

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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1 BEFORE THE WASHINGTON  
 2 UTILITIES AND TRANSPORTATION COMMISSION  
 3 \_\_\_\_\_  
 4 In the Matter of the )DOCKET NO. TV-170039  
 Investigation of )  
 5 MVP MOVING AND STORAGE LLC )  
 6 )  
 For Compliance with )  
 7 WAC 480-15-560 and )  
 WAC 480-15-570 )  
 8 )  
 9 \_\_\_\_\_  
 10 BRIEF ADJUDICATIVE PROCEEDING, VOLUME II  
 11 Pages 25-58  
 12 ADMINISTRATIVE LAW JUDGE RAYNE PEARSON  
 13 \_\_\_\_\_  
 14 June 5, 2018  
 15 9:30 a.m.  
 16 Washington Utilities and Transportation Commission  
 1300 South Evergreen Park Drive Southwest  
 17 Olympia, Washington 98504  
 18  
 19  
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1 APPEARANCES  
 2 ADMINISTRATIVE LAW JUDGE:  
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 Transportation Commission  
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 14 FOR MVP MOVING AND STORAGE:  
 15 JASON GARCIA  
 16  
 17 ALSO PRESENT:  
 18 MATHEW PERKINSON (via phone)  
 19  
 20  
 21 \* \* \* \* \*  
 22  
 23  
 24  
 25

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 11 (No exhibits admitted.)  
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1 OLYMPIA, WASHINGTON; JUNE 5, 2018  
 2 9:30 A.M.  
 3 --o0c--  
 4 PROCEEDINGS  
 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

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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.

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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.

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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.**

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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?

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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**

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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.

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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.

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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.

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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

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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.

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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.

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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...

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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?

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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

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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

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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.

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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 ////

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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

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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

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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

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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

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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

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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**

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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.**

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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

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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?

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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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1 CERTIFICATE

2

3 STATE OF WASHINGTON

4 COUNTY OF THURSTON

5

6 I, Tayler Garlinghouse, a Certified Shorthand

7 Reporter in and for the State of Washington, do hereby

8 certify that the foregoing transcript is true and

9 accurate to the best of my knowledge, skill and ability.

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12 Tayler Garlinghouse, CCR 3358

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