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1 BEFORE THE WASHINGTON

2 UTILITIES AND TRANSPORTATION COMMISSION

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4 In the Matter of the )

Penalty Assessment ) Docket No. TG-143802 and

5 Against, Bobby Wolford ) Docket No. TG-151573

Trucking. )

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9:35 A.M.

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APRIL 27, 2016

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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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1 OLYMPIA, WASHINGTON; APRIL 27, 2016

2 9:35 A.M.

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5 JUDGE PEARSON: Let's go ahead and be on the

6 record. My name is Rayne Pearson. I'm the

7 administrative law judge presiding over today's brief

8 adjudicative proceeding. Today is Wednesday, April

9 27th, 2016, and the time is approximately 9:35 a.m.

10 On February 24th, 2016, the Commission

11 issued an order instituting special proceeding and

12 complaint seeking to impose penalties against Bobby

13 Wolford Trucking and Salvage, Inc. d/b/a Bobby Wolford

14 Trucking and Demolition, Inc. in Docket TG-151573. The

15 complaint alleges that Bobby Wolford Trucking

16 transported solid waste on 170 separate occasions in

17 violation of Commission rules and that those same

18 actions also violated the Commission's order in Docket

19 TG-143802, which directed the company to cease and

20 desist operating -- transporting solid waste without the

21 required permission issued certificate.

22 So as Mr. Casey stated when we were off the

23 record, Commission Staff did file a motion requesting

24 that these two dockets be consolidated and be heard

25 together at today's brief adjudicative proceeding. So

0005

1 does the Company have any objection to consolidating

2 these dockets?

3 MS. ALVORD: No objection.

4 JUDGE PEARSON: Okay. Then dockets

5 TG-143802 and TG-151573 are consolidated.

6 So I will take appearances and hear from the

7 parties in just a moment. As I stated off the record, I

8 want to divide the hearing kind of into two parts this

9 morning. So first we'll address the violations, which

10 means we will just be looking at the facts of the case.

11 And then in the second part, we can talk about the

12 penalty amount, get a penalty recommendation from Staff

13 and then hear anything from the Company about factors

14 that go to mitigation of the penalty amount.

15 So before we get started, I would like to

16 ask the parties to waive the requirement that the

17 Commission issue an order within ten days of this

18 proceeding. It typically works better if I issue an

19 order within ten days of receiving the transcript so

20 that I have that available to me when I am making my

21 decision. So does either party have any objection to

22 that?

23 MR. CASEY: No objection from Staff.

24 MS. ALVORD: No objection.

25 JUDGE PEARSON: Okay. Thank you. So

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1 because Staff initiated both enforcement actions, we'll

2 have Staff go first this morning.

3 So does anyone have any questions before we

4 get started?

5 MS. ALVORD: No.

6 MR. CASEY: No, Your Honor.

7 JUDGE PEARSON: Okay. So, Mr. Casey, if you

8 just want to enter a short appearance.

9 MR. CASEY: Yes, my name is Christopher

10 Casey. I'm assistant attorney general representing

11 Commission Staff and my address is on record with

12 Commission.

13 JUDGE PEARSON: Okay. Thank you.

14 And, Ms. Alvord, I did see that you entered

15 a notice of appearance in the older docket, but let's

16 just go ahead and take a full appearance now on the

17 record.

18 MS. ALVORD: My name is Elizabeth Alvord. I

19 represent Bobby Wolford Trucking.

20 JUDGE PEARSON: Okay. Can you spell your

21 last name for the court reporter.

22 MS. ALVORD: A-l, v as in Victor, o-r-d.

23 JUDGE PEARSON: And can you give us your

24 address, phone number, and email address.

25 MS. ALVORD: Yes. 221 Lake Avenue West,

0007

1 Kirkland, Washington 98033. My phone number is

2 425-505-1865, my email address is

3 EAlvordattorney@yahoo.com.

4 JUDGE PEARSON: Thank you. Okay.

5 Mr. Casey, you may proceed when you're ready.

6 MR. CASEY: Thank you, Your Honor.

7 Today we're here to resolve three key

8 issues, whether Bobby Wolford Trucking conducted

9 business subject to regulation under Title 81, whether

10 Bobby Wolford Trucking violated RCW 81.77.040 by hauling

11 solid waste for compensation without first having

12 obtained from the Commission a certificate of public

13 convenience and necessity, and whether Bobby Wolford

14 Trucking violated the settlement agreement approved

15 without condition by the Commission in Docket TG-143802.

16 Today's Staff will provide evidence

17 demonstrating the essential facts necessary to

18 demonstrate all three, and we will put on testimony from

19 Pam Smith, who's a compliance investigator -- was a

20 compliance investigator for the Commission and that's

21 it.

22 JUDGE PEARSON: Okay. So did you want to

23 call Ms. Smith?

24 MR. CASEY: Yes, I would like to call

25 Ms. Smith to the stand.

0008

1

2 PAM SMITH, witness herein, having been

3 first duly sworn on oath,

4 was examined and testified

5 as follows:

6 MR. CASEY: So quickly, as I mentioned off

7 the record, we have -- we largely have stipulated with

8 the Company to the essential facts in this case. And

9 they for the most part, except for the number of

10 violations, do not dispute the -- is my understanding

11 that they do not dispute the essential facts in this

12 case. And so I will just have some questions for Pam

13 Smith about her investigation report.

14 JUDGE PEARSON: Okay.

15

16 E X A M I N A T I O N

17 BY MR. CASEY:

18 Q. Ms. Smith, please state your full name and spell

19 it for the record.

20 A. Pam Smith, S-m-i-t-h.

21 Q. And what is your current occupation?

22 A. I'm a -- currently a program specialist with the

23 Department of Transportation.

24 Q. And have you previously worked for the Utilities

25 and Transportation Commission?

0009

1 A. Yes, during this investigation, I was a

2 compliance investigator with the transportation safety

3 section.

4 Q. How long were you employed by the Commission?

5 A. Almost 26 years.

6 Q. And what were your duties as a compliance

7 investigator?

8 A. I conducted investigations into the operating

9 and safety practices of regulated transportation

10 companies and investigated companies that appeared to be

11 operating without authority.

12 Q. And had you ever investigated Bobby Wolford

13 Trucking?

14 A. Yes.

15 Q. Did you document your investigation?

16 A. Yes, there was an investigation report in 2014.

17 Q. And was that the only time you investigated

18 Bobby Wolford Trucking?

19 A. No, the current investigation that we're here

20 today.

21 Q. And did you document that investigation?

22 A. Yes, I did.

23 Q. So you have investigated Bobby Wolford Trucking

24 on two separate occasions and each of those

25 investigations were documented by a Staff investigation

0010

1 report?

2 A. Yes.

3 Q. Okay. And your investigation report that --

4 your investigation report has been -- is on file with

5 the Commission in both dockets, Docket TG-151573 and

6 TG-143802?

7 A. Yes.

8 Q. And do you know if those investigation reports

9 were served with the complaints in each docket?

10 A. Yes.

11 Q. And was the -- and do you have any changes to

12 your report?

13 A. No.

14 Q. Was your report true and correct to the best of

15 your knowledge?

16 A. Yes.

17 MR. CASEY: So we would like to move the

18 current investigation report from Docket TG-151573 into

19 evidence today.

20 JUDGE PEARSON: Okay. Ms. Alvord, do you

21 have any objection?

22 MS. ALVORD: I have no objection.

23 JUDGE PEARSON: Okay. So I will turn my

24 microphone back on and will admit that and mark it as

25 Exhibit PS-1.

0011

1 MR. CASEY: And, Judge Pearson, I am happy

2 to go through some of the essential facts with Pam if

3 you like, but because we stipulate largely to those

4 facts, I can -- we can move on to the supplemental

5 information that Ms. Alvord would like to discuss. I

6 can also have Pam discuss the number of violations,

7 which seems to be the one place we have a little bit of

8 disagreement.

9 JUDGE PEARSON: Okay. Why don't we do that.

10 MR. CASEY: Okay.

11 BY MR. CASEY:

12 Q. So, Ms. Smith, in your report, how many -- how

13 many violations or how many hauls did you determine that

14 Bobby Wolford Trucking did of waste from the pier

15 demolition project to the Cathcart facility?

16 A. Well, I documented 170. I contacted Snohomish

17 County, the Cathcart facility, and they provided records

18 of 170 loads that were transported to their facility.

19 Q. Okay. And was that the only evidence you

20 reviewed in terms of the number of -- the number of

21 loads?

22 A. No, Bobby Wolford Trucking, in a data request,

23 provided reports of 164 loads.

24 Q. And did you compare and contrast the evidence

25 provided by the Company and the evidence provided by the

0012

1 Cathcart facility?

2 A. Yes, I looked at the records that Bobby Wolford

3 provided and then the Cathcart facility records and

4 matched them up with license plate numbers of Bobby

5 Wolford Trucking.

6 Q. And so you said there was only a discrepancy in

7 terms of -- was it six violations?

