

Docket No. TV-170039 - Vol. II

In the Matter of the Investigation of MVP
Moving and Storage, LLC

June 5, 2018



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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the) DOCKET NO. TV-170039
Investigation of)
)
MVP MOVING AND STORAGE LLC)
)
For Compliance with)
WAC 480-15-560 and)
WAC 480-15-570)
)

BRIEF ADJUDICATIVE PROCEEDING, VOLUME II
Pages 25-58
ADMINISTRATIVE LAW JUDGE RAYNE PEARSON

June 5, 2018
9:30 a.m.

Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive Southwest
Olympia, Washington 98504

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGE:

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FOR MVP MOVING AND STORAGE:

JASON GARCIA

ALSO PRESENT:

MATHEW PERKINSON (via phone)

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1 OLYMPIA, WASHINGTON; JUNE 5, 2018

2 9:30 A.M.

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4 P R O C E E D I N G S

5
6 JUDGE PEARSON: Okay. So we will be on the
7 record. We are convened today for a hearing on Staff's
8 motion for cancellation of MVP Moving and Storage, LLC's
9 household goods permit for failure to comply with the
10 terms of Order 03 in consolidated Dockets TV-170038 and
11 TV-170039.

12 My name is Rayne Pearson. I'm the
13 administrative law judge presiding over today's brief
14 adjudicative proceeding. Today is Tuesday,
15 June 5th, 2018, and the time is approximately 9:30 a.m.

16 So I'm just going to briefly give a
17 background of what got us here today for the record.
18 Following a hearing on April 4th, 2017, the Commission
19 entered Order 01 in these dockets, which imposed a
20 \$6,100 penalty, \$3,100 portion of which was suspended
21 subject to a number of conditions.

22 On May 31st, 2017, the Commission entered
23 Order 02, which imposed the suspended penalty because
24 MVP Moving neither paid the \$3,000 penalty nor filed
25 with Staff a proposed payment arrangement by the May 8th

1 deadline.

2 On June 27th, 2017, MVP Moving made a \$3100
3 payment and requested that the remaining balance be
4 mitigated. The Commission declined to mitigate the
5 balance, but approved an installment arrangement
6 proposed jointly by Staff and the company that required
7 the company to make ten monthly payments of \$300 each
8 with a final payment that was due on May 1st of this
9 year.

10 On May 9th of 2018, Staff filed a motion to
11 cancel the company's household goods permit and noted in
12 its motion that MVP Moving made only three of the
13 required ten payments, none of which were timely. And
14 the next day, the company paid the \$1,900 remaining
15 balance in full.

16 So today, Staff will have an opportunity to
17 present its motion and MVP Moving will have an
18 opportunity to respond. Staff will go first, and when I
19 call each party to testify, I will swear you in with the
20 oath of witness so that anything that you say today is
21 under oath and is considered sworn testimony. For the
22 court reporter's benefit, please speak slowly and
23 clearly and use the microphones on the table in front of
24 you. Once you're sworn in, you can present your
25 testimony.

1 So let's first take an appearance from
2 Commission Staff.

3 MR. ROBERSON: Good morning. My name is
4 Jeff Roberson, R-o-b-e-r-s-o-n. I'm pretty sure that my
5 address is 1400 South Evergreen Park Drive Southwest.

6 JUDGE PEARSON: A short appearance is fine,
7 Mr. Roberson.

8 MR. ROBERSON: Okay. I'm appearing on
9 behalf of Commission Staff.

10 JUDGE PEARSON: Okay. And for the company?

11 MR. GARCIA: My name is Jason Garcia.

12 JUDGE PEARSON: And can you spell your last
13 name?

14 MR. GARCIA: G-a-r-c-i-a.

15 JUDGE PEARSON: Okay. And can you give us
16 your address?

17 MR. GARCIA: Address, 19219 - 68th Avenue
18 South, Suite M-111, Kent, Washington 98032.

19 JUDGE PEARSON: Okay. And your phone
20 number?

21 MR. GARCIA: Area code 206-660-4291.

22 JUDGE PEARSON: Okay. And your email
23 address?

24 MR. GARCIA: Email would be Jason,
25 J-a-s-o-n@mvpmove.com.

EXAMINATION OF PERKINSON / ROBERSON

1 JUDGE PEARSON: Okay. Mr. Roberson, you may
2 proceed with Staff's motion when ready.

3 MR. ROBERSON: Staff would call Mat
4 Perkinson to provide testimony in support of the motion.

5 JUDGE PEARSON: Okay. Mr. Perkinson, can
6 you hear me?

7 MR. PERKINSON: Yes, I can.

8 JUDGE PEARSON: Okay. If you could just
9 stand wherever you are and raise your right hand.

10 (Mathew Perkinson sworn.)

