviously -- I would like you to call
 5 and see.
 6 **A I think what we identified was, is that this may show**
 7 **that the drug and alcohol program was in effect in**
 8 **October and the trip that was used for an example was in**
 9 **May.**
 10 Q Thank you. That's not the right dates, but okay.
 11 So I want to ask you again then, since we'll move
 12 forward to it, does a 14-passenger non-CDL vehicle need
 13 a drug and alcohol testing program?
 14 **A No.**
 15 Q Okay. What if it's a 28-passenger vehicle, does it need
 16 drug and alcohol testing?
 17 **A Yes. There are two definitions in the federal**
 18 **regulations that apply to size being 16 or more, which**
 19 **is commercial regulations, and then there is another**
 20 **section which defines, obviously, the less-size vehicle**
 21 **as safety-specific regulations.**
 22 Q There is three, actually, there is three of the federal
 23 commercial motor vehicle laws, and all of them state
 24 that it's 26,001 pound, not 26,000, or 16 or more
 25 passengers seated, not passengers on the vehicle,

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1 because as we all probably know you can stand up on a
 2 bus. When you're going to Seahawks game there is 200
 3 people on a bus -- not our bus -- but the Metro buses.
 4 What you're saying is you don't have to drug and alcohol
 5 test for a 14-passenger van; is that correct?
 6 **A That's correct.**
 7 Q Does the WUTC have jurisdiction over a company that
 8 moves transient flight crew to and from the hotel?
 9 **A I would say that there are exceptions from the rules**
 10 **that would allow for that type of operation, if that was**
 11 **solely what the operation was.**
 12 Q Does the UTC have payment from, you know -- can they
 13 show payment to Airline Shuttle from anyone other than
 14 the hotel? No, I'll move on. It doesn't matter. You
 15 can't.
 16 So there is a possibility that the WUTC doesn't have
 17 jurisdiction for Airline Shuttle?
 18 **A Anything is possible, yes.**
 19 Q Well, I'll ask more directly then. In your opinion,
 20 does the WUTC have jurisdiction over Airline Shuttle, in
 21 referring to 480-30-011?
 22 **A If you're providing services that are exempt from**
 23 **commission regulation, we would not require a permit, if**
 24 **that's what you're saying.**
 25 Q Thank you. And moving flight crew to and from the hotel

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1 is what that is?
 2 **A I believe that's under the exemption.**
 3 Q Okay. So let me ask you this question, because you're a
 4 federal and a state guy. And I'm listening to myself, I
 5 sound like a smart-ass, and I don't mean to be, so I'm
 6 going to back down a little bit.
 7 Let's say that AMI Coaches -- let's say that
 8 Airline Shuttle is business, you know, we're hitting
 9 golf balls or laying in bed, and the airline crew is at
 10 the airport, could AMI Coaches -- at the time that it
 11 was in service, could AMI Coaches go with a 24-passenger
 12 bus or a 56-passenger motor coach and pick up the flight
 13 attendants and take them to the hotel?
 14 **A AMI Coaches would be if they had a charter permit**
 15 **allowed to, yes.**
 16 MR. VALENTINETTI: Okay. Do you
 17 understand the relevance of that, Your Honor, or do I
 18 need to explain it?
 19 JUDGE PEARSON: Please don't. Go ahead
 20 and move on.
 21 MR. VALENTINETTI: You do under --
 22 JUDGE PEARSON: I do. I understand what
 23 you're getting at.
 24 MR. VALENTINETTI: Okay. All right.
 25

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EXAMINATION OF PERKINSON/VALENTINETTI

1 BY MR. VALENTINETTI:
 2 Q I want to ask Mr. Perkinson while I have Mr. Ferguson
 3 still, here can you tell me the insurance requirement
 4 for a 56-passenger coach?
 5 **A Five million dollars.**
 6 Q For a 17-passenger motor coach?
 7 **A Again, we're going need five million.**
 8 Q How about for a 14-passenger van, bus, hotel van,
 9 whatever you want to call it?
 10 **A For passenger transportation, it would be \$1.5 million**
 11 **for intrastate operation.**
 12 Q And is that also the requirement by the state if it has
 13 a limousine permit?
 14 **A I believe it is. The Department of Licensing would be**
 15 **the one imposing those insurance requirements, but I**
 16 **believe that's accurate.**
 17 Q Okay. And are you familiar with the Airline Shuttle bus
 18 that we're talking about with, I guess, the pictures we
 19 provided or have you seen it yourself?
 20 **A No.**
 21 Q Do you think, before you denied Go VIP's application,
 22 that you should be?
 23 **A That I should be what?**
 24 Q Familiar with the equipment that's going to be used and
 25 how it would be used? Here is what I'm saying: Either