8 A. Actually, when I went through using license

9 plate numbers, the five -- there was five loads that

10 Bobby Wolford Trucking did not -- or four loads that

11 they didn't provide me the last four that the Snohomish

12 County facility did. But when I looked at those, they

13 had the same license plate numbers that had been used

14 and also the truck identification on -- is on Appendix

15 K, showed Wolford trucks. So there could be one -- one

16 or two maybe.

17 Q. And after reviewing all of the evidence, why did

18 you ultimately determine that there were 170 violations?

19 A. In my judgment, I felt that the Cathcart

20 facility records were more accurate.

21 Q. And the temp records from the Cathcart facility,

22 are those the kind of records that a disposal facility

23 like the Cathcart facility would normally keep?

24 A. Yeah, they keep all of those.

25 Q. Okay.

0013

1 A. Tracking.

2 Q. Okay. Thank you.

3 MR. CASEY: Because we have agreement to the

4 facts outside of that issue, I have no further

5 questions.

6 JUDGE PEARSON: Okay. Ms. Alvord, do you

7 have any questions for Ms. Smith?

8 MS. ALVORD: I do.

9 JUDGE PEARSON: Okay.

10 MS. ALVORD: Thank you.

11

12 E X A M I N A T I O N

13 BY MS. ALVORD:

14 Q. Ms. Smith, did the Utilities and Transportation

15 Commission receive an initiating complaint that launched

16 the investigation against Bobby Wolford Trucking from

17 the outside? Did it receive an informal complaint?

18 A. Yes, we received a phone call. I received a

19 phone call.

20 Q. So was that complaint only in a form of a phone

21 call and not a written complaint?

22 A. No, a lot of our complaints come through phone

23 calls or emails, so I received a phone call from the

24 solid waste company.

25 Q. And which solid waste company complained?

0014

1 A. It was from Rubatino.

2 Q. And is it your understanding that Rubatino

3 Refuse Removal territory is Snohomish County?

4 A. I don't know if it's just Snohomish County. I

5 know that they do have territory in Snohomish County.

6 Q. Are you familiar with the statutory requirements

7 for outside complaints to be received by the UTC in that

8 the statute requires that complaints be made in writing

9 and not be taken by phone calls?

10 A. That I don't believe -- informal complaints can

11 be taken via phone call.

12 Q. So you're not familiar with that statute?

13 MR. CASEY: Objection. Point of

14 clarification. Which statute are you talking about?

15 MS. ALVORD: I'm referring to RCW 80.04.110,

16 paragraph 1-A. This statute requires that complaints

17 that are made by the public other than the Commission

18 itself, by petition or complaint in writing. It

19 requires that the complaint be made in writing.

20 MR. CASEY: Yeah. Your Honor, it's my

21 understanding that it's formal complaints.

22 JUDGE PEARSON: That's correct. And so just

23 as a point of clarification for you, we do have WACs

24 that talk about informal complaints and how those can be

25 made, and we do accept complaints over the phone,

0015

1 through our website, in an email. So that relates only

2 to a very specific circumstance where an outside party

3 might want to come in and formally complain against a

4 regulated entity.

5 MS. ALVORD: Okay.

6 BY MS. ALVORD:

7 Q. Was it only Rubatino Refuse Removal that

8 complained against Bobby Wolford Trucking?

9 A. That is what instigated the complaint. I didn't

10 receive any other phone calls.

11 Q. So you didn't receive a complaint from Republic

12 Services, for example, a complaint against Bobby Wolford

13 Trucking?

14 A. No.

15 Q. In your investigation, did you also discover

16 that Allen Shearer Trucking provided end dumps for the

17 Mukilteo pier removal project?

18 A. No.

19 Q. Did you investigate Allen Shearer --

20 A. No.

21 Q. -- Trucking?

22 Did you inquire in your investigation with any

23 agency or private company if other trucking companies

24 were involved in the Mukilteo pier removal?

25 A. No, I did not.

0016

1 MS. ALVORD: That's all the questions I

2 have.

3 JUDGE PEARSON: Thank you.

4 Mr. Casey, do you wish to redirect or are

5 you good?

6 MR. CASEY: Just one or two questions.

7

8 R E D I R E C T E X A M I N A T I O N

9 BY MR. CASEY:

10 Q. Ms. Smith, there was a settlement agreement

11 approved by the Commission in Docket TG-143802 for

12 violation of operating as a solid waste hauler without a

13 permit. In that previous docket, which has been

14 consolidated with this one, when the Commission accepted

15 that settlement agreement, did they direct Staff to do a

16 follow-up investigation on Bobby Wolford Trucking?

17 A. Yes, they were under review for one year from

18 the time of the settlement agreement.

19 Q. And the 170 hauls that we are talking about

20 today, did that occur within one year of that

21 settlement -- when that settlement agreement was

22 approved by the Commission?

23 A. Yes.

24 MR. CASEY: Thank you. No further

25 questions.

0017

1 JUDGE PEARSON: Thank you.

2 MS. ALVORD: No questions.

3 JUDGE PEARSON: Okay. Ms. Alvord, I think,

4 then, what we should do now is have you go ahead and

5 present your case, and we will wait maybe and get

6 Staff's penalty recommendation at the conclusion of her

7 case in case some facts come up that may change Staff's

8 mind.

9 MS. ALVORD: To begin, I have some displays

10 here that I am using for demonstrative evidence only.

11 Not for substantive evidence. I don't expect to request

12 they be admitted into evidence, but I would like to use

13 these for illustrative purposes if that's permissible.

14 JUDGE PEARSON: Mr. Casey, do you have any

15 objection?

16 MR. CASEY: I have no objection.

17 JUDGE PEARSON: Okay. That's fine.

18 MS. ALVORD: I don't have an easel, so I am

19 going to be the human easel for this.

20 JUDGE PEARSON: Okay.

21 MS. ALVORD: Or maybe I'll set it down here.

22 And I have provided copies to counsel, smaller pictures

23 that depict what I am showing here.

24 So the first photograph here, Your Honor, is

25 a representative picture of the many employees that work

0018

1 for Bobby Wolford Trucking. The next photographs depict

2 and -- and also Staff -- or Mr. Casey has copies of

3 these, as well -- depict the Mukilteo pier removal

4 itself. These were taken from a local newspaper and who

5 took pictures of the actual removal. So here are these

6 photographs. I don't know if that helps down there

7 but -- I am sorry.

8 JUDGE PEARSON: If you could just show me

9 before you set them down.

10 MS. ALVORD: Sure.

11 JUDGE PEARSON: Okay. Thank you.

12 MS. ALVORD: Yes, you're welcome.

13 The last photograph is a picture of a Bobby

14 Wolford end dump trailer and what that looks like.

15 JUDGE PEARSON: Thank you.

16 MS. ALVORD: So a little background

17 information, Your Honor, which I think is so important

18 in this case. Bobby Wolford Trucking is a small company

19 that's located in tiny Maltby, Washington. For nearly

20 40 years, Bobby Wolford has employed citizens of Western

21 Washington, provided jobs, and supported families in the

22 Maltby, Woodinville, and Snohomish, King County area.

23 For nearly four decades of service to

24 Western Washington, Bobby Wolford has only been a

25 subject of formal complaint with the UTC twice in four

0019

1 decades. That's a pretty startling statistic, and it

2 goes to show that Bobby Wolford has a commitment and

3 respect for the Commission and its rules and

4 regulations.

5 More specifically to this particular case,

6 in early 2015, Pacific Pile & Marine, a Washington

7 company, was awarded a contract with the Washington

8 State Department of Transportation to demolish the

9 Mukilteo pier. And it shows you in the pictures down

10 here what that -- pretty much what that looks like. In

11 fact, that's pictures of Pacific Pile & Marine

12 demolishing the pier.

13 This was a huge project and it required lots

14 and lots of planning. No small part of this planning

15 was determining the safest, most efficient way to remove

16 an estimated 7,000 tons of creosote-soaked timber.

17 That's 4 percent -- this is a statistic that came from

18 the same newspaper that provided these photographs --

19 that's about 4 percent of all the creosote in Puget

20 Sound.

21 By August of 2015, Pacific Pile & Marine was

22 ready to go ahead with the demolition and they began

23 searching for companies that could handle the transport

24 of these piers, and Pacific Pile contacted Bobby Wolford

25 directly for two reasons. The first reason is that

0020

1 Bobby Wolford had end dump trailers, and I'll explain in

2 a few minutes why end dump trailers were so important in

3 this project.

4 And secondly, because -- and we'll present

5 this evidence here shortly -- Snohomish County, through

6 Bernard Myers, who is a Snohomish County official,

7 provided to Pacific Pile & Marine specific authority to

8 contract with whomever they wished. So for those two

9 reasons, Bobby Wolford accepted the job.