11 JUDGE PEARSON: Okay. Thank you.

12

13 EXAMINATION

14 BY MR. ROBERSON:

15 Q. Good morning. Could you state your last name
16 and -- or say your name and spell your last name for the
17 record?

18 **A. Mathew Perkinson. Perkinson is**
19 **P-e-r-k-i-n-s-o-n.**

20 Q. And who employs you?

21 **A. Washington State Utilities and Transportation**
22 **Commission.**

23 Q. And in what capacity does the Commission employ
24 you?

25 **A. I am the motor carrier safety manager.**

EXAMINATION OF PERKINSON / ROBERSON

1 Q. And how long have you been the motor carrier
2 safety manager?

3 **A. Just under a year.**

4 Q. And could you describe any trainings or
5 education that you've had that enables you to carry out
6 your duties as a motor carrier safety manager?

7 **A. Yes, I've had previous leadership roles**
8 **including supervising the program that motor carrier**
9 **safety staffs, and I was also CBSA certified for**
10 **commercial vehicles, safety alliance certified to**
11 **perform the work that I now oversee.**

12 Q. And are you familiar with the company called MVP
13 Moving?

14 **A. Yes, I am.**

15 Q. And are you familiar with its compliance
16 history, safety compliance history, at the Commission?

17 **A. Yes.**

18 Q. And could you briefly describe that history?

19 **A. The company was visited by Commission Staff to**
20 **do a compliance review or a safety investigation in**
21 **2017. As a result of that, they received an**
22 **unsatisfactory safety rating. With some follow-up**
23 **conditions, our Staff revisited the company again and**
24 **found some additional repeat violations.**

25 Q. Could you describe the violations generally?

EXAMINATION OF PERKINSON / ROBERSON

1 **A. Yeah, the initial review, there were violations**
2 **of medical certificates, so drivers without medical**
3 **certificates. There was also violations of hours of**
4 **service. The company apparently in the report was not**
5 **forthcoming with a lot of material. They didn't have**
6 **materials ready for the investigator who was performing**
7 **the work. There was -- vehicle maintenance records were**
8 **lacking or maybe none, and the company failed to do**
9 **background checks that are required by rule.**

10 Q. And just, again, for the violations found in
11 this subsequent investigation were repeat violations?

12 **A. Yeah, there were additional repeat violations**
13 **that were found. The major one would be the medical**
14 **certificates violation.**

15 Q. Okay. And then you're familiar with MVP's
16 history of, I guess, paying its penalties?

17 **A. Yes.**

18 Q. Okay. And Staff recommends that the Commission
19 cancel MVP's permit, correct?

20 **A. That's correct, yes.**

21 Q. And could you briefly explain why?

22 **A. The -- I guess the pattern of behavior that's**
23 **been demonstrated by the company. We deem the -- Staff**
24 **deems the company to be unfit or potentially a safety**
25 **risk to the public. It showed, although the Commission**

EXAMINATION OF PERKINSON / ROBERSON

1 has been generous to extend payment arrangements and
2 payment plans, that they are unwilling or unable to
3 comply with the additional conditions set out.

4 Q. And if the Commission decides not to cancel
5 MVP's permit, do you have any recommendations as to what
6 it should do?

7 **A. Yeah, if the Commission doesn't cancel the**
8 **permit, I would -- Staff would request that we have**
9 **additional compliance monitoring. So at a minimum, I**
10 **think that would include our Staff visiting the company**
11 **again within six months to perform a nonrated safety**
12 **investigation probably focused in driver qualification.**
13 **We would ask that the Commission require the company to**
14 **pay any outstanding penalties that it has with the**
15 **Commission.**

16 **Staff would also ask that the company attend the**
17 **next two household goods trainings in Olympia. The**
18 **first one is August 15th and the next training is**
19 **November 7th. And then finally the Commission finds**
20 **good cause to extend the provisional status of the**
21 **company for the six months until we'd have the**
22 **opportunity to revisit.**

23 MR. ROBERSON: That's all I have.

24 JUDGE PEARSON: Okay. Mr. Perkinson?

25 MR. PERKINSON: Yes.

1 JUDGE PEARSON: You said that Staff went
2 back and visited the company again and found repeat
3 violations. When did that visit occur?

