

**Docket No. TG-210102 - Vol. II**

**In the Matter of: Cascade Recycling Inc.**

**November 16, 2021**



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BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining )  
the Proper Carrier )  
Classification of, and ) DOCKET NO. TG-210102  
Complaint for Penalties Against )  
CASCADE RECYCLING INC. )

VIRTUAL HEARING, VOLUME II

PAGES 10-63

ADMINISTRATIVE LAW JUDGE SAMANTHA DOYLE

November 16, 2021

9:02 a.m.

DATE TAKEN: NOVEMBER 16, 2021

REPORTED BY: CARISA KITSELMAN, RPR, CCR 2018

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

2 ADMINISTRATIVE LAW JUDGE:

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18 ALSO PRESENT: KATHRYN McPHERSON  
19 MATTHEW PERKINSON  
20 RYAN SMITH  
21 ROD WHITTAKER  
22 DAN DOLSMETH

23 \* \* \* \* \*

24  
25

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1 NOVEMBER 16, 2021

2 9:02 A.M.

3 \* \* \* \* \*

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

5 Good morning. Today is November 16th, 2021. The time is  
6 approximately 9 a.m. My name is Samantha Doyle, and I'm  
7 the administrative law judge presiding over today's  
8 hearing.

9 This is Docket TG-210102, which is a special proceeding  
10 to determine whether Cascade Recycling, Incorporated, is  
11 operating as a solid waste company without the required  
12 permit from the Commission.

13 Let's begin by taking short appearances, starting with  
14 Commission Staff.

15 MS. CAMERON-RULKOWSKI: This is  
16 Jennifer Cameron-Rulkowski, assistant attorney general,  
17 appearing on behalf of Staff.

18 JUDGE DOYLE: Great. And for the Company?

19 MR. JOHNS: This is Mike Johns. I'm the  
20 attorney appearing on behalf of the Company.

21 MR. DOLMSETH: I'm Dan Dolmseth, owner of  
22 Cascade Recycling.

23 JUDGE DOYLE: Great. Thank you.

24 The Company is here because the Commission has  
25 information that it is or was operating or advertising as

1 a solid waste carrier without a permit.

2 Operating as a solid waste carrier without the  
3 required permit is illegal and subject to a penalty of up  
4 to a thousand dollars per violation.

5 If you are found to have engaged in business as  
6 a solid waste carrier without a permit, the Commission  
7 can order you to cease and desist operating and impose a  
8 penalty.

9 When I call on each party to testify, I will  
10 swear you in with the oath of witness so that anything  
11 you tell the Court will be under oath and can be  
12 considered sworn testimony.

13 For the court reporter's benefit, please speak  
14 slowly and clearly. Once you are sworn in, you can  
15 present your testimony.

16 Let's first have Staff address the  
17 classification. Following Staff's presentation, the  
18 Company will have the opportunity to ask Staff's  
19 witnesses any questions. And then you may present  
20 testimony.

21 Once you are done testifying, Staff's attorney  
22 may have some questions for you. And then Staff will  
23 make a recommendation on the penalty.

24 Do you have any questions before we get started?

25 Okay. Hearing none, Ms. Cameron-Rulkowski, you

1 may proceed with the issue of the Company's  
2 classification when you're ready.

3 MS. CAMERON-RULKOWSKI: Thank you, Your Honor.

4 Just as a preliminary matter. I would like to  
5 say that the parties have stipulated to entry of the two  
6 exhibits. And the one exhibit is the investigative  
7 report, and the other exhibit is the Company's website.

8 JUDGE DOYLE: Okay. Great. And --

9 MS. CAMERON-RULKOWSKI: Okay. Just -- sorry.  
10 Go ahead.

11 JUDGE DOYLE: Just going to say we'll enter  
12 them into the record.

13 Did you know those numbers, but that's okay?

14 MS. CAMERON-RULKOWSKI: Yes. They are  
15 Exhibits KM-1 and KM-2.

16 JUDGE DOYLE: Great. KM-1 and KM-2 will be  
17 entered into the record. Thank you.

18 (Exhibit Nos. KM-1 and K-12  
19 entered.)

20 MS. CAMERON-RULKOWSKI: So our allegations are  
21 that Cascade Recycling should be classified as a solid  
22 waste collection company, and if it is so classified,  
23 then the Commission should find there is violated laws  
24 and rules requiring a company operating as a solid waste  
25 collection company to obtain authority from the

1 Commission.

2 And Staff will be presenting evidence of its  
3 investigation of Cascade's operations and will make a  
4 penalty recommendation ultimately. We would like to make  
5 that penalty recommendation after the Company has put on  
6 its case.

7 We would like to point out that Cascade  
8 Recycling bears the burden to prove that it should not be  
9 classified as a solid waste collection company, and Staff  
10 bears the burden of showing that Cascade Recycling  
11 violated laws or rules enforced by the Commission that  
12 would be the basis for a penalty.

13 As a practical matter, the same actions lie  
14 under both the classification and penalty proceedings.  
15 And so Staff is prepared to put on a single case that  
16 would support both.

17 At this -- at this time, I would like to call  
18 Kathryn McPherson.

19 JUDGE DOYLE: Great.

20 MR. DOLMSETH: I'm sorry. Jennifer, I didn't  
21 hear that, please.

22 MS. CAMERON-RULKOWSKI: At this time, I'm  
23 calling Kathryn McPherson to be sworn in to testify.

24 MR. DOLMSETH: Thank you.

25 ARBITRATOR HALTER: Will you please raise your



1 right hand.

2 \* \* \* \* \*

3 Kathryn McPherson, having been first duly sworn,  
4 was examined and testified as  
follows:

5 THE WITNESS: I do.

6 JUDGE DOYLE: Thank you. You may continue.

7 DIRECT EXAMINATION

8 BY MS. CAMERON-RULKOWSKI:

9 Q. Good morning, Ms. McPherson.

10 A. Good morning.

11 Q. Please state and spell your name.

12 A. Kathryn McPherson. K-a-t-h-r-y-n.

13 M-c-P-h-e-r-s-o-n.

14 Q. Please state the name of your employer.

15 A. Utilities and Transportation Commission.

16 Q. And what position are you employed by the  
17 Commission?

18 A. I'm an investigator with motor carrier safety.

19 Q. And how long have you been employed in this  
20 position?

21 A. Almost three years now.

22 Q. And how long have you been employed by the  
23 Commission?

24 A. Six years.

25 Q. And what are other positions that you've held at

1 the Commission?

2 A. I was a consumer protection specialist where I  
3 did informal investigations with utility and  
4 transportation companies stemmed from consumer  
5 complaints.

6 Q. Thank you.

7 And do you have any prior experience as an  
8 investigator before coming to the Commission?

9 A. While living in the State of Florida, I worked  
10 for the Department of Revenue as a child support  
11 investigator for approximately two years.

12 Q. Thank you.

13 Please briefly describe your responsibilities as  
14 they pertain to this matter.

15 A. In my position I investigate the possible  
16 transportation of solid waste with companies that do not  
17 hold a certificate issued by the Commission.