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1 Mr. Roberson or Mr. Perkinson has made statements that
 2 we operate with noncompliance. And you do that by
 3 pointing your finger across the street at the FMCSA.
 4 But here, we're making an application to the State and
 5 we're saying that 1.5 is what you need for a
 6 14-passenger, five million you need for anything bigger
 7 than 16; we're saying that for a CDL vehicle you need
 8 drug and alcohol testing, which we had and we proved.
 9 And if it's not been proved, then I'll do it again. And
 10 for anything less than that, Mr. Perkinson has already
 11 said, No, you don't have to drug and alcohol test. And
 12 that's one of the big violations. That's the acute
 13 violation on here. Does it make sense, Mr. Roberson?
 14 JUDGE PEARSON: So he's not your witness
 15 that you're cross-examining right now.
 16 MR. VALENTINETTI: I just want to make
 17 sure that we've -- we've talked about these violations.
 18 If you're questioning my integrity, you can just say
 19 that. That's okay.
 20 THE WITNESS: We're not questioning the
 21 integrity, and I think it's demonstrated in the letter
 22 that there was no finger pointing, as you claimed; that
 23 most of the associations were that it appears that these
 24 types of things have happened. Please explain why you
 25 believe it's relevant or not.

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1 BY MR. VALENTINETTI:

2 Q Okay. Well, that's what I'm trying to do by addressing

3 each one of these violations. And like Your Honor said,

4 we have limited amount of time. So I want to get to the

5 acute ones, instead of all the critical ones like the

6 markings are not right on the bus. Does the hotel van

7 need to have a DOT number on the sign?

8 **A There is, again, certain exemptions for that type of**

9 **service.**

10 Q Is it a yes or no? I'm confused.

11 **A I don't believe so.**

12 Q Does the hotel van have to do DVIR, driver vehicle

13 inspection reports?

14 **A Again, I don't have that regulation in front of me for**

15 **the exemption, but it clearly spells out the types of**

16 **services that are exempt and it would be all of them.**

17 Q Thank you, Mr. Perkinson. It clearly spells out. There

18 is no tricks -- I want to ask Mr. Perkinson, would you

19 say in transportation law, since you're familiar with

20 federal law and state law, is there tricks that we don't

21 understand?

22 **A Can you clarify "tricks"?**

23 Q Yeah. I mean, like, when it says neither the board or

24 the secretary has jurisdiction over a hotel van owned or

25 operated by a hotel, is that a tricky thing that's too

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1 much for me, I need an attorney to understand, or maybe

2 the people in the courtroom need?

3 **A There are a lot of rules, a lot of regulations.**

4 Q Does the WUTC have jurisdiction over a school bus?

5 **A No.**

6 Q Over a taxi?

7 **A No.**

8 Q Over a hotel van?

9 **A No.**

10 Q Okay. So what's in question here really for those half

11 of the things you've made the statement on -- not you,

12 the WUTC -- half of things you said we're noncompliant

13 on, we are pretty sure you don't have jurisdiction over,

14 for sure and then we can put it to bed?

15 MR. ROBERSON: Objection.

16 JUDGE PEARSON: Can you rephrase that?

17 BY MR. VALENTINETTI:

18 Q Do you have jurisdiction over Airline Shuttle's hotel

19 van, 14-passenger, non-CDL, 800 GVW?

20 JUDGE PEARSON: Mr. Valentineti, I think

21 that's been asked and answered. He has acknowledged

22 that that --

23 MR. VALENTINETTI: He said there are

24 certain rules exempt. I just want a yes or no.

25 JUDGE PEARSON: The UTC, you didn't have a

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1 certificate from us for Airline Shuttle.