4 MR. PERKINSON: That was in January of 2018.

5 JUDGE PEARSON: And was that a nonrated
6 review?

7 MR. PERKINSON: It was.

8 JUDGE PEARSON: Okay. And did that result
9 in penalties?

10 MR. PERKINSON: It did.

11 JUDGE PEARSON: It did --

12 MR. PERKINSON: I mean, there was \$800 of
13 penalties issued. So the medical certificate violation
14 and additional, a more administrative violation. So the
15 primary one would be the medical certificate.

16 JUDGE PEARSON: Okay. And --

17 MR. PERKINSON: But there were additional
18 administrative repeat violations.

19 JUDGE PEARSON: And what happened with that
20 penalty assessment?

21 MR. PERKINSON: The Commission issued the
22 penalty assessment, and I believe to date, the company
23 has not responded or paid.

24 JUDGE PEARSON: Okay. So that \$800 is still
25 outstanding.

1 MR. PERKINSON: Correct.

2 MR. ROBERSON: That's my understanding.

3 MR. GARCIA: No.

4 JUDGE PEARSON: Okay. And just bear with me
5 to clarify, because I don't have Staff's motion in front
6 of me right now. Was there any action that was taken to
7 impose the suspended penalty in connection with the
8 repeat violations from the earlier docket?

9 MR. PERKINSON: Yes, there was. At a point,
10 the company failed to meet the conditions that were
11 initially set in the original order, and in response,
12 Staff made a motion to impose the suspended penalties
13 and the Commission imposed.

14 JUDGE PEARSON: Okay. And do you remember
15 when that was? Was it in April of this year?

16 MR. PERKINSON: I believe that is correct.
17 I don't have it in front of me.

18 JUDGE PEARSON: Okay. All right.
19 Mr. Garcia, did you have any questions for
20 Mr. Perkinson?

21 MR. GARCIA: Yes, I do.

22 JUDGE PEARSON: Okay. Can you speak into
23 the microphone? Make sure that it's -- pull it close to
24 you.

25 MR. GARCIA: Okay.

1 JUDGE PEARSON: And make sure the red light
2 is on.

3 MR. GARCIA: All right. Can you hear me?

4 MR. PERKINSON: Yes, I can hear you.

5 MR. GARCIA: Okay. One thing that I heard
6 is we did pay our \$800 balance, so that is paid in full.
7 And I also heard something about a medical card. Like
8 if you look at what Sandra did on our second review, we
9 went from \$6100 to \$800, and I think that is a fantastic
10 improvement based on what I see every single day and
11 what I try to do. The unfortunate part of about MVP
12 Moving is that we had a -- we had a partnership breakup.

13 JUDGE PEARSON: So, Mr. Garcia, are you
14 testifying right now?

15 MR. GARCIA: I don't know. I'm just trying
16 to --

17 JUDGE PEARSON: Do you have questions for
18 Mr. Perkinson? If you don't have questions for him, I
19 can swear you in and you can testify.

20 MR. GARCIA: I guess that's my only
21 question, is I did pay, so I'm just confused on how
22 that's not being illustrated today.

23 JUDGE PEARSON: Okay. And --

24 MR. GARCIA: So that's it.

25 JUDGE PEARSON: -- maybe we can get someone

1 to look into that and find out if, in fact, that payment
2 was made.

3 Does anyone have the docket number handy for
4 that penalty assessment?

5 You have it, Ms. Hunter?

6 MS. HUNTER: Yes.

7 JUDGE PEARSON: Okay.

8 MS. HUNTER: I can go down and check.

9 JUDGE PEARSON: Thank you. I appreciate
10 that.

11 Okay. So if you'd like to testify now,
12 please stand, raise your right hand, and I'll swear you
13 in.

14 (Jason Garcia sworn.)

15 JUDGE PEARSON: Okay. Go ahead and be
16 seated.

17 MR. GARCIA: Thank you.

18 JUDGE PEARSON: So you mentioned something
19 about you had a partner?

20 MR. GARCIA: Yeah.

21 JUDGE PEARSON: That you're no longer
22 working with?

23 MR. GARCIA: Correct.

24 JUDGE PEARSON: And what was his name?

25 MR. GARCIA: Erik Hawkins.

1 JUDGE PEARSON: Okay. And he's the
2 gentleman who came in here and testified when we did the
3 hearing in April of 2017, correct?