10 Logistically, this is how this works.

11 Because the Mukilteo pier is located in Snohomish

12 County, the demolition materials were -- had to be --

13 per Snohomish County rules, had to be taken to a

14 Snohomish County transfer station. But in this

15 particular case, because the piles that were being

16 removed were so gigantic, the City of Mukilteo got

17 involved and said, hey, we don't want you trucking those

18 pilings through the City of Mukilteo because they were

19 worried about the negative impact on traffic, so they

20 insisted, the City of Mukilteo, that Pacific Pile &

21 Marine barge those big pilings down to their staging

22 facility in Seattle, Duwamish, where Pacific Pile &

23 Marine had the small staging area where they could

24 offload the pilings and then transport them all the way

25 back up to Snohomish County so Snohomish County could

0021

1 get their dump fees, I presume.

2 So -- and it might help to look at these

3 pictures, Your Honor, but just picture these pilings.

4 This was holding up a big pier. These are gigantic,

5 long creosote-soaked timbers and Pacific Pile & Marine

6 was very adamant, as was WSDOT and the City of Mukilteo

7 that those pilings be removed in one piece. And the

8 reason why they wanted to do that was because they were

9 so soaked with creosote, there was a concern about

10 contamination. If they chopped them up, you know, would

11 that seep into the land, would it dump out, okay. So

12 they wanted to remove them in one piece and that's

13 exactly what they did.

14 So when they barged those down to Seattle,

15 they considered the staging facility, which was very

16 small and tight, and the fact that they wanted to

17 transport those pilings in one piece and Pacific Pile &

18 Marine recognized the only way, the only safe and

19 efficient way they could get those pilings off the barge

20 and transported up to Snohomish County was if they used

21 end dump trailers.

22 Here is a picture of an end dump trailer

23 here and I don't know if you're familiar with what they

24 look like in real life, Your Honor. In fact, I should

25 have a guy standing next there, but end up trailers are

0022

1 eight feet high and these end dump trailers are 33 feet

2 long. They're big and the other important feature of

3 these particular types of trailers is that, like the

4 name says, they can dump off their end. So they're easy

5 to transload. You don't have to get an excavator in

6 there to offload them and again risk creosote flaking

7 off and all of that, okay. So they dump directly.

8 So this is why they wanted to use end dump

9 trailers and why they really needed to. Plus, the only

10 other way to get those out of there would be if -- what

11 they use is Rabanco cans, which are these big containers

12 that they -- you know, materials are dumped into and

13 then put on trains and taken to Roosevelt. But that

14 wasn't an option in this case because there wasn't

15 enough room at the staging facility to put in a Rabanco

16 can at that point, at that point. And because the end

17 dump trailers could transload those long pilings in one

18 piece, okay. So that's the practical reason why Pacific

19 Pile & Marine came to Bobby Wolford Trucking.

20 Now you say, well, why didn't they go to the

21 local solid waste hauler? I don't have privilege of the

22 information of what, you know, Pacific Pile, what phone

23 calls they made or didn't make or whatever they did.

24 But we do know that Republic Services does not have end

25 dump trailers. They couldn't have provided that service

0023

1 and, in fact, Republic Services would have had to

2 subcontract with somebody like Bobby Wolford Trucking in

3 order to do -- use end dumps to make this job safe and

4 efficient.

5 So for practical purposes, even if Pacific

6 Pile & Marine contacted Republic, they would have hired

7 us anyway to do the job. So because they needed end

8 dump trailers, that's why they went to us and the

9 question arose, well, how do we have the authority to do

10 that? And this is important because it shows that we

11 did not -- Bobby Wolford Trucking did not have the

12 intent of wrongdoing. It did not have the intent of

13 violating its permit. 40 years of a clean record shows

14 that we have complied -- my clients complied over and

15 over with rules and regulations set forth by the UTC.

16 I've supplied to Mr. Casey the declaration

17 of Neil Williams, who is the project manager for Pacific

18 Pile & Marine. May I approach?

19 JUDGE PEARSON: Sure.

20 MS. ALVORD: This declaration sets forth

21 what I am about to describe in terms of Pacific Pile &

22 Marine's --

23 JUDGE PEARSON: Are you offering this into

24 evidence?

25 MS. ALVORD: I am, Your Honor. I am

0024

1 offering this into evidence.

2 JUDGE PEARSON: Mr. Casey, do you have --

3 MR. CASEY: This is the declaration of Neil

4 Williams?

5 JUDGE PEARSON: Right.

6 MR. CASEY: I don't object. I just would

7 ask Your Honor to give it the appropriate weight for

8 what it is. It's a declaration of someone who is not

9 here today and cannot be cross-examined.

10 JUDGE PEARSON: Right, and I agree. So I

11 will admit it into evidence with the caveat that I will

12 only afford it the weight that I can given that he is

13 not available today to testify to the contents of

14 declaration.

15 MS. ALVORD: Yes, and I would add that it

16 is -- the declaration is signed under penalty of

17 perjury.

18 JUDGE PEARSON: Right, and so I will admit

19 that and mark it as NW-1.

20 MS. ALVORD: Thank you.

21 So if we take -- if we look at this

22 declaration of Mr. Williams, who, again, is the project

23 manager for Pacific Pile & Marine and specifically on

24 this project, the Mukilteo pier removal, we find that

25 Pacific Pile & Marine -- now, we're talking about how

0025

1 did Bobby Wolford feel comfortable with the authority to

2 go forward with using his end dumps. Pacific Pile &

3 Marine provided Bobby Wolford with an email, which is

4 part of the declaration from Bernard Myers, a Snohomish

5 County official, who said to Pacific Pile & Marine, you

6 can use any contractor to deliver the material to the

7 transfer station.

8 So here's an email from a Snohomish County

9 official directing Pacific Pile & Marine that they can

10 use any contractor to haul the Pacific pilings -- or I'm

11 sorry, the pier pilings from Seattle to the transfer

12 station. Bobby Wolford Trucking had no reason to doubt

13 the Snohomish County's authority. It had no reason to

14 distrust that authority. When we receive a phone call,

15 our dispatcher takes that phone call and he makes a --

16 pretty much a split-second decision. When we questioned

17 that, we said, what authority can you provide us that we

18 can provide this service for the public. And they said

19 Snohomish County and here's the proof of it.

20 So when Wolford took that in, they go, okay.

21 That seems authoritative enough, we understand that, and

22 we will move ahead. That's where they got the authority

23 and that where's where they reasonably believed that

24 they had the authority.

25 So for two reasons, just to reiterate why

0026

1 Wolford did this or why Wolford took this job on is that

2 Snohomish County assured them they could use any

3 contractor, Pacific Pile, and Pacific Pile needed end

4 dumps. Republic Services didn't have end dumps, that

5 was their territory, and Wolford did.

6 There are essentially five reasons why there

7 shouldn't be any penalty assessed in this case, Your

8 Honor. Would you like me to proceed with that at this

9 point?

10 JUDGE PEARSON: Sure. Did you have any

11 witnesses that you were going to put on today?

12 MS. ALVORD: Yes.

13 JUDGE PEARSON: Okay.

14 MS. ALVORD: I can put them first if you'd

15 prefer.

16 JUDGE PEARSON: If it goes to number of

17 hauls, I would like to address that.

18 MS. ALVORD: It doesn't go to the number of

19 hauls.

20 JUDGE PEARSON: Okay. It goes to penalty

21 mitigation?

22 MS ALVORD: Yes.

23 JUDGE PEARSON: Okay. And were you going to

24 address the dispute over the number of hauls?

25 MS ALVORD: We'll concede that it's 170.

0027

1 JUDGE PEARSON: Okay. Yes, so if you want

2 to proceed with the five reasons, that's fine.

3 MS. ALVORD: Okay. So there are five

4 reasons why there shouldn't be a penalty assessed in

5 this case, Your Honor. The first reason is Pacific Pile

6 & Marine instructed Wolford Trucking that Snohomish

7 County granted them specific authority to use any

8 contractor.

9 The second reason why no penalty should be

10 assessed is that Wolford Trucking was serving an

11 important public need by providing the end dumps when

12 the designated solid waste hauler, Republic Services,

13 for that area, could not provide end dumps and would

14 have had to have subcontracted with Bobby Wolford or

15 other end dump providers anyway.

16 The third reason is the solid waste hauler,

17 Republic, for that area -- oh, I'm sorry. The solid

18 waste hauler in Snohomish County, which would have been

19 Mr. Rubatino, who also -- who was the complainant in

20 this particular case, doesn't have end dumps either.

21 There was no local solid waste hauler that had end dumps

22 that could do this service.