2 MR. VALENTINETTI: I didn't need it.

3 JUDGE PEARSON: That's well established.

4 I'm not sure why you're continuing to ask it.

5 MR. VALENTINETTI: While the law is

6 parallel -- Mr. Perkinson said the law is parallel with

7 federal law, and the federal law is the same. CFR

8 4913506. Federal law is exactly the same. So if

9 Mr. Perkinson says the UTC doesn't have jurisdiction,

10 neither do the Feds. And that's what I'm trying to get

11 him to answer, since he is an expert on both WACs and

12 RCWs --

13 JUDGE PEARSON: I don't think -- I'm going

14 to stop you right there. I don't think that anyone has

15 asserted that Mr. Perkinson is an expert on federal

16 jurisdiction of various motor carriers. That's not his

17 job. That's not what he does here. He works for the

18 Commission.

19 Do you have any more questions for him?

20 BY MR. VALENTINETTI:

21 Q Have we sufficiently established that Airline Shuttle

22 does not need a random drug and alcohol or any testing

23 program whatsoever?

24 MR. ROBERSON: Objection.

25 JUDGE PEARSON: I'm going to sustain your

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1 objection. I don't think that Mr. Perkinson, again, is

2 qualified or should have to answer questions about the

3 federal jurisdiction. And this has already been decided

4 by the FMCSA. We've already been down that road. So

5 we're not --

6 BY MR. VALENTINETTI:

7 Q Does Go VIP need drug and alcohol testing for a

8 14-passenger bus moving airline crew to and from a

9 hotel?

10 **A I'll read the exemption. It says, "Owned or operated by**

11 **or for a hotel and only transporting hotel patrons**

12 **between the hotel and the local station of a carrier."**

13 **That's the local exemption as it reads.**

14 Q And to me, Mr. Perkinson, that means that the -- at the

15 top of that it says "The Board or the Secretary." And

16 that's the Board Or the Secretary of Transportation. To

17 me, that means they don't have jurisdiction; does that

18 mean something different to you?

19 **A It would. If it met that criteria, yes.**

20 Q Okay. Thank you. That's good. I've got a couple more

21 and then we will be done.

22 With Exhibit No. 1, if you continue to turn the

23 pages in our book. I'll just show you, No. 1, there is

24 a pile of --

25 **A I'm familiar.**

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1 Q Okay. You're familiar with No. 1? Those are documents
 2 that easily Mr. Perkinson, after this hearing, could
 3 check and see if they are accurate or false or whatever.
 4 Since, not this commission, but the Feds said that we
 5 falsified documents. You can check and see if we had --
 6 if these are real; is that correct?
 7 **A Yes, I could.**
 8 Q And will you do that?
 9 **A We could. Certainly.**
 10 Q You could, but will you before you make a decision?
 11 **A I'm not sure that it's needed. It says the dates of the**
 12 **tests are --**
 13 Q The date of the tests --
 14 **A -- after the violations that are recorded.**
 15 **JUDGE PEARSON: I'm going to stop you**
 16 **right there, because the dates of these tests are all**
 17 **recorded in the safety audit that was performed by the**
 18 **FMCSA. So it's really moot. If we're accepting those**
 19 **findings as done and decided, this doesn't prove**
 20 **anything that's not also in the safety audit report. So**
 21 **I'm not sure what you're getting at. I don't think**
 22 **anyone is questioning the veracity of these documents.**
 23 MR. VALENTINETTI: Let me get to the end
 24 of it. We did everything right. This is a corrupt,
 25 racial, criminal attack. I didn't want to go there in

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1 this meeting because really I just want to operate
 2 Go VIP. But if you knew the things that John Foster
 3 said, and if you look at No. 12, the girls that work in
 4 our office, yeah, they all quit that day because of
 5 Foster. Foster's personal threats of deportation and
 6 stuff like that. And that's not where I want to go. I
 7 want to operate a bus company and be happy.
 8 MR. ROBERSON: Objection. Is he examining
 9 Mr. Perkinson or is he testifying?
 10 JUDGE PEARSON: Do you have any more
 11 questions for Mr. Perkinson?
 12 BY MR. VALENTINETTI:
 13 Q Are you going to do your own investigation --
 14 JUDGE PEARSON: Mr. Valentinetti, stop
 15 speaking over me. When I'm speaking, you need to wait
 16 until I'm finished. You can have an opportunity to say
 17 all those things when you make your closing statement.
 18 But you need to focus now on finishing up your line of
 19 questioning with Mr. Perkinson.
 20 BY MR. VALENTINETTI:
 21 Q Can you look at Exhibit 3, please? Page 1. Can you
 22 tell me what the date is on that?
 23 **A Which date?**
 24 Q April 1, 2013.
 25 **A Okay. Service date April 1, 2013.**

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EXAMINATION OF PERKINSON/VALENTINETTI