4 MR. GARCIA: That's correct.

5 JUDGE PEARSON: Okay.

6 MR. GARCIA: And I'll testify that I had no
7 idea that we had to extend the \$3,000 on a payment plan.
8 I had no idea.

9 JUDGE PEARSON: Okay. Why don't you just go
10 ahead and start at the beginning. Were you here at that
11 hearing?

12 MR. GARCIA: I was here.

13 JUDGE PEARSON: Okay. I recall seeing you,
14 but I don't believe you testified, right?

15 MR. GARCIA: I maybe said my name.

16 JUDGE PEARSON: Okay.

17 MR. GARCIA: But as far as the testimony
18 goes, he definitely did all the talking.

19 JUDGE PEARSON: Okay. So go ahead.

20 MR. GARCIA: So based on where I'm at today,
21 I had no idea that we did not make payments of the
22 \$3,000, \$300 a month. That was something that Sandra
23 brought to my attention when she came to my office and
24 did an investigation. At that time, that's when I was
25 going through my partnership breakup with my company.

1 Erik Hawkins is no longer with the company.

2 He definitely portrayed poor, I would say,
3 communication on what our company was going through
4 financially. And so that's kind of his role in the
5 company, was doing taxes, doing the audits, doing
6 medical cards, doing everything. My role in the company
7 was sales and scheduling crews. I did that for four and
8 a half years. That's what I did and here we are today.
9 I have paid my outstanding balance. When I originally
10 got the \$1900 docket, I paid it on May 17th, but
11 unfortunately, it did not go through your guys'
12 system --

13 JUDGE PEARSON: You mean May 10th? We have
14 the payment was received on May 10th.

15 MR. GARCIA: So I had an email sent to me,
16 and I have to look at it. I had an email that was sent
17 that on the day that the payment was due, it was late
18 because it took three business days to come --

19 JUDGE PEARSON: To post?

20 MR. GARCIA: Exactly.

21 JUDGE PEARSON: Okay.

22 MR. GARCIA: And at that time if I'd knew, I
23 would have drove down here. I would have -- I would
24 have brought a check if I really knew that that was
25 going to be a delay so...

1 JUDGE PEARSON: Did you make that payment in
2 response to Staff's motion when you received the motion
3 to cancel the penalty --

4 MR. GARCIA: When I saw cancellation and it
5 was \$1900, I pulled everything I had and put it together
6 and tried to pay on time.

7 JUDGE PEARSON: Okay. So you weren't aware
8 that that balance was outstanding or you were because --

9 MR. GARCIA: I wasn't aware that I owed --

10 JUDGE PEARSON: Don't talk at the same time
11 as me --

12 MR. GARCIA: Sorry.

13 JUDGE PEARSON: -- because the court
14 reporter cannot follow that.

15 So Ms. Yeomans told you that there was a
16 balance when you had your review in January, correct?

17 MR. GARCIA: That's correct.

18 JUDGE PEARSON: Okay. So you did know that
19 there was an outstanding balance?

20 MR. GARCIA: I did not.

21 JUDGE PEARSON: You didn't.

22 MR. GARCIA: But I did know that I owed
23 \$300. That's when I learned about it.

24 JUDGE PEARSON: You thought you only owed
25 \$300 total?

1 MR. GARCIA: My assumption was that when we
2 came here with Erik Hawkins and did a testimony, I -- I
3 was under the impression that our -- our penalty went
4 from 6100 to \$3,000. That's what I thought we came here
5 for. So I thought we paid the \$3,000 on time and we
6 were done. That's what I knew.

7 JUDGE PEARSON: Okay.

8 MR. GARCIA: And then Sandra explained to me
9 that I owed \$3,000 and I was really confused, but I knew
10 my name was on the -- the business and I owed the money.
11 So there was communication with somebody about paying
12 \$300 and I made a payment. I missed the next month.
13 I'm -- actually if it's -- if it's not an automatic
14 payment, if it's something I didn't set it in there to
15 give me a reminder, that's 100 percent my fault. But
16 when I got the cancellation notice of \$1900 that was
17 remaining, I paid that. When someone called me from the
18 UTC and said I owed \$800 and I needed to pay that, I
19 paid that.