23 Fourthly, this is Republic Services'

24 territory and they had no issue with Wolford Trucking

25 performing this service. It was their right to complain

0028

1 about Wolford's service but they didn't. Ms. Smith

2 testified that it was Rubatino that complained against

3 Bobby Wolford, and Mr. Rubatino had no right to complain

4 against Wolford since it wasn't his territory.

5 Fifthly, there is an issue concerning the

6 origin and the form of the complaint, but as Your Honor

7 explained that, I guess the Commission can take informal

8 complaints.

9 So finally, I think overall in light of all

10 those particular facts, Snohomish County's authority --

11 and even if Snohomish County didn't have the real

12 authority to grant that to Mr. -- to Bobby Wolford

13 Trucking, Bobby Wolford Trucking took that from both

14 Pacific Pile and from Snohomish County authority to not

15 distrust them. It was a reasonable reliance on that.

16 And because we were providing a public service that no

17 other solid waste hauler could provide.

18 If penalties are assessed against Wolford in

19 the amount that the Commission is seeking, from a

20 practical standpoint, we're looking at the possibility

21 that Bobby Wolford Trucking would be put out of business

22 and that 50 people with their families will be out of

23 work. In 40 years, Wolford Trucking has only

24 encountered formal complaints from the UTC twice. We're

25 asking the Court to keep this in mind as it determines

0029

1 whether or not a penalty should be assessed.

2 We respectfully request that no penalties be

3 assessed in light of the fact that there was no intent

4 to circumvent the rules or regulations of the UTC. When

5 they contacted us and told us to stop hauling, we

6 immediately stopped, my client immediately stopped

7 hauling and promptly requested of the UTC for a

8 temporary solid waste certificate, which they refused to

9 give us. I don't know the reason why they refused to

10 give us, but it was refused. Very shortly after that,

11 we immediately applied for a solid waste certificate for

12 the specific purpose of using end dump trailers. That

13 particular application is currently pending before the

14 Commission now.

15 In light of all of this and the totality of

16 the efforts that Wolford has gone through, in light of

17 its very, very clean record over four decades, in light

18 of the fact that a penalty will very likely crush this

19 company and 50 people lose jobs, we're asking the Court

20 to deny any penalty be imposed against Wolford Trucking.

21 With that, I have two witnesses.

22 JUDGE PEARSON: Okay. Who would you like to

23 call first?

24 MS. ALVORD: Bobby Wolford.

25 JUDGE PEARSON: Okay. If you would please

0030

1 stand and raise your right hand.

2

3 ROBERT WOLFORD, witness herein, having been

4 first duly sworn on oath,

5 was examined and testified

6 as follows:

7

8 JUDGE PEARSON: You may have a seat. If you

9 could pull the microphone close to you and push the

10 button. When the light comes on, that means the

11 microphone is on. You don't have to hold it down.

12 There you go.

13

14 E X A M I N A T I O N

15 BY MS. ALVORD:

16 Q. Would you state your name for the record?

17 A. Robert C. Wolford.

18 Q. Mr. Wolford, what is your position at Bobby

19 Wolford Trucking?

20 A. Owner.

21 Q. You're the owner.

22 How long has Bobby Wolford Trucking been in

23 existence?

24 A. 40-plus years.

25 Q. Are you familiar with the Mukilteo pier project?

0031

1 A. Yes.

2 Q. How are you familiar with that?

3 A. We were contacted by Pacific Pile as a

4 subcontractor to haul their material.

5 Q. Okay. Did they say why they needed -- what

6 particularly they needed from Bobby Wolford Trucking?

7 A. Needed open-topped 33-foot end dumps.

8 Q. Okay. And why did they need end dumps?

9 A. Because they were craning the material into the

10 open top and it had to be contained because it was

11 creosote and tarped.

12 Q. Okay.

13 A. And we had that equipment.

14 Q. Okay. To your knowledge, does Republic Services

15 have end dump trailers?

16 A. No, they do not.

17 Q. Does Rubatino Refuse Removal have end dump

18 trailers?

19 A. No, they have little 30-yard roll-offs.

20 Q. Did Pacific Pile & Marine -- was there other

21 reasons why they needed end dump trailers concerning the

22 facility?

23 A. Yes, so we could unload at the other end.

24 Q. And what about the configuration of the facility

25 in Seattle?

0032

1 A. It was small at that time and could only

2 accommodate like a 33-foot end dump.

3 Q. Okay. How big are end dump trailers?

4 A. 33 feet long and have like 6-and-a-half-foot

5 sides, 7-foot sides.

6 Q. About 96 inches, would you say?

7 A. Mm-hmm.

8 Q. To your knowledge, did Wolford agree to provide

9 end dump service for Pacific Pile & Marine?

10 A. Yes.

11 Q. Did Bobby Wolford Trucking believe it had the

12 authority to provide that service to Pacific Pile &

13 Marine?

14 A. Yes, it's the kind of materials we haul daily.

15 Q. On what basis -- what was -- the email that

16 Wolford reviewed from Snohomish County, was this one of

17 the reasons why you believed you had the authority to

18 haul that?

19 A. Yes.

20 Q. Did you have any reason to doubt Snohomish

21 County's authority to -- that you could -- that any

22 contractor could make this haul?

23 A. No, they control the waste up in Snohomish

24 County.

25 Q. To your knowledge, did anyone else, any other

0033

1 trucking company provide end dump service for the

2 Mukilteo pier removal?

3 A. I wasn't on that job, but I heard Allen Shearer

4 was there.

5 Q. Okay.

6 A. And he has high cube end dumps like I do.

7 There's only about three or four of us in the industry

8 that have this equipment.

9 Q. Okay. Did Bobby Wolford Trucking provide safe

10 and efficient service for Pacific Pile in removing the

11 pier pilings?

12 A. Yes, we had a safety program we put all our

13 drivers through, hard hats, and vests and proper

14 equipment.

15 Q. Do you believe that Bobby Wolford Trucking,

16 because of its end dump service, provided a public need

17 in this instance?

18 A. Definitely.

19 Q. How so?

20 A. We had that equipment and we provided the

21 service they needed with safe equipment.

22 Q. Okay.

23 A. And we're in the service business. When we get

24 a call like that, we take care of them.

25 Q. Okay. Did -- at some point, did the Utilities

0034

1 and Transportation Commission contact Bobby Wolford

2 Trucking and tell them to stop hauling for Pacific Pile

3 & Marine?

4 A. Yeah, when we were just about done with the

5 project.

6 Q. Okay. And what did Bobby Wolford Trucking do

7 when the Utilities and Transportation Commission told

8 them to stop?

9 A. We stopped.

10 Q. Okay. Then what did it do?

11 A. Applied for some authority, some temporary

12 permit.

13 Q. Okay.

14 A. Or temporary authority to get this job done.

15 Q. Okay. And did the Utilities and Transportation

16 Commission grant that temporary authority?

17 A. No.

18 Q. What did Bobby Wolford Trucking do next in terms

19 of authority?

20 A. We applied for a specialized authority just

21 using end dumps to help the garbage or --

22 Q. Right.

23 A. -- the industry.

24 Q. Yeah, and is that particular application pending

25 before the Commission now?

0035

1 A. Yes.

2 Q. Okay. You mentioned that you've been in

3 business for 40-plus years.

4 A. Yes.

5 Q. How many employees would you say have worked for

6 Bobby Wolford in 40 years?

7 A. Hundreds.

8 Q. How many employees do you have now?

9 A. 40-plus.

10 Q. Do they support families?

11 A. Yes.

12 Q. In 40 years, how many times have you received a

13 formal complaint from the Utilities and Transportation

14 Commission?

15 A. None to my knowledge.

16 Q. Other than this one and last year?

17 A. Yes.

18 Q. Okay.

19 A. And may I say, those two were the two biggest

20 contracts we've ever done. They were both in Snohomish

21 County and then, again, on both instances, they required

22 specialized equipment. One was the fast track Boeing

23 job we did with Democon and Hoffman Construction, and we

24 were the biggest guys to have -- well, we supplied like

25 five end dumps for that program, too.

0036

1 Q. Mr. Wolford, do you recall when you entered into

2 a settlement agreement with the Utilities and

3 Transportation Commission last year?

4 A. Yes.

5 Q. Did you pay a penalty for that? Did you pay an

6 amount, a penalty amount, as a result of that settlement

7 agreement?

8 A. I believe so.

9 Q. Do you recall how much that was?

10 A. No.

11 Q. Would the amount $20,000 resonate with you?

12 A. Yes.

13 Q. At least 20,000?

14 A. Yes.

15 Q. Okay. Mr. Wolford, if a penalty is assessed in

16 this case, what impact would that have on Bobby Wolford

17 Trucking?

18 A. I will probably shut the company down. I am 69

19 years old and I don't need these headaches.

20 Q. Would 40-plus people lose their jobs?

21 A. Yes.

22 MS. ALVORD: That's all the questions that

23 I have for Mr. Wolford.

24 JUDGE PEARSON: Mr. Casey, do you have any

25 questions for Mr. Wolford?