18 Q. And are you familiar with Cascade Recycling,  
19 Inc.?

20 A. Yes, I am.

21 Q. How did you become familiar with Cascade  
22 Recycling?

23 A. Initially, I became familiar with Cascade  
24 Recycling about two years ago when a complaint was issued  
25 regarding a drop box at the WinCo in Lacey that had solid

1 waste. I provided technical assistance to the Company,  
2 and they agreed not to transport solid waste.

3 Q. And when you say that a "complaint was issued,"  
4 do you mean that a complaint came into the Commission?

5 A. Yes. Another company complained about a solid  
6 waste drop box at a merchant location.

7 Q. Okay. Thank you for the clarification.

8 Does Cascade Recycling hold any type of  
9 authority from the Commission?

10 A. They have a common carrier permit.

11 Q. And do you know when Cascade Recycling obtained  
12 its common carrier permit from the Commission?

13 A. Initially, the Company had a common carrier  
14 permit in 2006. The permit was canceled a couple of  
15 times but was reissued in 2010 and has maintained their  
16 common carrier authority since then.

17 Q. Thank you.

18 Does Cascade Recycling hold solid waste  
19 transportation authority from the Commission?

20 A. They do not.

21 Q. And which law or rule, per your understanding,  
22 is Staff seeking to enforce in this proceeding?

23 A. That would be RCW 81.77.040 that requires a  
24 certificate from the Commission to transport waste.

25 Q. And what is your understanding of when a common

1 carrier must obtain a solid waste transportation  
2 certificate from the Commission?

3 A. When a common carrier is transporting waste on  
4 more than an occasional basis, even though they are not  
5 holding themselves out as a solid waste collection  
6 company, they are required to have a certificate to  
7 continue to transport waste.

8 Q. Thank you.

9 And by "a certificate," are you -- do you mean a  
10 solid waste collection certificate?

11 A. Yes. A solid waste collection certificate. A  
12 certificate of convenience and necessity.

13 Q. Thank you.

14 Did you conduct an investigation of Cascade  
15 Recycling?

16 A. I did.

17 Q. Did you document the investigation?

18 A. I did.

19 Q. Please direct your attention to Exhibit KM-1.  
20 Can you please identify this document?

21 A. That is the investigation report I conducted on  
22 Cascade Recycling.

23 Q. And is that the documentation of your  
24 investigation?

25 A. It is.

1 Q. Thank you.

2 And what was Staff impetus for initiating the  
3 investigation of Cascade Recycling in this docket?

4 A. I apologize. Can you repeat that question?

5 Q. Absolutely.

6 What was Staff's impetus for initiating the  
7 investigation of Cascade Recycling in this docket?

8 A. Staff received a complaint from the consumer  
9 that the Company was transporting garbage from --

10 Q. And what did -- oh, sorry.

11 A. Oh, I'm sorry. Yes.

12 -- that they were transporting garbage in and  
13 out of the Alpine facility.

14 Q. All right. And what is the "Alpine facility"?

15 A. The Alpine Recycling facility is a facility  
16 owned by the same owner as Cascade. They transport  
17 recycling, recyclables with Cascade trucks to the Alpine  
18 facility. And then Cascade is responsible then to  
19 transport the residual waste from the Alpine facility to  
20 other sources.

21 Q. All right. And after Staff received a  
22 complaint, what did Staff do next?

23 A. It sent a compliance letter signed on behalf of  
24 Matt Perkinson, our assistant director of transportation  
25 safety, requesting information on the Company's

1 activities.

2 Q. And after the compliance letter, what was --  
3 what was your next step then?

4 A. I received -- well, I received communication  
5 back and forth with Cascade and initially was unable to  
6 get the information on the loads requested. I was  
7 requesting the amount of loads into Cascade by weight and  
8 then the amount of residual waste leaving Alpine and  
9 transported by Cascade.

10 The Company then provided the information of  
11 those loads, and I found an investigation needed to  
12 continue.

13 Q. All right.

14 Please turn your attention to page 5 of an  
15 investigation report.

16 A. I have that in front of me.

17 Q. All right. And do you see the paragraph there  
18 about the middle starting on September 28th?

19 A. Yes.

20 Q. All right. And just take a moment to review  
21 there, and then please explain what you learned there.

22 A. When I spoke with Mr. Dolmseth, the owner of  
23 Cascade Recycling and Alpine Recycling, and discussed the  
24 amounts of waste, he had stated that, at best, his  
25 company is only able to recycle 60 percent of the loads

1 collected.

2 I explained to Mr. Dolmseth that according to  
3 that information, that would be a violation of  
4 RCW 81.77.040.

5 Q. Thank you.

6 Now please turn to page 32 of the investigation  
7 report that's Attachment I.

8 A. Yes. I have that in front of me.

9 Q. Does this show the information request, which  
10 I'll call data request, that you sent to Cascade  
11 Recycling?

12 A. Yes. I asked for a two-week time period between  
13 August 1st and August 15th of 2020 to review the loads in  
14 and out of the facility.

15 Q. And did Cascade Recycling respond to the data  
16 request?

17 A. Eventually, yes, they did.

18 Q. And is that response in Attachment J, which  
19 begins on page 33?

20 A. It is.

21 Q. And what information did Cascade provide in  
22 response to the question? What items were collected?

23 A. It states that per the attached listing of  
24 inbound loads and the time period, the type of materials  
25 that were collected were in the attachments, CDL-type

1 materials, which is only recyclable materials for Cascade  
2 Recycling. And they bring into the yard, they sort it,  
3 and that's basically what it says.

4 The data information that I received was based  
5 off the Excel ticket sheets that they had provided.

6 Q. And Cascade's loads, there are a list of loads.  
7 Is that in Attachment M, starting on page 39?

8 A. Yes.

9 Q. And what was Cascade's response to the question  
10 which disposal facility did your company transport to?

11 A. That would be Weyerhaeuser in Cowlitz County.

12 Q. All righty. And is that the same as the Cowlitz  
13 County landfill?

14 A. It is.

15 Q. And did you contact the landfill?

16 A. I did.

17 Q. And what did you learn?

18 A. I requested information of all loads during that  
19 same time period received by Cascade.

20 And I received information that they had  
21 disposed of 376 tons of waste in that two-week time  
22 period. A total 16 transports over those 14 days.

23 Q. And just to be clear, this is the information  
24 that you received from the Cowlitz County landfill?

25 A. That is correct.



1 Q. And did you calculate the weight of all of the  
2 loads Cascade has collected, which are listed in  
3 Attachment M?

4 A. I did. It totaled -- the loads into Cascade for  
5 recycling, the total weight, was 639 tons of material  
6 for --

7 Q. And did you calculate the -- oh, I'm sorry.

8 A. -- for a total of 193 loads.

9 Q. And did you calculate the proportion of what  
10 Cascade disposed versus what Cascade collected?

11 A. I did.

12 Q. And what is that percentage?

13 A. It was 59 percent over a total of two-week  
14 period that was disposed of at the landfill of the total  
15 collection.

16 Q. All right. Aren't the weights of the loads and  
17 the solid waste percentage that you calculated shown on  
18 page 6 of the investigation report?