20 So I'm trying my best. That's what I can
21 say. And as far as the medical card situation, like I
22 just have to disagree with what was said over the phone,
23 because if you really look at it, I did have a medical
24 card for each driver. It was just dated wrong. And so
25 there was a two-day window of my driver not having a

1 medical card when he was even out of town, and that's
2 when I got hit, when Sandra did the review, and we can
3 go over that.

4 JUDGE PEARSON: So you're saying that the
5 medical cards were expired?

6 MR. GARCIA: Mm-hmm.

7 JUDGE PEARSON: Okay. So they weren't
8 timely renewed?

9 MR. GARCIA: Exactly. But we're talking
10 about a two-day, 48 hours, versus not having them period
11 for five employees, that's not what I had.

12 JUDGE PEARSON: No, I --

13 MR. GARCIA: That's not the operation that
14 I'm doing.

15 JUDGE PEARSON: I understand that, and those
16 are actually two different violations. And I'm
17 confident that your company was correctly cited for the
18 failure to renew rather than failing to have the medical
19 card altogether. Those are two separate violations.

20 MR. GARCIA: I understand. It just sounds
21 like -- over the phone, it sounds like we failed to
22 operate period, and that's not even clearly what Sandra
23 came over and did an investigation on. So hearing what
24 I heard over the intercom is kind of a lot different
25 than what I heard with Sandra in my whole communication

1 with her from -- from now. So I just kind of take
2 that -- you know, I'll just take that as a learning
3 example and go from there.

4 JUDGE PEARSON: Yes.

5 MR. GARCIA: But it just sounds really
6 horrible.

7 JUDGE PEARSON: Well, rest assured that I
8 understand the difference between the two violation
9 categories, and I understand the difference between not
10 having a medical card whatsoever and not knowing that
11 that's required versus allowing one to lapse and there
12 being a short period of time when drivers are out on the
13 road while their card is expired. They're both risky,
14 they're both safety violations, but I appreciate the
15 distinction that you're making between the two
16 categories and violations.

17 MR. GARCIA: Okay.

18 JUDGE PEARSON: Okay? So is there anything
19 else that you want to say?

20 MR. GARCIA: Only thing else I want to say
21 is that I -- I just want you guys to understand I'm
22 trying my best. I understand that I had a business
23 partner that was, you know, kind of misleading me in a
24 way, and I do apologize. You know, 2018 will be
25 entirely different when it's 100 percent my company.

1 First time in four years that it will be. So you guys
2 will definitely see a change. I appreciate the -- you
3 know, if you do keep me satisfactory, I do appreciate
4 the six-month review, I do appreciate coming to the
5 classes. That's my -- that's the stance I want to take.
6 So I just appreciate those next steps if that's
7 possible. I just want to say that I've paid everything
8 that I've owed, and apologize we had to come to this
9 time based on my delinquent payments.

10 JUDGE PEARSON: Okay. So you don't have a
11 satisfactory safety rating right now, you have a
12 conditional safety rating.

13 MR. GARCIA: Okay.

14 JUDGE PEARSON: And one of the requirements
15 for moving from provisional status into permanent status
16 as a carrier is that you have to achieve a satisfactory
17 safety rating. So that's what you're working towards
18 right now, but you're not there yet.

19 MR. GARCIA: Okay.

20 JUDGE PEARSON: Mr. Roberson, do you have
21 any questions for Mr. Garcia?

22 MR. ROBERSON: I have some follow-up
23 questions, I guess.

24 JUDGE PEARSON: Okay.

25 /////

EXAMINATION OF GARCIA / ROBERSON

1 EXAMINATION

2 BY MR. ROBERSON:

3 Q. You gave your address at the start, and I
4 believe you said it was 19219 - 68th Avenue South,
5 Apartment M-111; is that correct?

6 **A. M-111.**

7 Q. Okay. I noticed this morning when I was
8 checking out the docket that the last couple of things
9 that the Commission has sent you have been bounced back
10 as return to sender, unable to forward. Are you
11 checking your mail?

12 **A. Yeah.**

13 Q. Okay. So can you give the Commission any
14 assurances that communications with you will be received
15 when they send it to that address?