1 Q Can you read the first sentence for me, please? And
 2 this is for AMI Coaches.
 3 **A "The Federal Motor Carrier Safety Administration's**
 4 **preliminary grant of operating authority in this**
 5 **proceeding has become effective but authority has not**
 6 **been issued because the applicant has not complied with**
 7 **the Federal Motor Carrier Safety Administration's**
 8 **regulations for" -- and it speaks to insurance.**
 9 Q Yes, it speaks to insurance. And Mr. Ferguson is here
 10 to -- well, plus we sent that document to the FMCSA
 11 immediately.
 12 And then if you could go to No. 12, please. And
 13 page 1 is a picture, page 2 is an invitation to Amtrak's
 14 bidding thing, and No. 3 is David Pratt's letter to
 15 Amtrak; is that correct? What's the date on that?
 16 **A May 15, 2013.**
 17 Q And then Mr. Foster, if you could go -- skip one page
 18 and go to the second page. What's the date of
 19 Mr. Foster's "we're going to do an audit"?
 20 **A May 20, 2013.**
 21 Q That's five days later?
 22 **A That is.**
 23 Q And are you aware of the violations that Mr. Foster
 24 found against AMI Coaches?
 25 **A Yes. I'm not intimately aware, but I'm aware there are**

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1 violations.
 2 Q Do they parallel the federal violations?
 3 **A I don't think exactly, no.**
 4 Q Is there video surveillance at Seatac Airport?
 5 **A I don't know.**
 6 MR. ROBERSON: Objection, relevance.
 7 JUDGE PEARSON: I don't know where you're
 8 going with this. You need to get to your point.
 9 MR. VALENTINETTI: It doesn't matter. I'm
 10 done with Mr. Perkinson. I'll say the point is is
 11 that -- it doesn't matter. I'll hit it in the end.
 12 JUDGE PEARSON: Do you have any redirect
 13 for your client?
 14 MR. ROBERSON: Just a couple.
 15
 16 **EXAMINATION**
 17 **BY MR. ROBERSON:**
 18 Q First question, I guess do you have the power to
 19 reinvestigate a federal investigation or modify their
 20 findings?
 21 **A No.**
 22 Q Mr. Valentinetti has spoken often about jurisdiction
 23 over, I guess it's Airline Shuttle. He pointed you to
 24 the definition in, I guess it is the WACs, about going
 25 from a hotel to a carrier. Did Mr. Valentinetti admit

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1 they do other things in this very hearing?

2 **A Yes.**

3 MR. ROBERSON: I think that's all I have.

4 JUDGE PEARSON: Okay. So I have a couple

5 of questions for you --

6 MR. VALENTINETTI: Yes, Your Honor.

7 JUDGE PEARSON: -- before you make your

8 closing statement.

9 So I asked you earlier if you had received copies of

10 these safety audits and you indicated that you had. And

11 I noted that within the safety audits there is a fairly

12 lengthy explanation about the procedure related to an

13 unsatisfactory safety rating, that the carrier has

14 45 days to take the necessary steps to approve the

15 rating and to request an upgrade. And I understand that

16 you claim to have not received the letter from the FMCSA

17 about this, but it is in the findings. So you had

18 knowledge that these were the requirements by virtue of

19 receiving a copy of the safety audit.

20 And I guess my question is: You failed to follow

21 through either time, and I'm wondering why that is.

22 MR. VALENTINETTI: Thanks for saying that,

23 Your Honor, because I'm happy to address that. When

24 AMI Coaches -- and I'll do that one quick -- we were

25 shut down. And I'll have you know, to this day we have

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1 never had a hearing like this.

2 And I think that as Mr. Perkinson might be the only

3 one that knows, when you are shut down, the hearing

4 needs to happen in ten days. But of course, since the

5 violations are false, the Feds don't want to have it,

6 and so they are hiding. DND International, if you want

7 to research that and understand, DND International was

8 shut down 25 days before us.

9 The hearing has to happen in ten days or it's out.

10 We've never been afforded a hearing, ever. So again, as

11 I don't have a very good attitude here today, I'm happy

12 that we're here because this is the first hearing we had

13 before for either Airline Shuttle or AMI Coaches.

14 AMI Coaches, we had a gazillion dollar attorneys

15 downtown that wrote corrective action plans, sent all

16 this documentation to the Feds. Because they are

17 covering up, they said, Yeah, we don't believe it. But

18 they don't do an investigation. The Airline Shuttle,

19 the reason it comes into -- and I want to ask Mr. --

20 well, I guess we are past Mr. Perkinson, but has the --

21 to your knowledge, has the Feds or the -- you don't even

22 have to answer because I know you can't now -- the Feds

23 or the WUTC ever even investigated a hotel van? Never

24 in the history of the world has that happened.