19 A. Yes.

20 Q. Thank you.

21 What conclusions did you draw from your  
22 calculations?

23 A. Based on the information provided by the data  
24 received from Cascade and the data received from the  
25 Cowlitz County landfill, it was my determination that

1 Cascade was transporting to a landfill on more than an  
2 occasional basis as they were disposing of 59 percent of  
3 their collective materials as solid waste.

4 Q. Thank you. I'm going to switch gears here.

5 Does Cascade Recycling have a website?

6 A. Yes, they do.

7 Q. And have you reviewed the Company's website?

8 A. Yes, I have.

9 Q. Is that website contained in Exhibit KM-2?

10 A. It is.

11 Q. All right. Now I'm going to turn to your  
12 estimation of the violations and a preliminary discussion  
13 on penalties.

14 How many violations of the -- of  
15 RCW 81.77.040 -- and also WAC 480.70.080, the commission  
16 rule, both of which require the Company to obtain  
17 Commission authority under Chapter 81.77 RCW before  
18 transporting solid waste.

19 How many violations of that law and rule do you  
20 calculate Cascade Recycling committed?

21 A. Sixteen violations.

22 Q. In the investigation report, do you discuss  
23 penalties?

24 A. I do.

25 Q. And what penalties did you recommend there?

1           A.    I recommended, per our RCWs, a \$1,000 penalty  
2 for each violation, totaling \$16,000 in penalties.

3           Q.    And is the -- is each violation in the 16,000 in  
4 dollars in penalties based on the 16 trips to the  
5 landfill over approximately two weeks?

6           A.    Yes, it was.

7                    MS. CAMERON-RULKOWSKI: Thank you,  
8 Ms. McPherson.

9                    Judge Doyle, Staff would like to reserve its  
10 final penalty recommendation until after the Company puts  
11 on its case.

12                   And at that time, I would like to recall  
13 Ms. McPherson to provide Staff formal penalty  
14 recommendations.

15                   JUDGE DOYLE: Okay. That will work.

16                   Mr. Johns, do you have any questions for  
17 Ms. McPherson?

18                   MR. JOHNS: No, I do not.

19                   JUDGE DOYLE: Thank you.

20                   Thank you, Ms. McPherson.

21                   I did not receive any exhibits from the Company  
22 in advance of the hearing, so we can proceed with your  
23 client's testimony.

24                   First, you will address the classification. And  
25 then, as we just discussed, we can then turn to each of

1 the violations. And then we'll return to the penalty  
2 after that.

3 You can briefly explain why each of the  
4 violations occurred. And then describe any steps you  
5 have taken to correct the violation and prevent the  
6 violation from occurring again.

7 And I can now swear in your witness.

8 MR. JOHNS: Before we do that, could I take a  
9 couple minute break just to discuss something briefly  
10 with him?

11 JUDGE DOYLE: Sure. Would you -- are you  
12 doing that offline? Or are you requesting that I go  
13 offline?

14 MR. JOHNS: Yeah. I can just go to a  
15 different phone and talk to him real briefly.

16 JUDGE DOYLE: Okay. We'll give you a couple  
17 minutes. Thank you. Let's be off the record.

18 (A break was taken from  
19 9:24 a.m. to 9:30 a.m.)

20 JUDGE DOYLE: We just took a short break and  
21 the time is now 9:30.

22 Mr. Dolmseth, would you please raise your right  
23 hand and I will swear you in.

24 MR. JOHNS: Oh, he may have had to hang up to  
25 talk to me so he may be getting back on.

1 MR. DOLMSETH: Hello?

2 JUDGE DOYLE: Oh, Mr. Dolmseth, are you there?

3 MR. DOLMSETH: Thank you.

4 JUDGE DOYLE: Great. Let's swear you in.

5 Will you please raise your right hand.

6 \* \* \* \* \*

7 Dan Dolmseth, having been first duly sworn, was  
8 examined and testified as follows:

9 THE WITNESS: Yes, ma'am.

10 JUDGE DOYLE: All right. Mr. Johns, thank  
11 you. You may proceed.

12 MR. JOHNS: Thank you.

13 DIRECT EXAMINATION

14 BY MR. JOHNS:

15 Q. All right, Mr. Dolmseth. Why don't you just  
16 tell the judge, what does Cascade do?

17 A. Your Honor, Cascade is a transporter. We've  
18 been in business for the better part of 22 years  
19 exclusively as a transporter. We have no specific intent  
20 to advertise, to hold ourselves out in any way, shape, or  
21 form, as a -- as a waste hauler, as a garbage hauler.

22 We have -- and I've owned the company for the  
23 last six years. And we've enjoyed a good track record,  
24 both in terms of what you do, what we're respected for.  
25 We have provisions within our contract agreements with

1 our customers that we do not haul garbage. That we are  
2 Cascade Recycling Company, and therefore, we haul  
3 waste -- we haul waste materials coming off from the job  
4 sites.

5 You know, we look to the Department of Ecology  
6 and the transporter regulations to define our operations.  
7 And I feel comfortable in saying that the most important  
8 our intent, but as well our practice, is consistent with  
9 being a recycler. And hopefully we'll get to some key  
10 issues here that got us into this situation that I  
11 apologize for. But I can hopefully explain.

12 Q. Okay. So you used the term "transporter." What  
13 are you referring to?

14 A. Under the Department of Ecology regulations,  
15 there's a definition of transporter. And, if necessary,  
16 I can state the regulation.

17 There are approximately 200 transporters in the  
18 State of Washington that are registered with the  
19 Department of Ecology. It gives us the operating license  
20 to carry recyclable materials from one -- it would be, in  
21 my case, the vast majority of what we do is we provide a  
22 drop box service to our customers, which are builders,  
23 residential builders, specifically, to carry material --  
24 and, again, when I say "waste material," I'm not  
25 referring to garbage. Waste material under the statute

1 is material that's no longer useful and includes  
2 recyclable material.

3 So I'm using the broader definition of waste  
4 material as defined in the transporter statutes -- or  
5 regulations, excuse me.

6 The point being is that we are allowed as a  
7 transporter to take recyclable materials from the job  
8 site in our drop boxes and take them to a recycler.  
9 Cascade has many recyclers that it brings recyclable  
10 material to. We operate as far north as Shoreline, as  
11 far south as Olympia. Our primary area is south of King  
12 County. But we also do business in King County and,  
13 therefore, we take our material to many different  
14 disposal -- excuse me, recycle facilities. We are not  
15 permitted to take stuff to a disposal facility.

16 So as a transporter, that's what we do. That's  
17 what we -- that's what we're allowed to do under the  
18 Department of Ecology.

19 Q. Okay. All right. So now you're familiar with  
20 the issues involved in this investigation and the  
21 violations that you've been charged with, correct?

22 A. Yes.

23 Q. All right. And you heard Ms. McPherson's  
24 testimony about her discussion with you and the  
25 59 percent figure that was discussed.