16 **A. Yeah. How do I respond to -- I've never not had
17 mail received to me. I mean, one thing that I've been
18 dealing with is that Erik Hawkins put a lot of stuff in
19 his personal. So even with the IRS getting mail to me
20 will go to Erik Hawkins, and then he'll just shred it.**

21 **So --**

22 Q. Right.

23 **A. -- I don't know if that was the situation.**

24 Q. This is going to the address that you provided,
25 and it's being delivered there and then being sent back

EXAMINATION OF GARCIA / ROBERSON

1 to the Commission unopened. Can you -- I mean, can you
2 explain why that's happening?

3 **A. I have no idea.**

4 Q. Okay. Can you offer Commission Staff any kind
5 of assurance that, you know, when the Commission orders
6 you to do something, you're going to create a reminder
7 to comply such as like with a payment plan?

8 **A. I mean, I definitely have to. You know, and**
9 **that's one thing that I'm learning being in the business**
10 **that I'm in, I have to set these reminders, and I'm just**
11 **being honest with you. Like I really thought we paid**
12 **everything up front and just Sandra being at my office**
13 **only giving me an \$800, and she was being very**
14 **cooperative with me. I felt like we were on a good --**
15 **the next step, you know. I really felt like we were.**

16 Q. Do you have any kind of strategy for making sure
17 that you're complying?

18 **A. I do.**

19 Q. Okay. What would it be?

20 **A. I've hired two main movers, main leads that I**
21 **have, Carlos and Marvin. They've been in the moving**
22 **industry for about five years now. They're both my**
23 **operations managers that I trust and I work with every**
24 **single day, and they know exactly what I want and how I**
25 **need it, and that's what we work on. Because we can**

EXAMINATION OF GARCIA / ROBERSON

1 come to my office in ten days or whatever and you can
2 see how my filing's way better, I have systems for
3 drivers, I have systems for my trucks, I have systems
4 for everything. It's not just turn it in and put it on
5 Jason's desk. We have a system for it now, and that's
6 something we've never had.

7 Q. Do you have any kind of computerized system
8 where you're scheduling stuff?

9 **A. I do have it on Google, but that's for sales,**
10 **and that's my constant reminders that I have for all my**
11 **bills now. If you look at my bills, because I have to**
12 **pay every department pretty much weekly now.**

13 Q. But you're not using it for compliance items?

14 **A. I do use it for compliance items.**

15 Q. Okay. So if the Commission orders something,
16 you will create a Google reminder?

17 **A. Yeah, yeah. I know that sounds really like**
18 **basic, but, you know, I'm -- I kind of got hit**
19 **blindsided, and that's just where I'm at today.**

20 Q. When did Mr. Hawkins leave the company?

21 **A. He disappeared November 2017.**

22 **JUDGE PEARSON: What do you mean when you**
23 **say "disappeared"?**

24 MR. GARCIA: He just -- so what happened
25 with my company was that he failed to turn in the 941

EXAMINATION OF GARCIA / ROBERSON

1 returns and our main returns for our business. He was
2 creating fake K-1s for me so I would think that he's
3 doing his job. Well, what happened is I had -- from
4 November until two months ago maybe, I had to do a
5 three, four-year audit with the IRS to clean up every
6 single thing, every dollar that I had because nothing
7 was ever turned in. And so from that point on, I've
8 been really busy cleaning everything up. So that's
9 truly what happened and how I forgot about UTC because I
10 felt like UTC was the one being taken care of.

11 JUDGE PEARSON: Do you know where he is
12 or...

13 MR. GARCIA: No, I don't.

14 JUDGE PEARSON: Okay. So he literally
15 disappeared.

16 MR. GARCIA: He literally disappeared.

17 JUDGE PEARSON: Okay. So have you modified
18 with the Commission, have you taken his name off the
19 company?

20 MR. GARCIA: Yes, I've done that.

21 JUDGE PEARSON: Okay. That's good.

22 MR. GARCIA: And that's one thing Sandra
23 helped me with. I was like I want to make sure he is
24 not on here, I want to make sure my name is on here, I
25 want to make sure everything is me. And that's kind of

EXAMINATION OF GARCIA / ROBERSON

1 how it went from 6100 to \$800.

2 JUDGE PEARSON: Okay.

3 MR. GARCIA: And I just felt like that was a
4 success for me. I know I've still got little things to
5 do here and there, but it was way different.