25 So they shut down AMI Coaches with some horrible

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1 things -- and I'm not going to go there now because it's

2 not the thing. I started to a little bit with some

3 horrible things that were said in my office to my staff

4 and to me, because I guess I'm -- I don't know where I'm

5 from but I'm from somewhere.

6 They shut down AMI Coaches, we filed a civil

7 complaint against the UTC and the Feds, and they come

8 back and come at Airline Shuttle as retaliation. As

9 almost everybody in this room knows, you have never,

10 ever done an audit or even issued a violation in the

11 history of the WUTC against a hotel van. Ever. And for

12 sure never one has been shut down. And if it has or if

13 there was a violation, they were allowed to challenge

14 it.

15 We have never had a chance to challenge and now

16 we're making application to the UTC for Go VIP three

17 years later. And I want to challenge all these things

18 and today I guess we can't. But, you know, I think --

19 I'm making a statement that the DOT -- and that's UTC

20 and FMCSA -- is hiding from these false allegations that

21 they made and they can't substantiate it.

22 If you look up CFR 386.58, that means you guys have

23 the burden of proof. You don't. But AMI Coaches and

24 Airline Shuttle or in any type of investigation where

25 you've made an allegation, once you make an allegation

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1 now you have to prove it. I'm saying today that, in a

2 nice way, you should do your job. You should

3 investigate. But if you put on paper that we have a

4 history of noncompliance and list violations, I'm not

5 here to say you have to prove it, but I'm here to say

6 that you don't -- or that they are wrong, and I don't

7 want to be blocked from that. And I know we have a time

8 limit, but --

9 JUDGE PEARSON: I want to stop you because

10 you're not answering my question. The unsatisfactory

11 safety rating explanation is very clear, that you have

12 45 days to take steps, that you have 90 days to request

13 an appeal within the date of the proposed safety rating,

14 but you should do it within 15 days. Did you file an

15 appeal of either of these safety ratings?

16 MR. VALENTINETTI: Yes, Your Honor. And

17 I'm glad you asked that because I was off track. You're

18 right. We filed an appeal, and we did seven -- the

19 first five through attorneys for AMI Coaches --

20 corrective action plans that are like a phonebook that

21 show all this. And I did do my own after I got rid of

22 the attorneys because I couldn't afford them anymore. I

23 spent 1.2 million with these guys. I got rid of them

24 after five rejected corrective action plans. I did two

25 more myself.

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1 And just so you know, when you think, Oh, we're the
 2 good guys -- and I'm talking about you when I say
 3 that -- we're putting the bad guys out of business.
 4 Again, I want to make a comparison, so you understand
 5 where this is going to go if it has to. Ride the Ducks
 6 kills people; they are back on the road in three months.
 7 Airline Shuttle has never had a violation, a ticket, a
 8 speeding ticket -- probably a parking ticket -- but
 9 nothing, and we're out of business for life without an
 10 investigation. That's a problem. That's a problem for
 11 even you guys.
 12 And what I'm saying is: I know you're all innocent
 13 now, but you're not going to be in the future if you
 14 don't investigate this or let us dispute these false
 15 violations.
 16 JUDGE PEARSON: So I just wanted to
 17 clarify, which you did, that there was follow-up --
 18 MR. VALENTINETTI: We did seven
 19 corrective -- we asked for an immediate hearing for
 20 AMI Coaches, we did --
 21 JUDGE PEARSON: I've got it.
 22 MR. VALENTINETTI: Give me just one minute
 23 or 30 seconds.
 24 JUDGE PEARSON: No, you've already
 25 explained this. I don't want to hear it again. I just

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1 wanted to know if you ignored it or took action. It
 2 sounds like you took action but were unsuccessful. I
 3 don't have any further questions.
 4 MR. VALENTINETTI: We never had a hearing,
 5 ever, because they are hiding.
 6 JUDGE PEARSON: Gotcha. Do you have
 7 anything else you want to say?
 8 MR. VALENTINETTI: Yeah, that's not my
 9 closing. That's just me talking to his thing.
 10 JUDGE PEARSON: Okay. So I believe
 11 Mr. Roberson --
 12 MR. ROBERSON: I'm finished.
 13 JUDGE PEARSON: So if you have anything
 14 new you want to tell me in the next two minutes, you can
 15 do so now. Please don't repeat anything you've already
 16 said. Anything new you want me to consider, you have
 17 two minutes.
 18 MR. VALENTINETTI: Your Honor, what I
 19 would like for the Commission to do -- because I realize
 20 these are new people, yourself included, to what's going
 21 on here -- we did a hearing way back in 2000, which none
 22 of you guys were here then. I was. I don't want you
 23 guys to point your fingers at the Feds and -- I know
 24 it's the government, and I'm making a joke a little bit,
 25 but I want you to do your own work.