1 A. Yes.

2 Q. So why don't you provide a little further  
3 explanation of that situation.

4 A. Yes. Katherine had inquired based upon a  
5 complaint from a neighbor that's been -- again, in all  
6 respect, I can say that she's went to the health  
7 department and various other agencies. Why? Because  
8 she's fighting the zoning that permits us to operate  
9 there.

10 And this neighbor has an axe to grind --

11 Q. Let's not focus on the neighbor.

12 A. Yeah.

13 Q. Let's just discuss what your situation is.

14 A. Yeah. Okay. Anyways, she called me and -- the  
15 issue that I'm getting to is we hauled quote/unquote  
16 garbage to the facility. We don't. These are drop boxes  
17 that contain recyclable material. It is not garbage.  
18 And that's a very sensitive material obviously to this  
19 hearing. It's recyclable material that we're taking in  
20 this case to another company that I own. It's Alpine  
21 Recycling.

22 Again, we take it to various facilities  
23 throughout the Puget Sound area, Cascade does.

24 And I'm sorry, Mike, please -- for lack of a  
25 better term, reel me in here. Specifically you wanted me



1 to address specifically about what Katherine's testimony?

2 Q. She indicated when she asked you about how much  
3 you haul that turns out not to be recyclable, you said it  
4 was somewhere in the neighborhood of more than  
5 50 percent.

6 A. Yes. Transporter regulations require us to  
7 bring material, recyclable material. And, again, if you  
8 need, I can dive in what we do -- the best job that we do  
9 to ensure that's recyclable material.

10 But transporter regulations allow us to take  
11 recyclable material within our drop box facility. And we  
12 have 13 trucks. We have over 200 boxes. And we also  
13 have a unique approach to this thing to try to encourage  
14 source recycling. But that's ultimately what we all want  
15 to see. We're trying to implement that with economic  
16 constraints being the obvious prevention from us doing  
17 that.

18 Having said that, we take recyclable material  
19 through our various recycling facilities. And, again,  
20 Cascade does not haul recyclable materials to a disposal  
21 facility. And we can talk about the specific charge.  
22 I'm emphasizing we only take recyclable material to  
23 recyclable facilities. We do not take recyclable  
24 materials to a quote/unquote disposal facility.

25 The issue about the 50 percent, which is

1 critical here -- and I will say it's the reason that  
2 I'm -- I just -- I talked to other members in the  
3 industry; I've talked to the Department of Ecology about  
4 the acceptability of the 50 percent. Because when I  
5 talked to Katherine, I was concerned maybe I was missing  
6 the regulation here that required us to haul X percentage  
7 of recyclable versus nonrecyclable.

8           And, Mike, please understand. When this  
9 material is placed in boxes, and all of our agreements to  
10 our customers specifically state we are not a garbage  
11 hauling company, you have to have a garbage receptacle.  
12 An appropriate receptacle on each site in which to put  
13 your garbage.

14           And ultimately, per the statute, the regulations  
15 require the generator of the material to put the material  
16 into a garbage receptacle into a recycle receptacle. And  
17 that is their responsibility.

18           But regardless, we're a recycler. We don't make  
19 money -- we don't want garbage. We don't want any part  
20 of garbage. We want recyclable material. And we do the  
21 best we can to educate our customers as to what that  
22 entails and their obligation to have a garbage receptacle  
23 on-site as well as an obligation to separate out the  
24 material.

25           The fact that we've been in business for 22

1 years and Katherine mentions one incident in which -- and  
2 Katherine knows the details of it -- we were called to an  
3 emergency situation to go out to a job site on a  
4 Saturday. And that particular customer deals with the  
5 garbage companies. They could not get a garbage company  
6 to take care of this. It involved a bunch of food waste  
7 it turns out that was thrown into our dumpster.

8           And so it's a broker that does this stuff,  
9 arranges for these one-offs, we call them. And we made  
10 it clear to them we don't haul garbage. This is a  
11 mistake. Our driver made a mistake. I explained that to  
12 Katherine. Again, we've been in business a long time,  
13 and we don't haul garbage.

14           Getting to the 50 percent and what I'm saying.  
15 And, Katherine, excuse me. I didn't say 50 percent. I  
16 said greater than 50 percent. That's a key threshold.  
17 If you took all of the material that Cascade hauls to  
18 various recycling facilities, which is its job as a  
19 transporter, it's way over 50 percent. I can't tell you  
20 what that percentage is. But I know by the material that  
21 we both get the customers that we've got our long history  
22 with these customers, that material is -- the vast  
23 majority of it is recyclable. And that is what's  
24 required under the transporter regulations. We're not  
25 taking to disposable facility. We're taking to a

1 recycling facility. Again, we do the best job that we  
2 can. And really we've got a good reputation as far as  
3 Cascade.

4 But that threshold of 50 percent or less -- and  
5 50 percent is critical, because it speaks to the current  
6 regulations that are in place and the goals and the  
7 corresponding requirements of a transporter. When you  
8 have a 50-yard drop box, which is a very large 8-foot by  
9 8-foot by 20-foot, you know, container, you have no idea  
10 what they're putting on and you're depending upon your  
11 relationship with your customer that their marshalling.  
12 And, you know, when we see stuff that's in there, we tell  
13 them about it, we get it out, we have discussions.

14 But, you know, again, as a part of this  
15 proceeding, the UTC wants us to do more. Hey, we're all  
16 ears. And I got some ideas on that. And I include them  
17 in the plan there that we provided.

18 But that is -- is the key. We're a transporter,  
19 Mike. We're a recycler. We're known in the industry for  
20 that. And we really do have a good reputation. And we  
21 were not hauling garbage to the facility, contrary -- to  
22 the Alpine facility in this case, contrary to what the  
23 neighbor had reported to Katherine. I --

24 Q. All right. But did you --

25 A. If I'm missing something, please help me.

1 Q. But Cascade did haul to the Cowlitz landfill for  
2 the 16 loads, did it not?

3 A. It did. Yes and no. And this is the issue.  
4 And I could speak to regulations that I think are more  
5 important.

6 But, Mike, please understand that there were --  
7 again, Alpine has been in business for 12 years. Cascade  
8 has been in business for 22 years. We have not -- this  
9 issue has not come up.

10 What the -- what happens -- and, again,  
11 Alpine -- I sent a large amount of material regarding  
12 what's called a solid waste permit. And I won't digress  
13 into the regulations, I'll just mention them.

14 If one looks to regulation -- it's  
15 173-350-210(a), it talks about what an exempt facility is  
16 versus a nonexempt facility. Alpine historically has  
17 been a nonexempt facility, meaning that we did not have  
18 to get what is called a solid waste handling permit with  
19 Pierce County.

20 Now, again, a solid waste handling permit for  
21 Alpine, one could hear that term and think oh, gee, they  
22 are a solid waste disposal site. No. We're deemed a  
23 solid waste handling permit under the regulations largely  
24 determined by the Department of Ecology. And if you look  
25 at the definitions of a solid waste handler means that

1 Alpine receives all kinds of recyclable materials. And,  
2 again, the goal is to receive more than 50 percent of  
3 recyclable materials versus nonusable materials. And,  
4 again, this material comes in -- you've got folks on job  
5 sites that are trying to get stuff done, they're taking  
6 stuff. And they have a recyclable side and they have  
7 bits and pieces of all kinds of stuff that they're  
8 throwing in there that by itself you look and say that's  
9 garbage. No, it's not. That's mixed in with other  
10 recyclable.