0037

1 MR. CASEY: I do. I have several.

2

3 E X A M I N A T I O N

4 BY MR. CASEY:

5 Q. So, Mr. Wolford, do you acknowledge that this

6 project was very similar to the Boeing project that was

7 the subject of the previous investigation?

8 A. It was similar, yes, in that they're both fast

9 track and specialized equipment was needed.

10 Q. And did they both involve hauling construction

11 or demolition debris?

12 A. Yes, that's what I star in.

13 Q. And prior to taking on this project with Pacific

14 Pile, did you contact the UTC or Commission or

15 Commission Staff?

16 A. Prior to taking this job on you say?

17 Q. Yes.

18 A. No.

19 Q. No.

20 And when you -- when Commission Staff told you

21 to stop and you applied for a temporary permit, is it

22 true that you asked that permit to be applied

23 retroactively to this job?

24 A. Staff did it so I believe so.

25 MR. CASEY: So I will just reference the

0038

1 Court to the letter from Ms. Alvord in Appendix E of the

2 investigation report.

3 MS. ALVORD: I am sorry, I may object to

4 that. What letter are you talking about? What's the

5 date of that, October...

6 MR. CASEY: October 6th.

7 MS. ALVORD: Okay. I believe, Your Honor,

8 if I may, that particular letter, if you read at the

9 bottom it said that it was subject to Evidence Rule 408,

10 which means it cannot -- it was for settlement purposes

11 only and not to be admitted in evidence in a legal

12 proceeding.

13 MR. CASEY: My understanding is one, I

14 believe this letter was even filed with the Commission,

15 the Commission's records center in docket -- in the

16 previous docket. It was received by record's management

17 on October 9th at 8:25 a.m. and this is a public record.

18 It's publicly available on -- through the Commission's

19 docket search, and also we were not engaged in

20 settlement. The investigation had not begun.

21 JUDGE PEARSON: And most importantly, the

22 rules of evidence still apply. The administrative

23 proceedings under the APA.

24 BY MR. CASEY:

25 Q. So, Mr. Wolford, you said that -- said these are

0039

1 the kinds of materials you haul daily and that you --

2 you stopped when Commission Staff asked you to stop?

3 A. On that job, yes.

4 Q. And you said that you were just about done with

5 the project?

6 A. Yes.

7 Q. So the project was not complete?

8 A. Right.

9 Q. And so are you aware of who finished the

10 project?

11 A. Yes.

12 Q. And who finished the project?

13 A. Washington State Trucking.

14 Q. And are you aware that -- do you know if

15 Republic Services took on any aspect of that project

16 once you were done?

17 A. Yes, they provided containers, and Washington

18 State Trucking has tractors like mine and they pulled

19 them.

20 Q. And prior to starting this project, did you

21 contact Republic Services?

22 A. No, that was all arranged through Snohomish

23 County, that part of it, when they transloaded up in

24 Cathcart, at the facility where we dumped.

25 Q. Mr. Wolford, were you aware that there was a

0040

1 suspended penalty assessment of just over $21,000

2 remaining from the previous complaint and settlement

3 agreement with Staff?

4 A. Yes.

5 Q. And you were aware that the Commission, in

6 accepting that settlement agreement, had ordered you to

7 cease and desist providing services that require permit

8 authority from the Commission?

9 A. Yes.

10 Q. And you were aware that Staff was going to

11 conduct a follow-up investigation to ensure -- to

12 determine whether you complied with the terms of the

13 settlement agreement?

14 A. Yes.

15 Q. And you were aware that if you violated the

16 terms of the settlement agreement, that suspended

17 penalty would become imposed?

18 A. Yes.

19 MR. CASEY: I have no further questions for

20 Mr. Wolford.

21 JUDGE PEARSON: Thank you.

22 Do you have any re-direct?

23 MS. ALVORD: Just a short re-direct, Your

24 Honor.

25 JUDGE PEARSON: Okay.

0041

1 R E D I R E C T E X A M I N A T I O N

2 BY MS. ALVORD:

3 Q. Mr. Wolford, does Washington State Trucking have

4 a solid waste certificate of which you know?

5 A. No.

6 Q. You mentioned that the job wasn't finished and

7 that Washington State Trucking finished the job? The

8 trucking job?

9 A. That's what I heard.

10 Q. How was Washington State Trucking without end

11 dumps able to finish the job?

12 A. They reconfigured their loading facility in

13 Duwamish so they could accommodate the big 48-foot cans,

14 Rabanco cans.

15 MS. ALVORD: Thank you. That's all I have.

16 JUDGE PEARSON: Thank you.

17 MS. ALVORD: I have an additional witness.

18 JUDGE PEARSON: Okay. And what is his name?

19 MS. ALVORD: This is Scott Miller.

20 JUDGE PEARSON: If you could stand and raise

21 your right hand.

22

23

24

25

0042

1 SCOTT MILLER, witness herein, having been

2 first duly sworn on oath,

3 was examined and testified

4 as follows:

5

6 E X A M I N A T I O N

7 BY MS. ALVORD:

8 Q. Would you state your name for the record.

9 A. Scott Miller.

10 Q. Mr. Miller, do you work for Bobby Wolford

11 Trucking?

12 A. Yes, I do.

13 Q. What is your position there?

14 A. I'm the estimator and project manager.

15 Q. How long have you worked for Bobby Wolford

16 Trucking?

17 A. Going on six years.

18 Q. Okay. Are you familiar with the Mukilteo pier

19 removal project?

20 A. Yes.

21 Q. How are you familiar with that?

22 A. We provided services for them and through my

23 dispatch.

24 Q. Okay. And what did you learn from your

25 dispatch? What was the reason why Wolford Trucking got

0043

1 involved with the project?

2 A. Well, we have the email from the County that --

3 giving us permission to haul on that job, so that's what

4 did.

5 Q. Okay. And do you recall what Pacific Pile &

6 Marine specifically wanted from Bobby Wolford Trucking,

7 what kind of service?

8 A. High cubed end dumps.

9 Q. Why did they need high cube end dumps?

10 A. Well, to keep the creosote contained and

11 transported in a safely manner.

12 Q. Are you -- do you have any personal knowledge or

13 are you familiar with whether local solid waste haulers

14 have end dump trailers?

15 A. No, they do not.

16 Q. So to your knowledge, Republic Services does not

17 have end dump trailers?

18 A. Correct.

19 Q. To your knowledge, does Rubatino Refuse Removal

20 have end dump trailers?

21 A. No.

22 Q. Why did -- in addition to the creosote issue,

23 was there another reason why Pacific Pile & Marine

24 needed end dump trailers?

25 A. Well, for their facility, to get in and out of

0044

1 their facility. They were the perfect size to transport

2 the pilings.

3 Q. Okay. To your knowledge, did anyone other than

4 Bobby Wolford Trucking provide end dump service on this

5 project?

6 A. Allen Shearer.

7 Q. Okay. To your knowledge, does Mr. Shearer have

8 a solid waste certificate?

9 A. No, not to my knowledge.

10 Q. Did Bobby Wolford Trucking to your knowledge

11 provide safe and efficient transport of the

12 creosote-soaked timbers from Seattle to Cathcart?

13 A. Absolutely.

14 Q. Do you believe that Bobby Wolford Trucking

15 provided a public service in this instance?

16 A. Yeah.

17 Q. And you believe that because why?

18 A. Well, that's what he does and nobody else had

19 the specialized equipment. It was --

20 Q. Okay.

21 A. -- kind of made for this job.

22 Q. Okay. In the time that you've worked for Bobby

23 Wolford Trucking, have -- are you familiar with any time

24 that other than now that Bobby Wolford has been the

25 subject of a formal complaint from the UTC?

0045

1 A. No.

2 Q. Is it the policy of Bobby Wolford Trucking to

3 honor the rules and regulations of the Utilities and

4 Transportation Commission?

5 A. Absolutely.

6 Q. Do you believe there was any intent on Bobby

7 Wolford Trucking's behalf to circumvent the rules and

8 regulations of Utilities and Transportation Commission?

9 A. No. And, again, we were given permission

10 through the County to provide the service.

11 Q. Did you rely on that authority?

12 A. Absolutely.

13 Q. Okay.

14 MR. WOLFORD: Same with the Boeing job.

15 BY MS. ALVORD:

16 Q. If a penalty is assessed in this case,

17 Mr. Miller, against Bobby Wolford Trucking, what do you

18 think the impact would be?

19 A. It will be devastating to Wolford Trucking.

20 Q. Do you think people will lose jobs?

21 A. Absolutely.

22 MS. ALVORD: Thank you. That's all I have.

23 JUDGE PEARSON: Mr. Casey.

24

25

0046

1 E X A M I N A T I O N

2 BY MR. CASEY:

3 Q. Mr. Miller, are you aware that to -- for a

4 company to haul solid waste for compensation, State law

5 requires a solid waste permit?