6 JUDGE PEARSON: Okay.

7 MR. GARCIA: That's kind of where I'm at.

8 BY MR. ROBERSON:

9 Q. Okay. So is the IRS audit over?

10 **A. It's over.**

11 Q. Did they issue penalties or --

12 **A. Oh, yeah. But we're good now. Everything is**
13 **turned in. I just -- I have an installment agreement**
14 **with them, and I'm just plugging away.**

15 Q. And you're making payments on that plan?

16 **A. Mm-hmm. I have to pay weekly.**

17 Q. Okay.

18 **A. I'm not trying to act like I'm more of a --**
19 **what's the word, more of a risk. I'm not more of a**
20 **risk, but, you know, I want to be -- stay in business,**
21 **and this is one of the things that really splinters that**
22 **so...**

23 MR. ROBERSON: I don't have any further
24 questions.

25 JUDGE PEARSON: Okay. So I have a couple of

EXAMINATION OF GARCIA / PEARSON

1 things I want to follow up on.

2

3 EXAMINATION

4 BY JUDGE PEARSON:

5 Q. Who -- so are you personally responsible for the
6 company's compliance now?

7 **A. Yes, I am.**

8 Q. Okay. And what have you done to bring yourself
9 up to speed on what's required on both the consumer
10 protection side and Tariff 15-C as well as the motor
11 carrier safety side?

12 **A. Well, my two managers and I, we really game plan**
13 **on each employee that I have. Every day there's the**
14 **pamphlet for the consumer guide. Every email I send**
15 **customers, there's a link to the UTC, printer-friendly**
16 **link. I really promote UTC all day. It's like I should**
17 **be working for you guys, seriously. You know, my plan**
18 **is to send -- I've been to three UTC training courses in**
19 **the last seven years, I think. So I'm familiar with it.**

20 Q. Okay.

21 **A. I don't know everything. It does change every**
22 **once in a while, but I'm familiar as far as knowing how**
23 **to quote correctly, how to communicate to customers and**
24 **give them their rights. You won't see one of my**
25 **paperworks, bill of lading estimates out there without**

EXAMINATION OF GARCIA / PEARSON

1 the signature. I highlight every little line. Not me
2 personally, but that's what I -- that's my training is
3 if I have any employee that doesn't understand any lead,
4 that's what we do. We -- we question, we role play, we
5 do things like that. So that's what I'm promoting in my
6 office to make sure everything's correct.

7 JUDGE PEARSON: Okay. Ms. Hunter is back.
8 Can you give me a thumbs up, thumbs down?

9 Don't worry about this.

10 (Discussion held off the record.)

11 JUDGE PEARSON: So Ms. Hunter just stated
12 that the \$800 penalty was, in fact, paid in full.

13 BY JUDGE PEARSON:

14 Q. So penalty-wise, you are paid in full,
15 Mr. Garcia; however, you didn't file your annual report,
16 which was due May 1. So as of today, you're subject to
17 a \$250 penalty for not filing. If you get it in before
18 the end of June, that will be it, \$250. Once it's 60
19 days late, that goes up to \$500, once it's 90 days late,
20 that goes up to \$750, and then you're also at risk again
21 of losing your permit. So please ensure that your
22 annual report gets filed as soon as possible. Do you
23 know how to do that or do you need help with that?

24 **A. I do.**

25 Q. Okay.

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1 **A. I don't know how to do it --**

2 Q. Okay.

3 **A. -- but I see where I could get that for**
4 **resource-wise.**

5 Q. Okay.

6 **A. You know, I've done -- like I said, I've done**
7 **numerous trainings, but when I -- when I was with the**
8 **company before, I was just an estimator only. That**
9 **company did the annual report. When I was with MVP**
10 **Moving, Erik was the only one doing the annual report.**

11 Q. Okay.

12 **A. So this is like literally my first time doing**
13 **the annual report, and that's something that's not on my**
14 **radar.**

15 Q. Okay.

16 **A. Which I apologize, but that's kind of where**
17 **I'm -- you know, I've been really busy.**

18 Q. Okay.

19 **A. And that's definitely not an excuse, but that's**
20 **where I'm at with it.**

21 Q. So -- okay. How many -- approximately how many
22 moves does your company do per month?

23 **A. Per month, I would say -- we're only operating**
24 **on two trucks right now, I would say we're probably**
25 **doing anywhere from 40 to 60 moves a month.**

EXAMINATION OF GARCIA / PEARSON

1 Q. Okay. And the reason I ask is I'm trying to
2 think creatively about how to let you keep your permit.
3 We're not in the business of taking people's permits
4 away. That doesn't -- it doesn't serve our purpose, as
5 our goal here is to get you into compliance. We want
6 you to comply with our rules. We want to regulate you.
7 We don't want to take your permit away and then have you
8 operating illegally and then have to drag you back in
9 here and then classify you and assess more penalties.
10 That's not what anybody wants to do; however, I am
11 concerned about the company's history. I understand
12 that Mr. Hawkins had a role in this, but the company is
13 yours now, and as a -- you've always been a co-owner,
14 correct?