11 And this is a key point, Mike. We recyclable --  
12 we drop on our slab every load that comes in and we hand  
13 sort it. And that's unusual because there's -- and I  
14 will say it, competitors that take the stuff and they'll  
15 throw it right into other containers and haul it to a  
16 landfill facility. That's a blatant violation of -- with  
17 the spirit and the letter of the law. Every load that  
18 Cascade brings into our facility is dropped on the ground  
19 and hand sorted. Material that's left over that we  
20 cannot recycle because of economics or because of the way  
21 it's given to us, it goes to a landfill.

22 The statute recognizes that when it gives us a  
23 goal of 50 percent -- now I'm going to say this as a  
24 digression. During the settlement conferences that we  
25 had, I was told that --

1 Q. Let's not get into settlement discussions.  
2 That's off limits.

3 Go ahead and explain: Did you haul 16 loads to  
4 the dump?

5 A. Yes. Thanks, Mike. I'm sorry. I have a lot of  
6 passion about this and I can get off track, so please  
7 keep me on point. Thank you.

8 What I'm saying is that, yes, we did. These are  
9 trailers that are owned by Alpine. This is an account  
10 that Katherine can verify that Alpine historically has  
11 had at the Cowlitz County landfill. This is way less  
12 than 50 percent of material that we bring into the  
13 facility that is how the -- hauled to Cowlitz. We use a  
14 Cascade tractor.

15 And, again, I was mistaken. I thought we could  
16 use a Cascade tractor and a Cascade driver because  
17 it's -- again, we're not in the solid waste business.  
18 It's a related company. That tractor and that driver  
19 took Alpine's materials and Cascade trailers to an Alpine  
20 designated facility that has a relationship with -- to  
21 the dump, to the Cowlitz County landfill. We're  
22 permitted. Alpine is allowed to do that because we have  
23 a strong association with Alpine. I thought the tractor  
24 and the driver being Cascade's was okay.

25 And I could point to statutes that would suggest

1 it. Yeah, that is okay. You are exempt. Because  
2 Cascade doesn't hold itself out as a hauler or  
3 transporter of garbage. In no way do we do that. The  
4 intent is an important part of this discussion.

5 And, yes, Cascade did haul those 16 loads to  
6 Alpine. But the idea that the same material that we  
7 hauled over a 14-day time period versus the records that  
8 Alpine is -- that is just not correct.

9 As I mentioned, we are obligated, you know, out  
10 of respect for our neighbors and our surrounding folks on  
11 the parcel that we're at, to water down the material.  
12 This is in August. The issue being Cowlitz County, to  
13 their credit, requires us to water down the material  
14 because it comes in very dry and has a lot of dust. And  
15 so we have sprinklers on during the whole recycling  
16 process. And during the month of August, you are talking  
17 about a very dry time period in which it gets extremely  
18 wet.

19 We also have different material. It's not just  
20 a straight one-to-one correlation. What Cascade may  
21 bring into Alpine goes directly to the dump.

22 During that time period, please go back to  
23 August of 2020. What was going on in our world? Well,  
24 we were dealing with COVID. And we thought that we were  
25 supposed to shutdown as our customers did back at the end



1 of March in 2020. We all remember that day. And we -- I  
2 told my drivers to go home, we're done.

3 We then got notification from the governor's  
4 office because we had asked for direction what we're  
5 supposed to do. And they came back to us and said you  
6 are to stay open as a waste diversion company.

7 I was suffering a variety of -- a bunch of  
8 accumulated health issues that had to be put off because  
9 of COVID. I finally got it taken care of, and I'm on the  
10 mend. This is a difficult time period in which we're  
11 scrambling. And I got guys that are out due to COVID or  
12 somebody suspected of COVID. We sent folks home, you  
13 know, trying to figure out what the best way to protect  
14 people. Anyways, you're talking about a really  
15 disjointed time period.

16 Again, that statistic 50, oh, my God. They're  
17 hauling. No, we're not. Please hear me. That would be  
18 a blatant disregard for the law, the intent, and all the  
19 rest of it. We're not about that. And I really  
20 apologize for that statistic because it -- and,  
21 Katherine, I'm not disrespecting you. It just isn't what  
22 we're about. And I mean it sincerely.

23 But the issue, Mike, is, yes, we used a Cascade  
24 truck and a Cascade driver to drive the residual material  
25 from Alpine to Cowlitz.

1           And, again, I'm just going to say this. We have  
2 been tested -- Pierce County comes out and inspects us on  
3 an ongoing basis. If we were doing what that statistic  
4 suggests, we would have been shut down a long time ago.

5           To the contrary, Alpine has never received a  
6 violation. And, again, I'm going to say this about the  
7 percentage. The most stringent requirement out there for  
8 recycling facilities -- in this case, that's the  
9 regulation, 173-350-210(a). You go to the regulation.  
10 In there it says source separated material coming into  
11 the facility. That means under the new law that you're  
12 talking about just strictly cardboard or just strictly  
13 wood or just strictly metal. Those loads that are source  
14 separated under the law that passed in 2020, they cannot  
15 contain more than 5 percent of quote/unquote garbage,  
16 whether it's by volume or weight or whatever or by load.  
17 And that's understandable, because you're talking about  
18 separated material.

19           But exempt -- again, this is exempt facilities,  
20 meaning that's what Alpine used to be. Because Alpine  
21 accepts commingled loads, that means it contains wood, it  
22 contains brick, it contains roofing, it contains remnants  
23 of carpet and insulation and all sorts of stuff.

24           And I'm going to tell you this, we don't ever  
25 have hazardous material. This is clean construction

1 material that comes into Alpine. But because of the new  
2 law, because it commingled, that means you can have  
3 cardboard and metal all clean. Doesn't matter. That is  
4 commingled. So you have to get what's called under  
5 Pierce County and the Department of Ecology regulations,  
6 you got to get a solid waste handling permit. That means  
7 that Alpine can accept commingled loads. It doesn't mean  
8 we accept garbage. It doesn't mean what somebody might  
9 think solid waste is. Hey, we're accepting garbage up.  
10 No. We're not allowed to do that. That is -- that's  
11 commingled loads that Alpine historically receives. We  
12 sort every morsel. This is the remnant pile that Cascade  
13 then -- it gets loaded with Alpine equipment into Alpine  
14 trailers and it goes to the Cowlitz County landfill that  
15 Alpine has an account with that Katherine acknowledged.  
16 And what we did is that we used a Cascade truck and a  
17 Cascade driver. Yes, Mike, we did do that.

18 But I would love to talk more about it. I'm  
19 sorry for being so long-winded. These are complex and  
20 difficult regulations for anybody to read. And so I'm  
21 trying as best I can to say you just can't choose kind of  
22 fast and loose of the percentages because, yes, they're  
23 important to everybody. But to say that's 59 percent --  
24 no, it's not the same material. It's different. And  
25 Alpine is allowed under the permit categories it has to

1 receive material, source separated or not, from other  
2 folks outside of Cascade. So that's why I sent the  
3 information to Katherine saying, hey, we're under permit.  
4 We're allowed to do this. The permit is about to get  
5 issued.

