Service Date: December 21, 2019

# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining the Proper Carrier Classification of, and Complaint for Penalties Against:

**GARY ABDELLA** 

**DOCKET TG-190967** 

DECLARATION OF KATHRYN MCPHERSON

Kathryn McPherson, under penalty of perjury under the laws of the State of Washington, declares as follows:

- 1. I am employed by the Washington Utilities and Transportation Commission (Commission) as an investigator in the Solid Waste Enforcement program within the Transportation Safety Division. As an investigator, my responsibilities include conducting investigations regarding the business practices of regulated transportation companies. As part of those duties, I investigate transportation companies that may be operating without the required Commission-issued certificate.
- 2. On September 30, 2019, I found information that Gary Abdella (Gary Abdella or Company) advertised on Facebook as a solid waste carrier.<sup>1</sup>
- 3. On September 30, 2019, a search of Washington State Department of Revenue's (DOR) records showed that Gary Abdella has an active business registration under the name Gary Abdella.<sup>2</sup> An address search for Gary Abdella using Accurint database shows a residential address of 400 Powers Creek Road, Elma, WA 98541.
- 4. On September 30, 2019, I reviewed Commission records to determine if Gary Abdella had authority to operate as a solid waste carrier in the state of Washington. I learned that the Commission has no record of the Company.
- 5. On October 3, 2019, I sent a letter to Gary Abdella at 400 Powers Creek Road, Washington, 98541, stating that I believed his business was in violation of Commission rules by operating as a solid waste carrier without the required certificate.<sup>3</sup> The Company was required to respond by October 15, 2019, by either submitting a completed application for a solid waste transportation certificate, or by explaining in writing why the business does not require a solid waste certificate.

<sup>&</sup>lt;sup>1</sup> See Attachment A for copies of online advertising from Facebook.

<sup>&</sup>lt;sup>2</sup> See Attachment B for copy of Washington State Department of Revenue Online search.

<sup>&</sup>lt;sup>3</sup> See Attachment C for a copy of the compliance letter dated October 3, 2019, sent to Gary Abdella.

6. On October 10, 2019, Gary Abdella spoke with Commission staff (Staff) in person to discuss the non-permitted carrier letter dated October 3, 2019. Staff explained to Gary Abdella that the Company could not operate drop-off service for solid waste without a certificate. Gary Abdella told Staff he would follow the standard of "junk haulers" and load debris for the customer.<sup>4</sup>

- 7. On October 10, 2019, Gary Abdella sent an email regarding his conversation with Staff. Gary Abdella stated that his interpretation of the conversation was that he needed to change his advertising to junk removal.<sup>5</sup>
- 8. On October 10, 2019, I responded to Gary Abdella's email outlining the difference in junk removal versus solid waste transportation. I explained that he would need a common carrier permit for junk removal. I requested additional information regarding the intent of the destination of the drop-boxes after service was completed. The email also explained that the Company had the option to transport the loads to a recycling center if they were recyclable.<sup>6</sup>
- 9. On October 10, 2019, Gary Abdella responded stating he did not understand my questions. He stated in the email that the recycling center charges would not make it financially worth transporting. Gary Abdella asked if they could just say the Company let people borrow the box, and then only charge for dump fees.<sup>7</sup>
- 10. On October 15, 2019, I emailed Gary Abdella to follow up on information provided by Staff, and correspondence with the Company by email.<sup>8</sup> I reiterated that the Company could not engage in solid waste collection. If Gary Abdella chose to proceed as a junk remover, the Company would need a common carrier permit. In addition to email, I sent the response in a letter dated October 15, 2019, due to reported issues with WaTech and Yahoo email.<sup>9</sup>
- 11. On October 18, 2019, I researched the Company's activities on Facebook. I discovered Gary Abdella continued to advertise for drop-box services, quoting his prices and comparing them to Lemay's. <sup>10</sup>
- 12. On November 19, 2019, using an assumed name, I entered into an agreement via Facebook Messenger with Gary Abdella to provide a drop-box services. Gary Abdella

<sup>&</sup>lt;sup>4</sup> See Attachment D Staff notes from October 10, 2019.