6 A. Correct.

7 Q. As approved by the Commission?

8 A. Yes.

9 Q. And were you aware of the previous complaint

10 investigation settlement agreement with the Commission?

11 A. Right.

12 Q. And were you aware that if the company violated

13 that agreement a 21 -- over $21,000 penalty which was

14 suspended at the time would be imposed on the company?

15 A. Yes.

16 Q. And prior to agreeing to this job, did you

17 contact Commission Staff?

18 A. Well, no, and it's -- again, it goes back to

19 that email, it was a split -- it's really busy in

20 dispatch. It's a split decision. The phone rings off

21 the hook, there's numerous jobs that go on every day

22 with 30-plus trucks and employees, and it's just a split

23 decision and relying on dispatch and with the email, you

24 know, that's what happened.

25 Q. You mentioned you were familiar with the

0047

1 settlement agreement?

2 A. Yes.

3 Q. Were you aware that one of the agreed facts in

4 the previous settlement agreement was that when the

5 company took on the hauling for PCI Democon to haul

6 demolition materials for disposal, there was a new

7 dispatcher who did not -- who was inexperienced and did

8 not recognize the problem?

9 A. That's correct.

10 Q. And you are testifying today that, again, this

11 was a -- this was a similar issue and you did not

12 recognize the problem with taking on this job?

13 A. Right. Again, with the email, I mean, it says

14 any hauler and we provided a specialized service. It

15 just made sense.

16 Q. And you also did not contact Republic Services

17 before taking on the job?

18 A. Correct.

19 MR. CASEY: I have no further questions,

20 Your Honor.

21 MS. ALVORD: Just a summary.

22 JUDGE PEARSON: Okay.

23 MS. ALVORD: I think that the crux of this

24 case boils down to something very simple. There was no

25 intent on Bobby Wolford Trucking's behalf to circumvent

0048

1 the rules and regulations of the UTC. Their long

2 history of no trouble with the UTC testifies to that.

3 Secondly, even if Bobby Wolford Trucking

4 was -- you know, should have called the UTC or should

5 have called Republic, that isn't indication of

6 deliberate avoidance. What they did was, and the facts

7 show, they got -- were presented with an email from a

8 county official, which they had reasonable belief and no

9 reason to distrust, had the authority to say that they

10 could haul. Maybe Bobby Wolford Trucking should have

11 called the UTC, maybe they should have done that. But

12 the fact of the matter is they had this to rely on and

13 they relied on it.

14 Now, whether or not that was wrong, is a

15 separate issue. The question -- the issue before the

16 Court is, you know, should be that it was not

17 intentional, and we're talking about an imposition of a

18 penalty. Not whether or not they didn't have the

19 authority, but the imposition of a penalty, and we're

20 asking the Court to consider very strongly the fact that

21 they reasonably relied on Snohomish County's authority.

22 The second thing is that it's clear that

23 Bobby Wolford Trucking was providing a public service

24 that was needed and nobody else could provide. They

25 transported this material safely, they kept the public

0049

1 from contamination of the creosote, and they did so

2 efficiently. When the UTC asked them to stop, we did so

3 immediately. We did not question that authority. We

4 stopped. We complied with every request they made for

5 our documentations, we were completely cooperative with

6 the UTC in every way. We sought to obtain permission

7 from them, formal permission in the terms of a temporary

8 solid waste certificate. We have currently requested a

9 solid waste certificate for end dump service. We have

10 attempted in every way to work with them and to comply

11 with their rules and regulation.

12 I would ask the Court to strongly consider

13 these factors and finally consider the fact that any

14 penalty that is imposed at this point would crush this

15 small company and many people would lose jobs.

16 Thank you.

17 JUDGE PEARSON: Thank you.

18 Mr. Casey, did you wish to address the

19 penalty mitigation?

20 MR. CASEY: Yes, I would like to call

21 Commission -- call as a witness David Pratt, Commission

22 Staff.

23 JUDGE PEARSON: Okay. Mr. Pratt, if you

24 could stand and raise your right hand.

25

0050

1

2 DAVID PRATT, witness herein, having been

3 first duly sworn on oath,

4 was examined and testified

5 as follows:

6

7 E X A M I N A T I O N

8 BY MR. CASEY:

9 Q. Mr. Pratt, to start can you please state your

10 name and spell it for the record.

11 A. Yes, my name is David Pratt, David P-r-a-t-t.

12 Q. And by whom are you employed?

13 A. I work for the Utilities and Transportation

14 Commission. I am the assistant director for

15 transportation safety.

16 Q. And what are your duties in that position?

17 A. I oversee the transportation safety program,

18 which includes motor carrier safety, rail safety, and

19 also a licensing services program which issues the

20 permits to the agency as well as the investigators that

21 investigate noncompliant companies or companies that are

22 operating without permits.

23 Q. And are you familiar with the previous

24 investigation into the operations of Bobby Wolford

25 Trucking that were in Docket TG-143802?

0051

1 A. Yes, I am.

2 Q. Did you supervise Ms. Smith's investigation in

3 that docket?

4 A. Yes.

5 Q. And did you participate in coming to terms with

6 the settlement agreement in that docket?

7 A. Yes, I was involved in that case from the

8 initiation of the investigation through the end of the

9 settlement agreement.

10 Q. And also the new case in the new complaint that

11 was Docket 151573, were you familiar with that Staff

12 investigation?

13 A. Yes, the day the complaint was received from

14 Pam, she came to me and informed me about it and sought

15 direction on what steps she should take.

16 Q. What was the basis for the penalty assessment in

17 the settlement agreement for the 2015 case?

18 A. In that case, because it was the company's first

19 offense that we had documented, I chose there to pursue

20 to remove the profit that the company made on that. And

21 so we requested financial documentation of how much they

22 were paid for that case, and our penalty which was

23 $41,186. That was documentation they provided, that was

24 the revenue that was generated from that case, and we

25 felt it was appropriate to take away the reward for

0052

1 doing a job that was not permitted.

2 Q. What general factors does Commission Staff

3 typically consider when recommending a penalty

4 assessment?

5 A. The Commission has an enforcement policy. It's

6 been filed for the public under Docket A-120061, last

7 updated in January of 2013. That agency enforcement

8 policy directs all agency personnel on how to pursue

9 enforcement. It provides direction on when to purse

10 enforcement, what factors to look at, and then finally,

11 it has 11 factors that should be considered when

12 determining penalty sizes for compliance cases.

13 Q. And have you considered those factors with

14 regard to this case?

15 A. Absolutely.

16 Q. Are there certain relevant facts in this case

17 that you would like to emphasize in terms of how they

18 relate to some of those factors?

19 A. Yes, I am prepared to discuss a few of those.

20 Q. Can you please elaborate.

21 A. Okay. Thank you.

22 There are 11 factors. They do have some

23 different weighting into them, and so I would like to

24 basically, if I could, just explain what the factor is

25 and tell you what I looked at for that factor.

0053

1 The first factor is how serious or harmful is

2 the violation to the public. And my response to that is

3 I look at it and I say hauling of solid waste by

4 nonpermitted companies basically undermines -- excuse

5 me, it undermines the entire solid waste system. Our

6 system is very tightly regulated in this state.

7 Carriers are given guaranteed territory in exchange for

8 rate, rate relief, and rate control so that it's a fair

9 and appropriate pricing to the public. And when a

10 carrier does not a have a permit, it takes business and

11 funding away from the companies who do have permits and

12 affects their rate cases, it affects their profit and

13 everything that's been approved by the Commission.

14 The second issue is whether or not the violation

15 was intentional, and in this case, I have heard the

16 testimony of Mr. Wolford and Mr. Miller that it was not

17 intentional. But my belief was based on the previous

18 settlement we had in the previous docket. And as they

19 testified that they were aware of it, I was stunned

20 nobody contacted us to talk about it to say we've got

21 this request for a job, we would like to know if this

22 falls within the realm of what we can do. We would have

23 been prepared to discuss it with them and let them know

24 it required a solid waste certificate, and I believed

25 that it was very similar to the facts of the previous

0054

1 case about hauling demolition debris, and that they said

2 they should have known that they could not haul it and

3 yet they did.

4 The third factor is whether or not the company

5 self-reported the violation and I think that no, they

6 did not self-report it. Again, they didn't reach out to

7 us when they learned of the job. I was a little

8 surprised when they talked about the split-second

9 decision they had to make with a phone call, but then

10 talked about how they reviewed an email later to help

11 them think that the County said they could do it. So it

12 just didn't jive with me for a split-second decision

13 when factors came in later.

14 The fourth factor is whether or not the company

15 was cooperative or responsive. They have been

16 cooperative in responding to our data requests, but I do

17 not believe they were cooperative in honoring the

18 previous settlement agreement that we have.