6 And it did. Pierce County inspected us several  
7 times under the new statute. They're happy with Alpine  
8 100 percent. I mean, we're doing our job, Mike, within  
9 the regulations. I apologize. I will shut up.

10 JUDGE DOYLE: Mr. Dolmseth, this is  
11 Judge Doyle.

12 I would like to ask you -- I've heard a  
13 description of the events. I've heard your version and  
14 your interpretation. And, Mr. Johns, maybe you're just  
15 about to get to this.

16 But I would also like to hear how you would  
17 prevent this situation from happening again. Unless  
18 you're trying to say, and I maybe misunderstood, that  
19 there was no violation here at all.

20 Can you clarify that for me, please?

21 MR. DOLMSETH: I'm sorry.

22 BY MR. JOHNS:

23 Q. That's what I would like to get to. So, Dan,  
24 please pay attention to what I am asking you here.

25 The violations here are hauling to the dump

1 these loads from Alpine -- and Cascade hauled this.

2 Do you acknowledge that Cascade did that?

3 A. Yes. With the driver and the tractor, yes.

4 Q. All right. So what are you going to do to  
5 prevent that from occurring in the future?

6 A. Okay. And with respect to this process and the  
7 difficult regulations, I -- I could suggest under the  
8 statute that we're being cited, 480, if you look under  
9 the exempt organizations -- and I don't have the cite  
10 right in front of me -- it would suggest that Cascade may  
11 be allowed to do this because we have an associate  
12 relationship with Alpine. Okay. I get it. We can't do  
13 it. You made a mistake, Dan. And I apologize for that  
14 sincerely.

15 There is a provision that allows for a lease  
16 agreement of both a tractor and a driver and these are --  
17 these are pieces of equipment that I have with Cascade  
18 because -- anyways, not to try to get around the law in  
19 any way. It is just Cascade has drivers. Alpine hasn't.  
20 But I do have a DOD number with Alpine and certainly can  
21 make the driver that's hauled exclusively to Cowlitz  
22 County an employee of Alpine.

23 But there's a statute -- no, it's a regulation.  
24 It's 480 that allows for leases to exist between, in this  
25 case, Cascade and Alpine so that Cascade can lease with

1 driver to Alpine. And the statute or the regulation is  
2 extraordinary, because it actually gives you the template  
3 for the lease agreement. And it just has to be for a  
4 year or longer and there's insurance provisions and  
5 standard DOT safety provisions within the lease, which we  
6 easily meet via Cascade or Alpine.

7           So My suggestion to this is that, hey, I will  
8 immediately put in place the lease agreement between  
9 Cascade and Alpine, and Cascade won't ever use that truck  
10 again. It will say Alpine like a typical lease  
11 arrangement. If you leased a car, it's your car. And we  
12 have right to either include the driver in the lease  
13 agreement or have the driver as an employee of Alpine,  
14 which we certainly can do. I have fully authorized CDL,  
15 very good experienced driver, for safety provisions. And  
16 we have an excellent safety record as well, please know.

17           That's what I recommend most immediately is  
18 that, hey, you messed up, Dan, you can't do that.

19           Okay. I'm sorry. We're not hauling garbage.

20           But I certainly will use a tractor and I  
21 certainly will use a -- within Alpine, so that Cascade is  
22 not involved in any way. And Alpine is bringing its  
23 residual material to the dump, which it's allowed to do  
24 under the regulations.

25           That's my easiest response to this -- quickest

1 and most definitive response as permitted under the WAC  
2 regulations that we're dealing with here, the 480s.

3 Q. Okay. All right. So do you have anything else  
4 to add there to prevent this from happening again? Or  
5 does that complete --

6 A. I hope that that's satisfactory.

7 But if you -- I can make -- I can put the  
8 vehicle in Alpine's name and hire the driver. And I can  
9 do it immediately. And that way Cascade is out of any  
10 hauling to the dump immediately. I just -- you know, if  
11 that's okay, that's what I'll do. And, again, I  
12 sincerely apologize for this. I guess --

13 MR. JOHNS: All right. I don't have any  
14 further questions then.

15 JUDGE DOYLE: Okay. And with that, Staff, do  
16 you have any questions for Mr. Dolmseth at this point?

17 MS. CAMERON-RULKOWSKI: Thank you,  
18 Judge Doyle. I do have a couple.

19 CROSS-EXAMINATION

20 BY MS. CAMERON-RULKOWSKI:

21 Q. Mr. Dolmseth, you're the sole owner of Cascade,  
22 correct?

23 A. Yes, ma'am, yes.

24 Q. And you're the sole owner also of Alpine,  
25 correct?

1           A.    Yes.  I had a partner a few -- just before this  
2 time period began.  But during the relevant time period,  
3 yes.

4           Q.    All right.  And if I -- I'm just trying to  
5 understand what you said.

6                    So currently -- so during the time period --  
7 during the relevant time period and also currently you  
8 are the sole owner; is that right?

9           A.    Yes.

10          Q.    Sorry.  Sole owner of both companies.

11          A.    Yes.

12          Q.    Okay.  Thank you for clarifying that.

13                   And it's my understanding that Alpine accepts  
14 materials exclusively from Cascade; is that correct?

15          A.    Going back over the years, Alpine did.

16                   But as I was trying to explain, that is not the  
17 case, because we -- throughout we've been able to accept  
18 source-separated material and to a limited extent, if we  
19 know what the source of it is -- again, I'm talking about  
20 economic constraints, we can accept it from other  
21 customers with the exemption -- excuse me, with the solid  
22 waste handling permit under the Department of Ecology  
23 that Alpine now has and successfully operating under.

24                   We are allowed to take loads and we do take  
25 loads, both commingled or not, from other customers.



1 Mostly it's source separated material. But we are  
2 allowed to take other material. And I don't want to get  
3 to the point where I get too much stuff that I can't  
4 handle it. We try to keep things organized and whatnot.  
5 Things can get out of control in a hurry.

6 But to answer your question, no, that's not  
7 correct.

8 Q. All right. Okay.

9 And during the time period -- during the  
10 relevant time period here when these 16 trips occurred,  
11 was Alpine accepting --

12 A. During that time period --

13 Q. Hold on. Let me finish my question, please.

14 Did Alpine accept materials from anyone other  
15 than Cascade during that period?

16 A. Again, and I'm sorry. There's a -- it was a  
17 confusing time period. As best I can answer, I believe  
18 we only accepted commingled loads from Cascade. We  
19 accepted, you know, source-separated material from other  
20 vendors which we are -- with other customers which we are  
21 allowed to do.

22 So I'm trying to be as specific as possible  
23 here. And I'll shut up so I can better answer your  
24 question. I apologize.

25 Q. All right. Do you have a copy of Staff's

1 investigation report with you?

2 A. I don't in front of me. I have limited  
3 capability. Maybe you can -- if you can be so kind as to  
4 tell me what you're talking about, and I can respond to  
5 it.