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1 I want Mr. Perkinson to call U.S. HealthWorks. I
 2 want him to call Doug Ferguson and say did he have
 3 insurance or not? Because I am confused. He said he
 4 did and he didn't. We want to make sure if we put this
 5 guy on the road that he's got all this stuff or he's
 6 done it. We are confused now because we read this thing
 7 from the Feds, yeah, he is showing he's got evidence
 8 here that shows he does.
 9 I want you to do your own work. I don't want you to
 10 say it's been found because they did that to you. They
 11 are pointing their finger at you now. They are saying
 12 John Foster, it wasn't us. And you're saying
 13 John Foster didn't work for the Feds. They said, Oh,
 14 yeah, he did. I'm just saying, in this tribunal here,
 15 let's focus on Go VIP. And so, Matt, when I give you an
 16 application, and I say, Yeah, we have drug and alcohol
 17 testing. We have insurance. You can check to see if we
 18 really do. That's No. 1. And No. 2, if you think --
 19 and I know you do, I get it, that's why we're here -- if
 20 you think there is noncompliance in the past, then do
 21 your own research, even though it's not your deal. Do
 22 your own research before you make a decision hanging on
 23 to the neighbor's leg thinking, Well, they must have
 24 done it, because they say you did it. They are pointing
 25 their finger back at Foster now.

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1 And you know what? I'm just going it stop with
 2 that. But that's what I want you to do for Go VIP. Why
 3 should this -- why should you shut down and stop -- and
 4 when I say it, you guys probably giggle -- the No. 1
 5 company in the United States, do you know a company
 6 that's gone 24 years without an accident? I don't.
 7 State patrol doesn't. Nobody has.
 8 I worked for a school bus company that is great.
 9 I'm not going to say which district. You can figure it
 10 out if you want. They are great people. They are good
 11 drivers. They are safe. They are all about kids. And
 12 in the first week of 2017, they had nine accidents.
 13 Nine in seven days. And you know what? I don't see
 14 them sitting here. I don't see you guys saying, You
 15 know, we really don't have jurisdiction but we're going
 16 to step across the line and shut them down. It's not
 17 your thing. It's not.
 18 And it's the same with Airline Shuttle. We have a
 19 great record. We have great customers -- or had, past
 20 tense -- and now we're shut down without a review
 21 forever. You say, Well, the other guy said this and the
 22 other guy said that. There has never been a hearing,
 23 there has never been witnesses, there has never been a
 24 Doug Ferguson or other people come to testify.
 25 You said yourself, you don't think we have

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1 jurisdiction. But that affects our future. For you to
 2 even write that letter, Mr. Perkinson, that's public
 3 record. So when we go to -- let's say we turn on
 4 Go VIP, and I go to Microsoft and say, Hi. Starline
 5 says, Yeah, that's that guy who was shut down. Look in
 6 the documents. He has a history of noncompliance. When
 7 we go to Amtrak, which you know is government owned, and
 8 that's a big deal, that's really why we're here. Do you
 9 understand that, Your Honor? I won't explain it, but do
 10 you understand that's why we're here.
 11 JUDGE PEARSON: I do.
 12 MR. VALENTINETTI: When we go to Amtrak
 13 and bid for a multimillion dollar busing contract where
 14 we're way better, way better than Starline and MTR, even
 15 though they have pretty buses and a nice office and the
 16 guy is rich, we respond quickly for them and do great
 17 work. When we go to do that, in their vetting process
 18 they are going to look at what you said. They are going
 19 to look at what John Foster said, which makes me crazy.
 20 Now you're adopting that.
 21 So what I'm saying is I want you to do your own
 22 work. Don't adopt Foster. Don't adopt the Feds. You
 23 check yourself. That's what I'm asking this group to
 24 do. You're hanging on to a leg that you don't know --
 25 you just really don't know what's coming. That's not a