15 **A. Mm-hmm.**

16 Q. So you've always had the responsibility to
17 understand the rules and comply with them. You're not
18 absolved of that responsibility just because it was
19 Mr. Hawkins' job. So, you know, I do have concerns
20 about whether you are taking this seriously and will
21 comply going forward. So I think there has to be a lot
22 of caveats in place if we do allow you to keep your
23 permit, and I'm not going to rule on that here today.

24 But what I have in mind is having consumer
25 protection do an audit on your paperwork for the purpose

EXAMINATION OF GARCIA / PEARSON

1 of providing you with technical assistance. Not for the
2 purpose of assessing penalties, but to maybe look at
3 your last month or two of move documents, go through,
4 make sure that you're doing everything correctly, and
5 provide you technical assistance if there are any
6 violations so that we can get you into compliance.

7 And that's typically what consumer protection
8 does. They don't usually assess penalties for
9 first-time violations. They want to provide you with a
10 detail finding of, you know, here are the violations,
11 here's what needs to be done to correct those, that type
12 of thing.

13 So if, in fact, the Commission decides to let
14 you keep your permit, I think that would be an
15 additional condition, as would filing your annual
16 report, timely paying that penalty, you will be getting
17 an invoice for that \$250 penalty and things of -- the
18 other things that Mr. Perkinson mentioned. So
19 additional compliance monitoring, additional trainings,
20 things like that.

21 JUDGE PEARSON: So, Mr. Perkinson, are you
22 still on the line?

23 MR. PERKINSON: Yes, I am.

24 JUDGE PEARSON: How do you feel about going
25 in that direction?

1 MR. PERKINSON: I would agree with you that,
2 you know, it doesn't, at least as far as the records
3 show, appear that the company has taken the previous
4 actions seriously. I think that I would agree with
5 Mr. Garcia that the violations from the initial review
6 to the follow-up review were less by volume, but they're
7 still violations and they're violations that we take
8 very seriously. I think you've explained that to the
9 company, and Staff would agree to conditions. We just
10 would like to see those conditions be more severe or as
11 severe as possible based on the history.

12 JUDGE PEARSON: Okay. Thank you. All
13 right. Is there anything else that you want to add?

14 MR. GARCIA: (Shaking head.)

15 JUDGE PEARSON: No, okay.

16 MR. GARCIA: Only thing I want to add is so
17 I don't owe any money? I don't know my original
18 balance. I don't know -- you know, I know I made a
19 couple \$300 payments. I know I made a \$1900 payment.

20 JUDGE PEARSON: You are paid in full on your
21 penalties. When you file your annual report, you will
22 have a regulatory fee, which is a portion of your
23 jurisdictional revenue that you'll have to pay to the
24 Commission, and you will also owe that \$250 penalty
25 provided you get it in before the end of this month.

1 MR. GARCIA: Okay.

2 JUDGE PEARSON: But as far as your penalties
3 are concerned in the prior two dockets, those are paid,
4 yes.

5 MR. GARCIA: Okay. Thank you.

6 MR. ROBERSON: Nothing further.

7 JUDGE PEARSON: Nothing further from Staff?
8 Okay. All right. Well, if that's all -- Mr. Perkinson,
9 thank you for calling in.

10 MR. PERKINSON: Thank you.

11 JUDGE PEARSON: And I will be issuing an
12 order within the next ten days reflecting my decision,
13 and we will be off the record. Thank you.

14 (Adjourned at 10:04 a.m.)

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CERTIFICATE

STATE OF WASHINGTON
COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand
Reporter in and for the State of Washington, do hereby
certify that the foregoing transcript is true and
accurate to the best of my knowledge, skill and ability.

Tayler Garlinghouse, CCR 3358