<sup>&</sup>lt;sup>5</sup> See Attachment E Email from Gary Abdella dated October 10, 2019 at 3:33 p.m.

<sup>&</sup>lt;sup>6</sup> See Attachment F Email to Gary Abdella dated October 10, 2019 at 4:01 p.m.

<sup>&</sup>lt;sup>7</sup> See Attachment G Email from Gary Abdella dated October 10, 2019 at 4:32 p.m.

<sup>&</sup>lt;sup>8</sup> See Attachment H Email dated October 15, 2019.

<sup>&</sup>lt;sup>9</sup> See Attachment I Letter dated October 15, 2019.

<sup>&</sup>lt;sup>10</sup> See Attachment J Advertisement on Facebook dated October 18, 2019.

stated he would provide a drop-box for \$250, then charge an additional \$250 to transport the drop-box to the dump for disposal.<sup>11</sup>

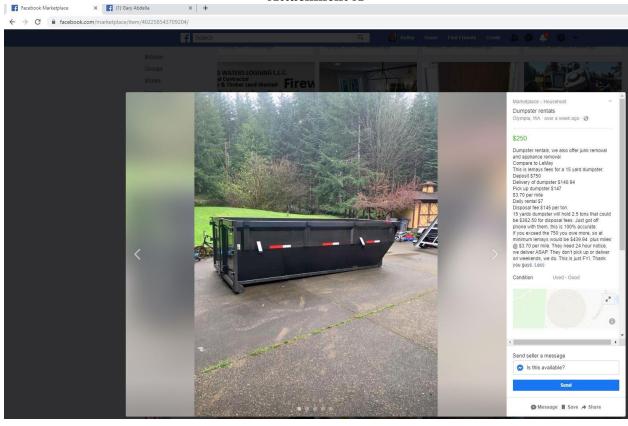
DATED this 5<sup>th</sup> day of December, 2019, at Lacey, Washington.

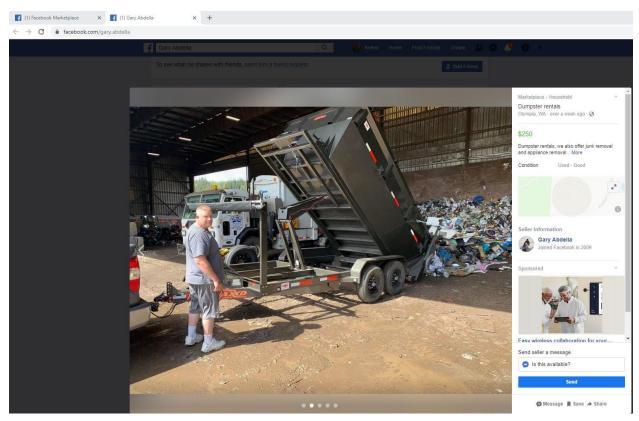
\_\_\_\_\_

Kathryn McPherson

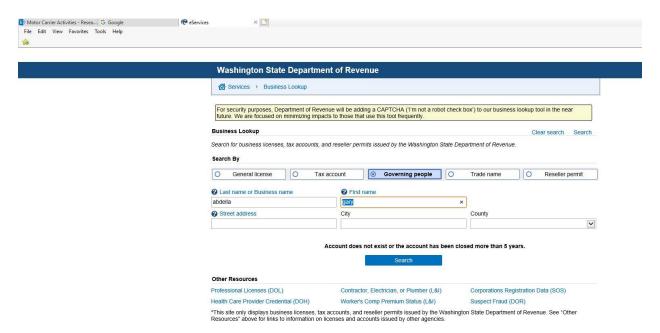
<sup>&</sup>lt;sup>11</sup> See Attachment K Facebook Messenger offer for service.

# Attachment A





# Attachment B



## Attachment C



# STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

October 3, 2019

Gary Abdella 400 Powers Creek Road Elma, WA 98541

Dear Mr. Abdella:

The Washington Utilities and Transportation Commission (commission) believes you are engaged in services that require a certificate from the commission. The purpose of this letter is to provide technical assistance to you with respect to Washington's solid waste transportation requirements. Commission staff recently discovered that you are advertising on social media via Facebook Marketplace for solid waste services.