19 The next factor is whether or not the company

20 promptly corrected the violations and remedied the

21 impacts. They did stop the job when -- I am not sure if

22 it was when we told them or it was when we instructed

23 Pacific Pile that Bobby Wolford did not have the proper

24 authority to haul. My understanding was Pacific Pile

25 instructed Mr. Wolford that they were not going to allow

0055

1 them to continue that job because of that. We talked

2 about 170 violations. That's a pretty substantial

3 number of violations on this.

4 Factor No. 8 is the likelihood of reoccurrence,

5 and this is one that really troubles me because we're

6 talking about a reoccurrence here from a previous case

7 and previous violations and previous settlement

8 agreement. So I believe that penalties will be

9 warranted in this case and probably more substantially

10 than the previous case simply because a $41,000 penalty

11 with 21 suspended, was not -- evidently was not enough

12 incentive to stop doing this without a permit.

13 Finally, a couple of the other factors are the

14 past performance regarding compliance. I think that's

15 what we have all talked about here today regarding the

16 previous case. The company's existing compliance

17 program. Previously, it was explained to us that a

18 dispatcher did not understand what they could or

19 couldn't do in the previous case and that they were

20 going to educate that dispatcher and make sure that

21 coming forward that they'd be more careful about that.

22 And, again, that didn't seem to occur here, and I am

23 still a little surprised with the previous case and the

24 money that was hanging over them that they didn't

25 question it and didn't reach out to us.

0056

1 And then finally one of the factors is the size

2 of the company. I have heard today specifically that

3 they have between 40 and 50 employees, they have over 30

4 trucks. When they did submit a solid waste application,

5 they were required to submit some financial information

6 which is filed in the docket and they showed that in

7 2015 they had approximately $3,000,000 in assets, which

8 showed to me it's a pretty good-sized company. Hires a

9 lot of people.

10 And I will say to comment a little bit about the

11 application, which we take into account, again, back to

12 cooperation, the company did file an application for

13 solid waste authority on October 19th of last year. But

14 we have repeatedly reached out to them to ask them to

15 complete the application. It has not been complete and

16 my understanding is that only about two weeks ago did

17 they finally provide the last of the information that we

18 required. And I will state that they did request

19 extensions of that and we granted it, but even the last

20 extension that I granted to Ms. Alvord, they were late

21 on complying with, but we still accepted it and our

22 financial services staff are actually reviewing that

23 financial information as we're here in the hearing room

24 today. So we have not really had a chance to review

25 that because we just received the information.

0057

1 MR. PRATT: So based on that, if the Court

2 would like me to make a recommendation on penalties.

3 JUDGE PEARSON: Please.

4 MR. PRATT: So I would like to say before I

5 put numbers out there that I have considered the

6 additional information that was provided today. But I

7 will also say that it really has not swayed me to the

8 fact that the company knew about the previous case, they

9 knew they weren't allowed to haul waste without a

10 permit, and that they did not even make the basic

11 attempt to contact us to ask if this was appropriate

12 under the rules.

13 MS. ALVORD: Your Honor, if I could just

14 interrupt. Would it be more appropriate if I have

15 questions for Mr. Pratt to flush those out before he

16 makes his recommendation?

17 JUDGE PEARSON: No, let's go ahead and let

18 him finish.

19 MR. PRATT: Okay. So based on that, my

20 first recommendation is I believe the company should be

21 ordered to pay the $21,186.30 that was imposed or

22 suspended in the previous case. That docket stated that

23 if they were found to be hauling solid waste without a

24 permit again that that previous suspended penalty should

25 be immediately due and payable. So I believe that is

0058

1 due and payable immediately for that.

2 Under this case, we have 170 violations.

3 Statutorily, we can request up to a thousand dollars per

4 violation. In the previous case, we chose to go after

5 the profit they made. In this case, I do not believe

6 that's appropriate here simply because I didn't believe

7 that was enough deterrent, and so I believe the

8 Commission should consider imposing the entire statutory

9 allowable penalty in this case, which is $170,000, but I

10 would also agree that Commission practice is to suspend

11 a portion of penalties to continue to hold over a

12 company to comply. And while it didn't seem to have the

13 effect we wanted in the last time, I believe we --

14 because this is such a much larger case, that if we have

15 a larger suspended penalty, it might continue to hold

16 Mr. Wolford in compliance in the future.

17 So I would recommend that half of that

18 $170,000 be suspended, which would leave a resulting

19 $85,000 penalty under this case, and the 21,186 from the

20 previous case for a total of a penalty of $106,186.30

21 with $85,000 suspended, I would request to be suspended

22 for the period of two years to ensure that they stay in

23 compliance. Thank you.

24 JUDGE PEARSON: Thank you, Mr. Pratt.

25 Ms. Alvord.

0059

1 MS. ALVORD: I was writing quickly so I --

2 bear with me if I have to go a little slowly with some

3 of my questions.

4

5 E X A M I N A T I O N

6 BY MS. ALVORD:

7 Q. Mr. Pratt, you mentioned that you oversaw

8 Ms. Smith in this investigation?

9 A. Yes.

10 Q. Do you know if Ms. Smith ever investigated other

11 companies that participated in the trucking of

12 the pacific -- of the Mukilteo pier removal?

13 MR. CASEY: Objection. Relevance.

14 JUDGE PEARSON: I don't think that it's

15 relevant and we have already established that on the

16 record today.

17 BY MS. ALVORD:

18 Q. You testified that it's -- that there was only

19 one other time in the history of Bobby Wolford Trucking

20 that the UTC has had a formal complaint against Bobby

21 Wolford Trucking; is that true?

22 A. Yes, it is.

23 Q. You also testified that Bobby Wolford Trucking

24 was cooperative with the Commission by stopping when it

25 asked it to stop hauling; is that correct?

0060

1 A. Yes.

2 Q. And that it was cooperative when it request --

3 when Ms. Smith or the Commission requested documentation

4 from Bobby Wolford Trucking?

5 A. Yes.

6 Q. Do you know at what point in the haul that Bobby

7 Wolford was doing, from the time they began transporting

8 the pilings to when they finished, to when UTC stopped

9 it, at what point in those 170 hauls did the UTC know

10 that Bobby Wolford was hauling?

11 A. I don't have the exact numbers in front of me.

12 I might be able to obtain that through the report, but I

13 believe it was -- calendar-wise it was well into the

14 project, probably at least a month into the project

15 before we learned about it, took us a couple weeks to

16 reach out and inquire to Mr. Wolford about what was

17 going on. And then it took us probably another week or

18 so from that point to reach back out to contact Pacific

19 Pile and make sure we had the facts and inform them

20 about Mr. Wolford's lack of solid waste authority.

21 Q. Okay.

22 A. So it was well into the project, yes.

23 Q. Okay. So is it your testimony that the UTC was

24 aware that Bobby Wolford was hauling the material for

25 some weeks before it notified them to stop?

0061

1 A. I would say -- well, actually I --

2 Q. Sure.

3 A. To be accurate about that, I will let you know

4 that. We learned of the -- well, actually it was much

5 shorter. According to the record here on September 23rd

6 of 2015, we received --

7 Q. I'm sorry, what are you referring?

8 A. I'm referring to page 7 of Ms. Smith's

9 investigation report.

10 Q. Okay.

11 A. And on September 23rd, 2015, was the date that

12 she received the informal complaint via phone about

13 this. On September 24th, which would be the following

14 day, we sent a letter to Bobby Wolford Trucking asking

15 them to clarify what the job was and that's where we

16 started our investigation.

17 We started gathering the other facts, but

18 Ms. Smith, again, the very next day got the first letter

19 out promptly while she started her investigation. We

20 then did hear back from you representing the company

21 within a couple of weeks.

22 Q. Okay. Two questions regarding that.

23 Do you know why Bobby Wolford Trucking -- you

24 said the letter was drafted on September 24th?

25 A. Yes.

0062

1 Q. Do you have a copy of that letter?

2 A. Yes, it is Appendix E in the report.

3 Q. Okay.

4 A. And I'm going to have to turn to the page to

5 find out but I --

6 MR. CASEY: I'm sorry, Appendix D.

7 MR. PRATT: What page?

8 MS. ALVORD: D?

9 MR. CASEY: D, 48.

10 BY MS. ALVORD:

11 Q. I'm looking -- oh, I will wait for you.

12 A. Yes, I have it as Appendix D, which is page 48

13 of the report.

14 Q. It was dated September 24th. Was this done by

15 regular mail, do you know, or by certified mail or...

16 A. Probably by regular mail.

17 Q. Do you know when Bobby Wolford Trucking received

18 that letter?

19 A. I do not have a proof of receipt of delivery no,

20 but I do have your response letter.

21 Q. Which was dated what?

22 A. October 6th.

23 Q. Okay.

24 A. That stated you received it and you acknowledged

25 it and provided a response.