6 Q. Certainly.

7 So I'm looking at Attachment M, which is the  
8 list of Cascade Recycling loads into Alpine.

9 It was my understanding -- hold on just a  
10 second.

11 I apologize for the delay. Just one minute.

12 All right. So I'm looking at page 34 of the  
13 investigation report. And I'll just wait a moment to  
14 give anyone who needs an opportunity to get theirs.

15 So on page 34, Mr. Dolmseth, you were answering  
16 Staff's questions what items were collected. And you  
17 answered there "Per the attached listing of all inbound  
18 loads for the time period requested," which was August 1,  
19 2020, to August 15, 2020, you -- and you provide some  
20 further information there. But you do refer to that list  
21 as "all inbound loads."

22 And so my understanding was that all of the  
23 inbound loads had been brought to Alpine by Cascade.

24 A. Yeah. I thought the issue was all inbound loads  
25 from Cascade that came in.

1 Q. All right. And so you're not certain whether  
2 there were loads from other companies as well as Cascade?

3 A. Yeah. I mean, again, I -- I'm sure there was  
4 some. Again, I just can't tell you what it is offhand.

5 And if I had known this was an issue, then I  
6 would have been more prepared. So I apologize.

7 Q. No, that's all right.

8 At any -- at any rate, 59 -- roughly Staff  
9 calculated that roughly 59 percent of the incoming loads  
10 were then -- were then disposed of at the Cowlitz County  
11 landfill.

12 And I want to ask you one more question, and  
13 I -- sometimes I couldn't hear clearly your testimony.

14 A. Yeah.

15 Q. But I would like to know currently, when you're  
16 receiving these commingled loads, what do you estimate  
17 the percentage is of materials that are being disposed?

18 A. As I mentioned to Katherine at the time of the  
19 facility -- excuse me, at the time of the  
20 investigation -- and, again, if we're talking Cascade, if  
21 we're talking Alpine, again, please understand, Cascade  
22 delivers to a variety of facilities. If it is inbound  
23 loads of Cascade, we're talking about just to Alpine.  
24 Okay. And I would say easily, no question, over  
25 50 percent. I said to Katherine, more often over

1 60 percent.

2 And please hear -- I'm just going to digress  
3 quickly.

4 The most stringent requirement for recycling  
5 facilities, such as Alpine, be solid waste handling or  
6 not, is an entity in Seattle called Built Green. They  
7 oversee the recycling, and they allow builders to have  
8 permits if they have certain recycling rates. The  
9 threshold for that most stringent -- and King County has  
10 the most stringent, coming in to look at your residual  
11 pile to make sure that you don't have stuff that you're  
12 throwing into the stuff that should be recycled, right?  
13 very stringent.

14 Built Green has thresholds of more than  
15 50 percent or more is what it says, you're in a -- you  
16 know, they call it a term they call a silver category.  
17 If you're 70 percent or more, you're golden. That's  
18 important because builders if they're in the 70 percent  
19 category, then they Built Green certified and other  
20 energy saving devices, they can get those all important  
21 permits faster and easier being Built Green certified.

22 So that's a 50 percent threshold by the most  
23 stringent requiring entity.

24 So I say to you that at least 50 percent, more  
25 often -- I mean, what I said to Katherine is more often,

1 you know, easily more than 60 percent.

2 But the exact percentages I -- you know, I can't  
3 tell you, because Cascade delivers to multiple  
4 facilities. And this is an issue about Cascade. And  
5 it's -- you know, whether Cascade is hauling garbage or  
6 not. I'm sorry.

7 Q. So, Mr. Dolmseth, I just have one further  
8 question.

9 Do you understand that if a company is  
10 transporting solid waste on more than an occasional  
11 basis, that they will need a solid waste certificate?

12 A. 100 percent.

13 MS. CAMERON-RULKOWSKI: Thank you. I don't  
14 have any further questions.

15 JUDGE DOYLE: Okay. Would Staff like to  
16 discuss the penalty recommendation at this point?

17 MS. CAMERON-RULKOWSKI: Yes, Your Honor.

18 We would like to go off the record for just a  
19 few minutes, if we may.

20 JUDGE DOYLE: Okay. Do you need more -- is  
21 five minutes enough? Or less? Or should we --

22 MS. CAMERON-RULKOWSKI: Let's go ahead, just  
23 given the connection issues, if we can go off the record  
24 for ten minutes, that would be helpful. Just because  
25 it's going to take me some time to call in and call out.

1 JUDGE DOYLE: Okay. We will take a short  
2 recess and return at 10:16. Thank you.

3 (A break was taken from  
4 10:06 a.m. to 10:17 a.m.)

5 JUDGE DOYLE: It's approximately 10:17. We  
6 took a short break to allow Staff to convene.

7 Ms. Cameron-Rulkowski, you may continue.

8 MS. CAMERON-RULKOWSKI: Thank you, Your Honor.

9 REDIRECT EXAMINATION

10 BY MS. CAMERON-RULKOWSKI:

11 Q. Ms. McPherson, did you hear the testimony of  
12 Mr. Dan Dolmseth?

13 A. Yes, I did.

14 Q. And is there anything in particular in his  
15 testimony that you would like to respond to?

16 A. I would like to state, as I did in my  
17 investigation report, that the issue with the Company is  
18 the transportation of waste on more than an occasional  
19 basis. Whether it be by Cascade or Alpine, which is  
20 solely owned by the same person. The transportation of  
21 additional waste needs to be transported by a  
22 certificated hauler because it is ongoing and more than  
23 an occasional basis.

24 Q. And, Ms. McPherson, did you hear Mr. Dolmseth's  
25 proposal for compliant operations going forward involving

1 a lease arrangement between Alpine and Cascade?

2 A. I did hear that testimony.

3 Q. And --

4 A. Go ahead.

5 Q. Sorry. Go ahead.

6 A. I would state that if that was the situation,  
7 then Alpine would be in violation of transporting waste  
8 on more than an occasional basis. And requires --

9 Q. And -- and do I understand -- just to make sure  
10 we're on the same page, is your understanding that Alpine  
11 would lease trucks from Cascade and then haul solid waste  
12 to disposal -- to one or more disposal facilities?

13 A. That was my understanding of the testimony as  
14 well.

15 Q. And just to make certain that it's -- that the  
16 record is clear, and is it your understanding that under  
17 that type of arrangement, that Alpine would then need a  
18 solid waste certificate from the Commission?

19 A. Yes, they would.

20 Q. Thank you.

21 I'm going to go ahead and move to the penalty  
22 discussion.

23 What amount of penalty does Staff recommend?

24 A. Staff recommends a penalty of \$16,000 for 16  
25 transportations of solid waste to a disposal facility for

1 \$1,000 per violation.

2 Q. And just to be clear, this is the same penalty  
3 amounts that you had discussed and recommended in your  
4 investigation report, correct?