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1 threat, you just don't get it.
 2 If we had two hours, if we were really off the
 3 record, I would tell you what's going on and you would
 4 say, Oh, my God. And you probably would believe
 5 50 percent of it. Then you do a little investigation,
 6 and you would believe 90 percent. This is not a
 7 self-serving thing. This is Go VIP wants to do good
 8 service, we're going to do afterschool sports. We're
 9 going to try and do a flight crew again, even though
 10 you've -- not you but the DOT -- have ruined our
 11 reputation.
 12 You know, it's fun stuff. That's why we do it. If
 13 I wanted to make more money, I wouldn't work for a
 14 school bus company working a bus route with 70 screaming
 15 kids in the back. It's not about money for me. It's
 16 about I like this business. And whether you guys are
 17 the professionals or not, guess what, I do a better job
 18 than you do at it. I know this business. I've been
 19 doing it for 24 years. I know what safe is. That's why
 20 we have a company that's operated this long without
 21 accidents. I know who the good drivers are.
 22 This isn't a Steve thing: I ski better than you. I
 23 drive better than you. I operate a company better than
 24 you. I know you have a job to do, and I appreciate
 25 that. But what I'm asking you is that you really do it.

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1 Do your own investigation. Sorry, Your Honor. Go
 2 ahead.
 3 JUDGE PEARSON: Are you done?
 4 MR. VALENTINETTI: Not really, but go
 5 ahead.
 6 JUDGE PEARSON: That was my question, is
 7 whether you were done.
 8 MR. VALENTINETTI: No, but go ahead.
 9 JUDGE PEARSON: You're out of time. So
 10 I'm not sure what else you want to add at this point. I
 11 think you've been very thorough and you've given us a
 12 lot of information.
 13 MR. VALENTINETTI: I think that there is
 14 no way that the UTC should ever try and stop -- as a
 15 matter of fact, I'll go five more if this is my closing.
 16 Is that what you're saying? Or is he going to do one?
 17 JUDGE PEARSON: It is your closing. He
 18 doesn't have anything else to say. You've already gone
 19 past the two minutes that I gave you. I can't imagine
 20 that you're going to say anything that you haven't
 21 already said.
 22 MR. VALENTINETTI: I am. If Go VIP is
 23 stopped, from what you guys don't know, I gave you the
 24 tip of the iceberg. This is not about safety, this is
 25 not about violations, this is about discrimination. And

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1 it's sad. Because I'll tell you, I was a professional
 2 athlete. So you know what? I never see it. I grew up
 3 never seeing it because I'm a cool guy. I'm the big
 4 deal, and I made a lot of money. I never saw it.
 5 But now, a few years later, it's okay for me to
 6 drive a bus, but not own it. Now that I'm not a
 7 professional athlete, all of a sudden I'm going, Oh, my
 8 God. This is what it's like. I can't believe it. It's
 9 disgusting. It's wrong.
 10 And if you guys knew it -- I know it's hard for you
 11 to get it. I know it's really hard for you to get it,
 12 because I didn't get it through my years of growing up.
 13 I thought discrimination, what's that? I make a lot of
 14 money. I get whoever I want. I buy whatever cars I
 15 want. I can do whatever I want. It's no problem. It's
 16 years later I'm trying to run a big company and all of a
 17 sudden the laws are different for me. All of a sudden,
 18 we don't believe what you say. All of a sudden the
 19 insurance --
 20 JUDGE PEARSON: Hold on. What basis do
 21 you believe you're being discriminated against?
 22 MR. VALENTINETTI: I believe that it's
 23 differential treatment.
 24 JUDGE PEARSON: On what basis?
 25 MR. VALENTINETTI: Meaning -- basis

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1 meaning? Do you want to hear a little bit of it?

2 JUDGE PEARSON: No, when someone alleges

3 discrimination, it's usually on a basis, such as race,

4 gender, sexual orientation --

5 MR. VALENTINETTI: Race, color, two. I

6 don't want to go into it here, but I'm happy to if you

7 want to give me 15 minutes.

8 JUDGE PEARSON: No, I don't. I just

9 wanted to clarify.

10 MR. VALENTINETTI: I mean, why else would

11 the UTC be trying to stop a company that's never had an

12 accident, when you guys -- and I'll just throw the

13 stone -- you guys put Ride the Ducks back on the road

14 with 400 violations --

15 JUDGE PEARSON: We've already talked about

16 that. I don't want to talk about it again. So you feel

17 you're personally being racially discriminated against?