Operating or advertising as a solid waste transporter without the required certificate is illegal, and subject to a penalty of \$1,000 per violation. Under the law, advertising of solid waste collection services is evidence of operating as a solid waste company. Solid waste collection includes residential and commercial garbage, residential recycling, yard waste, and drop box service.

Without obtaining authority from the commission to transport solid waste in Washington state, you may not advertise or provide these services. Until and unless the commission grants a solid waste certificate, you must immediately cease advertising and providing all forms of solid waste collection services.

If you wish to offer solid waste collection services, you must first apply for authority as a solid waste collection company. An application is included with this letter. All applications are subject to a public protest period and applicants must demonstrate that the existing solid waste company is not providing the service you propose to offer. The commission will only grant new solid waste authority if the existing certificated company is determined to be unfit, unwilling, or unable to provide the service.

61.04.360

<sup>1</sup> RCW 81.04.380

October 3, 2019 Gary Abdella Page 2

To avoid enforcement action by the Commission, by October 15, 2019, please either submit a complete application for a solid waste certificate, or explain in writing why you believe your business does not require authority from the Commission. Please explain the nature of your company's operations in detail.

Please direct your written response to <u>Kathryn.McPherson@utc.wa.gov</u> or mail to P.O. Box 47250, Olympia, WA 98504. You may also reach Ms. McPherson at (360) 664-1108.

Sincerely,

/s/ Mathew Perkinson MATHEW PERKINSON Assistant Director, Transportation Safety

Enclosures (4)

# Attachment D

Motor Carrier Activities - Mike Dotson meeting with Gary and Mrs. Abdella...

Page 1 of 2

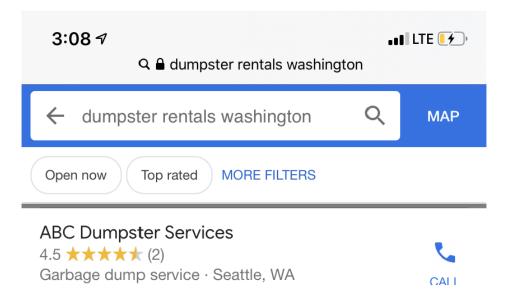
SharePoint		Newsfeed	OneDrive	Sites	McPherson, Kathryn (UTC) ▼	¢	?
Activity Date	10/10/2019 11:00 A	AM					
Title	Mike Dotson meeting with Gary and Mrs. Abdella						
Activity Status	Complete	,					
Activity Due Date							
Activity Type	Technical Assistanc	e					
Activity Mode	In Person						
Activity Contact Name	Mike Dotson						
Activity Contact Email							
Activity Contact Phone							
Activity Contact Address							
Activity Contact Location							
Desc	On or around Octo his wife in regards a explained to them at that time, was not dumpsters, allowing dumpsters away fo I explained that he hauling certificate. models.  At the conclusion of would follow the "jutilize his dumpster them from his custo to fill the dumpster.  Mr. Abdella acknown understanding of the and junk removal.	to his solid we that his busin of legal. His congressive transposal. It is could not do the discussed of our meetin unk removal rs, but also do the second of the second o	vaste dumps: ness model, a company was to fill them, that without d alternative g, Mr. Abdel ' model, as in oing all of the es, not allowing	ter operates he explision of the analysis of t	ion. I lained it g ng the waste at he ing to o fill stomer		
UTC Staff Members	□ Dotson, Michael	(UTC)					
InvestigationItemSPID	874						
Activity Document Count	0						
Is Reportable	No						
Investigation ID							
Content Type: MotorCarrie Created at 11/19/2019 10:1 Last modified at 11/19/201	8 AM by Dotson, N		(UTC)		Close		