5 A. Correct.

6 Q. And is Staff amendable to a payment plan for the  
7 penalty?

8 Ms. McPherson?

9 A. Yes. Am I not coming in?

10 Q. Correct. I didn't hear what you said.

11 A. I apologize.

12 Yes. I am agreeable to a \$16,000 -- I'm sorry,  
13 payment arrangement on the \$16,000 penalty.

14 Q. Thank you.

15 And do you have anything else to add to your  
16 testimony?

17 A. I do not.

18 MS. CAMERON-RULKOWSKI: Thank you.

19 Judge Doyle, I have no further questions for  
20 Ms. McPherson at this time.

21 I would like to offer a brief closing statement  
22 when we're at the end.

23 JUDGE DOYLE: Okay. Thank you.

24 I'm going to allow -- Mr. Johns, would you like  
25 to ask Ms. McPherson any questions?



1 MR. JOHNS: No. No, Your Honor.

2 JUDGE DOYLE: Okay. Then with that,  
3 Ms. Cameron-Rulkowski, you may make your statement.

4 MS. CAMERON-RULKOWSKI: Thank you, Your Honor.

5 CLOSING STATEMENT

6 MS. CAMERON-RULKOWSKI: Under the law and the  
7 rule at issue in this case, RCW 81.77.040 and WAC  
8 480-70-081, a company cannot haul solid waste in  
9 Washington state unless it has first obtained a  
10 certificate from the Commission.

11 A recycling company with a motor carrier permit  
12 is exempt under WAC 480-70-011, if it occasionally  
13 transports to a disposal site.

14 But under WAC 480-70-016, if a carrier  
15 transports solid waste to a disposal site on more than an  
16 occasional basis, it normally will also need to obtain a  
17 certificate of public convenience and necessity.

18 And, Your Honor, that's the case that we have  
19 before us today. It's clear that -- that this company,  
20 or multiple companies under the ownership, under the  
21 exclusive ownership of Mr. Dolmseth, are transporting  
22 solid waste for disposal on more than an occasional  
23 basis. Mr. Dolmseth admitted today on the record that  
24 the company is recycling maybe 60 percent of the  
25 materials that it collects and the rest is being

1 transported for disposal.

2 Staff showed that over a period of approximately  
3 two weeks, Cascade hauled approximately 59 percent of the  
4 materials the Company collected to the Cowlitz landfill.  
5 Collecting and transporting for disposal this amount of  
6 waste constitutes the transportation of solid waste on  
7 more than an occasional basis.

8 And I want to speak briefly to the proposal that  
9 the company made regarding compliance going forward. The  
10 company proposed a leasing arrangement between Cascade  
11 and Alpine. The Staff is very concerned that this type  
12 of arrangement would result in further violations.  
13 RCW 81.77.040 states, "A solid waste collection shall not  
14 operate for the hauling of solid waste for compensation  
15 without first having obtained from the Commission a  
16 certificate declaring that public convenience and  
17 necessity requires such operation."

18 The arrangement that the company is proposing  
19 sounds like Alpine would then be operating as a solid  
20 waste collection company and would require a cert. And  
21 if Alpine would come to the Commission and would be able  
22 to get a certificate, then that -- the arrangement that  
23 the company proposed would be just fine as far as Staff  
24 understands it.

25 In conclusion, the Commission should classify

1 Cascade Recycling as a solid waste collection company;  
2 should order Cascade Recycling to cease and desist  
3 operating as a solid waste collection company; and should  
4 impose the \$16,000 in penalties that Staff had  
5 recommended.

6 And that concludes Staff's case.

7 JUDGE DOYLE: Thank you.

8 Mr. Johns, would you like to make a final  
9 statement as well?

10 CLOSING STATEMENT

11 MR. JOHNS: Yes, Your Honor.

12 Cascade, as Mr. Dolmseth testified, it  
13 acknowledges that it did haul to the disposal site, to  
14 the Cowlitz landfill. And that it should not have done  
15 so. As Mr. Dolmseth said, that was during a period while  
16 it was in COVID operations, and it didn't really fully  
17 understand the regulations.

18 And so it acknowledge that it's made that  
19 mistake and agrees that it will not do that again; that  
20 Cascade will not haul any further to the dump.

21 So we acknowledge there was 16 violations. My  
22 client, given the fact that it operated for so many years  
23 without violations, would ask that the -- that the  
24 penalty be reduced from \$1,000. Maybe \$500 per violation  
25 instead of 1,000.

1           And moving forward, Cascade will not haul  
2 anything to disposal site so that it will not be  
3 operating as a solid waste hauler. And so it will comply  
4 in the future and will not do that.

5           MR. DOLMSETH: Mike, can I just make one --  
6 interject here that under regulation 70A.205.265, solid  
7 waste handling permit exemption from requirements, under  
8 2(c), I believe that applies. It allows Alpine to haul  
9 its own materials that have been separated to a landfill.  
10 That regulation is exempt if it handles solid-based waste  
11 that had not been processed, to segregate solid waste  
12 materials destined for disposal from other solid waste  
13 materials destined for the beneficial use of recycling.

14           That is -- that Alpine and the -- can haul its  
15 own materials directly to the landfill. Alpine can. The  
16 understanding within the industry of that specific  
17 statute is that that's Alpine material hauling it  
18 directly to a disposal facility. And clearly we're not,  
19 you know, seeking solid waste handling garbage whatever.  
20 We're just taking our own material to the landfill. And  
21 we're permitted to do that.

22           JUDGE DOYLE: Okay. Thank you, Mr. Dolmseth.

23           Any other discussion you have regarding Alpine  
24 could be done off the record with Staff going further  
25 before --

1 MR. DOLMSETH: Okay.

2 JUDGE DOYLE: -- before any other  
3 determinations. The matter at hand is the 16 violations  
4 we're here for today.

5 Was that the end of the statement that you would  
6 like to make?

7 MR. JOHNS: Yes, Your Honor.

8 JUDGE DOYLE: Thank you all for coming today.

9 I will be issuing an order reflecting the  
10 Company's classification and the Commission's decision  
11 related to the penalty.

12 Finally, I like to have the transcript  
13 available. While I've been taking notes, it is very  
14 helpful when writing the order.

15 Would the parties accept waiving the ten-day  
16 requirement to issue a decision on this matter to allow  
17 for the time it takes to obtain the transcript?

18 MS. CAMERON-RULKOWSKI: That is not an issue.

19 MR. JOHNS: I have no objection.

20 JUDGE DOYLE: Okay. Thank you.

21 Is there anything else before we go off the  
22 record?

23 MS. CAMERON-RULKOWSKI: Nothing from Staff,  
24 Your Honor.

25 MR. JOHNS: Nothing from me, Your Honor.

1 JUDGE DOYLE: Okay. Thank you all. We are  
2 adjourned.

3 (Adjourned at 10:29 a.m.)  
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C E R T I F I C A T E

STATE OF WASHINGTON  
COUNTY OF KITSAP

I, Carisa Kitselman, a Certified Court Reporter  
in and for the State of Washington, do hereby certify  
that the foregoing transcript of the virtual hearing on  
NOVEMBER 16, 2021, is true and accurate to the best of my  
knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand  
and seal this 29th day of November, 2021.

  
\_\_\_\_\_  
CARISA KITSELMAN, RPR, CCR #2018