18 MR. VALENTINETTI: I think our whole

19 office was. I think that Foster came in and thought,

20 Look, they are foreigners and they are taking our

21 friend's business, which is Evergreen Trails, which I

22 have all of that here too.

23 And it is new. I want to say so you get the big

24 picture from before. Evergreen Trails in 2011 -- who is

25 nobody, I know nobody knows who Evergreen Trails, it's a

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1 big ghost, it's MTR, Starline, Shuttle Express -- they

2 filed with the Commission a certificate for convenience

3 to have all the transportation from Seatac Airport to

4 downtown Seattle for airline crew. They have never done

5 it in their life before, but they are trying to shut me

6 out. The Commission passed it. Who is

7 Evergreen Trails? We don't know. We've never heard of

8 them. But now that's there.

9 So let's say that Airline Shuttle comes back and

10 says, Hey, Delta Airlines, we want to do your

11 transportation like the old days. No, we can't do it.

12 We have to go through Evergreen Trails. Why is that?

13 Why would you pass that? Why would you do that? Yes, I

14 believe that we are -- my office, the Chinese girl, the

15 black girl, me, they think we're foreigners. Let's just

16 switch them and let's not let them have a review. Let's

17 not. Let's just say we reviewed it and that's it. And

18 that's where you're at.

19 That's why I'm asking you guys, who I know are not

20 part of that. You're normal people. But I don't care

21 if they worked here and it's your dad or whoever, your

22 friend, those guys aren't. There is a lot of money.

23 There is a \$54 billion transportation thing in the next

24 12 years here in Seattle, and people are scrambling

25 around for it. And the way they do that, since they

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1 can't out-perform us, and they can't do a better job and

2 their marketing is worse than ours, they come to you

3 guys and say, Hey, Airline Shuttle is no good or

4 AMI Coaches is killing us. Can you take them out? And

5 you guys, Okay, we'll do it. I want you to do your own

6 homework.

7 JUDGE PEARSON: Mr. Valentinetti, you're

8 repeating yourself. I'm done. We're good.

9 MR. VALENTINETTI: Okay.

10 JUDGE PEARSON: So before we adjourn, I

11 just want to let everyone know that I'm not going to be

12 able to issue an order within ten days as the APA

13 requires for adjudicative proceedings. I'm going to

14 need the transcript available to me when I'm making my

15 decision, and we usually receive that within 7 to

16 10 days after the hearing. I anticipate I will issue an

17 order five business days from the date that I receive

18 the transcript, at the latest. I just wanted to give

19 you a timeframe what you can expect. Okay?

20 Is there anything further before we go off the

21 record?

22 MR. VALENTINETTI: I have a tiny bit more.

23 I do.

24 JUDGE PEARSON: No. We're going to be

25 done for the day. Okay?

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1 Thank you for coming here. Thank you for explaining

2 in detail. I understand very well what it is that

3 you're trying to say and what your position is here. So

4 I appreciate you taking the time out of your day to come

5 and make a presentation.

6 MR. VALENTINETTI: Well, I've had three

7 years time waiting for the first hearing.

8 JUDGE PEARSON: Okay. Well, I'm happy we

9 could do that for you today.

10 MR. VALENTINETTI: I wish it was a little

11 sooner, but yeah.

12 JUDGE PEARSON: Thank you. Then we will

13 be off the record and we are adjourned.

14 (Proceedings concluded at 11:52 a.m.)

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CERTIFICATE

1 I, Laura Gjuka, a Certified Court Reporter in
2 and for the State of Washington, residing at
3 University Place, Washington, authorized to administer
4 oaths and affirmations pursuant to RCW 5.28.010, do
5 hereby certify;

6 That the foregoing Verbatim Report of Proceedings
7 was taken stenographically before me and transcribed
8 under my direction; that the transcript is a full, true
9 and complete transcript of the proceedings, including
10 all questions, objections, motions and exceptions;

11 That I am not a relative, employee, attorney or
12 counsel of any party to this action or relative or
13 employee of any such attorney or counsel, and that I am
14 not financially interested in the said action or the
15 outcome thereof;

16 That upon completion of signature, if required, the
17 original transcript will be securely sealed and the same
18 served upon the appropriate party.

19 IN WITNESS HEREOF, I have hereunto set my hand this
20 1st day of May, 2017.

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22
23
24
25

Laura Gjuka, CCR No. 2057