0063

1 Q. Okay. Does it state anywhere in Ms. -- or in

2 your letter of September 24th, instructing Bobby Wolford

3 to stop hauling?

4 A. It says in the second paragraph that providing

5 solid waste collection services without the proper

6 authority from the UTC is against the law and may

7 subject your company to enforcement action.

8 Q. But that's not my question. My question is did

9 it tell them specifically to stop hauling for Pacific

10 Pile & Marine?

11 A. No, because in our first letter --

12 Q. Okay. That's the only question I had.

13 So by September 24th or earlier, because you

14 wrote the letter, the UTC was aware that Bobby Wolford

15 was hauling?

16 A. The previous day.

17 Q. So --

18 A. Remember I said --

19 Q. -- do you have a phone record for that? Where

20 is the phone record that shows that the complaint was

21 made on September 23rd?

22 A. We don't have a phone record, but I --

23 Q. So we don't know when the call came in?

24 A. We have a document in the report that the phone

25 call came in on September 23rd.

0064

1 Q. But where is the proof of that? That may be in

2 your report, but I have no -- where is the documentation

3 that the call came in only the day before?

4 MR. CASEY: Your Honor, Pam Smith testified

5 she had personal knowledge of everything in the report

6 and that was true and correct. So I would say the

7 evidence is documented by Pam Smith's testimony in the

8 report.

9 JUDGE PEARSON: I agree.

10 MS. ALVORD: My point being, Your Honor,

11 that the UTC was well aware of the situation of Bobby

12 Wolford hauling, could have intervened earlier, could

13 have told them to stop and we would have prevented 170

14 hauls.

15 MR. WOLFORD: Same on the Boeing job.

16 MS. ALVORD: And that's my point is that on

17 September 24th, they didn't tell us to stop. They might

18 have, you know, said, hey, we're conducting an

19 investigation, but that didn't mean what we were doing

20 was unlawful. So 170 hauls could have been prevented.

21 That's my point of that line of questioning.

22 MR. PRATT: So is there a question beyond

23 that?

24 MS. ALVORD: Yes.

25

0065

1 BY MS. ALVORD:

2 Q. So isn't it true that -- well, let me ask you

3 this.

4 At what point -- at what time did the UTC tell

5 Bobby Wolford to stop, on what date?

6 A. It would have to be in a subsequent letter. The

7 Commission practices to reach out to carriers to give

8 them a chance to clarify the situation to make sure we

9 have our facts straight before we order them to do

10 something. That was the intent of our first letter.

11 After your response from the company

12 approximately a month later, on Appendix F, which is

13 page 51 of it, we responded to your request for a

14 temporary certificate and let you know that it has to be

15 filed in the appropriate way and it has to prove a

16 public interest. And then October 28th, another letter

17 informs you that we're aware of the loads and that we

18 are concerned about this and we are continuing to ask

19 for information.

20 So I don't have the date in front of me, but I

21 do see that it showed that the project started on 8/24,

22 so the project had been underway a month before we

23 contacted Mr. Wolford. So I don't believe we had the

24 chance to stop 170 loads.

25 I also believe when we reached out to you, as

0066

1 the attorney who participated in the settlement case

2 from the previous case and told you we had concerns that

3 your client was hauling solid waste, that you should

4 have been aware that that was a violation of the

5 previous settlement agreement and your client should

6 stop.

7 Q. And they did stop; isn't that correct?

8 A. Yes.

9 Q. Okay. All right. Mr. --

10 A. But I will state, I show jobs delivered under

11 here through September 30th.

12 Q. So just a couple of days later?

13 A. Eight days.

14 Q. But, again, the letter that you sent initially

15 didn't say that we were doing something unlawfully. It

16 was merely an inquiry into it?

17 A. Yes.

18 Q. Okay. You mentioned that one of the factors you

19 consider is the serious impact -- the seriousness of the

20 impact this would have on the public Mr. Wolford -- or

21 Bobby Wolford Trucking providing this hauling. You said

22 it undermines the public interest because it might

23 prevent a solid waste hauler, what, from profiting from

24 it; is that correct?

25 A. What I said was it undermines the entire system

0067

1 because there's the checks and balances in the system

2 that ensure appropriate rates for the public. And when

3 companies are not allowed to recoup their costs,

4 regulated companies, then they have to raise their

5 rates, which is then not good for the public. We all

6 pay for solid waste hauling. And so nonpermitted

7 carriers take money away from permitted carriers, which

8 causes them to have to raise their rates to recoup it.

9 Q. You're aware that the pilings in this case were

10 creosote-soaked product?

11 A. Yes.

12 Q. Okay. And you're also aware, are you, that

13 Republic Services does not have end dump trailers?

14 A. I have heard that, yes.

15 Q. And that Rubatino Refuse Removal doesn't have

16 end dump trailers?

17 A. Correct.

18 Q. And that with an end dump trailer, as far as you

19 know, there was no -- the materials, that pier pilings

20 were transferred or transported from Seattle to Mukilteo

21 safely?

22 A. I have no personal knowledge of that, but I --

23 so I don't know.

24 Q. Is it the spirit of the RCW 80 and 81, which

25 over -- you know, which is statutory authority for the

0068

1 UTC, isn't the spirit of those particular statutes the

2 public interest and what serves the public's safety and

3 efficiency needs? Isn't that really the spirit of those

4 statues?

5 A. Sure.

6 Q. And if by placing those creosote-soaked timbers

7 in end dump trailers was the safest way to transport

8 those materials, wouldn't you agree that that was in the

9 public interest?

10 A. Sure.

11 Q. Are you familiar with the fact -- you saw the

12 email from Mr. Myers of Snohomish County. Did you have

13 conversations with Mr. Myers about this project?

14 A. Not specifically. Ms. Smith did.

15 Q. Okay. You mentioned that Bobby Wolford

16 Trucking, that one of the factors you consider is profit

17 in determining a penalty amount. Do you know if Bobby

18 Wolford made any money on this project?

19 A. No, and what I stated was I -- that was factors

20 I considered in the previous case. So in this case,

21 because I believed it was reoffending from the previous

22 case, I did not even consider the profit. I went right

23 to the statutory penalty amount.

24 Q. So you don't know if Bobby Wolford made any

25 profit on this particular case?

0069

1 A. No.

2 MR. WOLFORD: We probably made 150 a load.

3 MS. ALVORD: Okay. Just a moment. You

4 can't interrupt.

5 BY MS. ALVORD:

6 Q. You mentioned also that you believe that Bobby

7 Wolford Trucking has $3,000,000 in assets?

8 A. No, I am stating that their solid waste

9 application stated that their current assets were just a

10 little over 3,000,000.

11 Q. Okay. Do you know how much of those

12 $3,000,000 assets are mortgaged or in loans?

13 A. I do not have specific information about that

14 because that's really not been my business, my concern.

15 But I can say that according to the financial statement,

16 which is on page 57 in Ms. Smith's report, it says Total

17 Liabilities and Net Worth, and the figure that's in

18 there is $3,165,000.

19 Q. Do you know -- when you talk about the solid

20 waste application that Bobby Wolford submitted for the

21 certificate, it's a fairly intricate application, isn't

22 it?

23 A. Yes.

24 Q. Requires for significant documentation and

25 information?

0070

1 A. Yes.

2 Q. And we -- and Bobby Wolford Trucking

3 specifically requested an extension to complete that

4 application?

5 A. Yes.

6 Q. And you granted that extension?

7 A. Yes.

8 MS. ALVORD: That's all the questions I have

9 for Mr. Pratt.

10 JUDGE PEARSON: Okay. Thank you.

11 Mr. Casey, do you have anything further?

12 MR. CASEY: I do not.

13 JUDGE PEARSON: Okay.

14 MS. ALVORD: I'm sorry. I missed the

15 question.

16 JUDGE PEARSON: I just asked if he had

17 anything further and he said he did not.

18 Okay. So is there anything else from either

19 party today?

20 MS. ALVORD: You're itching to talk.

21 We have nothing further, Your Honor. No

22 further evidence.

23 JUDGE PEARSON: Okay. So as I explained at

24 the beginning of the hearing, I will issue an order

25 within ten days of receiving the transcript, which is

0071

1 typically seven to ten days from now. So my guess would

2 be the week of May 16th is when you will see that. And

3 if there's nothing else before we go off the record, I

4 will just thank you for all coming here today and we can

5 be adjourned.

6 MS. ALVORD: Thank you.

7 MR. CASEY: Thank you, Your Honor.

8 (Hearing adjourned at 11:08 a.m.)

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1 C E R T I F I C A T E

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3 STATE OF WASHINGTON

4 COUNTY OF THURSTON

5

6 I, Tayler Russell, a Certified Shorthand Reporter

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

8 that the foregoing transcript is true and accurate to

9 the best of my knowledge, skill and ability.

10

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Tayler Russell, CCR

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