#### Attachment E

From: gary abdella

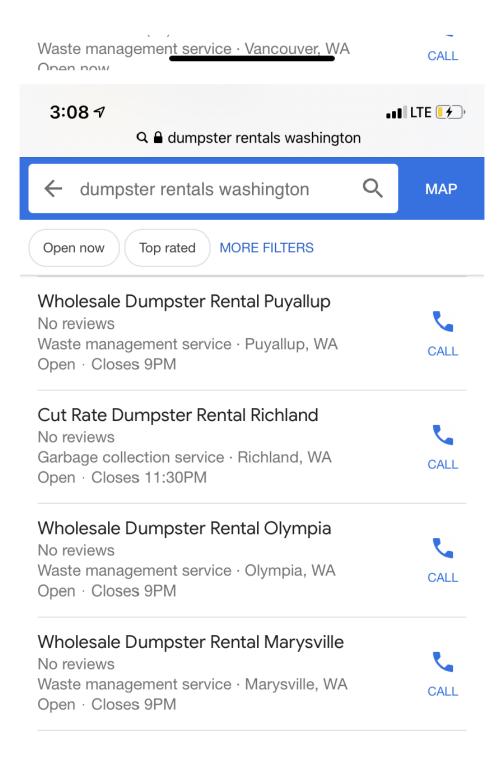
To: McPherson, Kathryn (UTC)
Subject: Gary abdella dumpster rental
Date: Thursday, October 10, 2019 3:35:16 PM

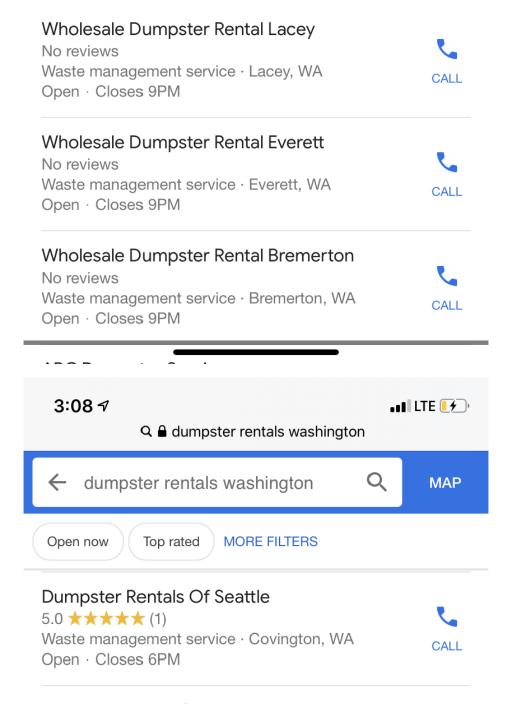
Good afternoon. My wife and I visited your office in regards to the letter you sent me. First off I want to thank you for the letter and the application. We sat down with mike and he basically told us the only problem was renting the dumpster, that we need to reword our ad to junk removal and that we had to fill the dumpster ourselves, which is totally fine I could use the exercise lol.. I'm very confused, we own car washes in another state, after getting your letter about being fined we immediately contacted our attorney he advised us that it was illegal to monopolize on a business exampl; lemays. Mike basically told us the same thing but that the state had been doing it for 80 yrs. I told him there are at least 18 dumpster companies listed on google on the west side of Washington state. Mike stated that they must be doing it illegally. I have attached a bunch of dumpster rental companies. I have actually called 3 and they have no problem bringing the dumpsters to our house in Elma wa.. we do not have the intention to build this company any larger than one dumpster and to just keep me busy here. Like I said we own 3 carwashes in another state, we moved to Washington to give our children a better life and fell in love with this state. It saddens me to see how junky some properties are and only wanted to help them. These people don't have \$1000 to rent from lemay. Majority of these people are on public assistance. I figured would be awesome to actually help our community, and give back somehow. Our plan was that We would charge 250 to rent dumpster for 3 days. My friend and I planned on splitting the money 50/50. \$50 would go to fuel and we would each make a \$100. The most we could rent it would be 2 time a week profiting \$200 each per week, about \$600 a month, after taxes and insurance there's not much left. We do not and will not break any laws and will just advertise as junk removal per mikes request. We called a Washington state business attorney in Seattle to see what our options are. I know and have read a few cases that have gone to court. I just wanted to keep you posted and let you know we will follow all guidelines the state of Washington requires. Thank you very much for your time.

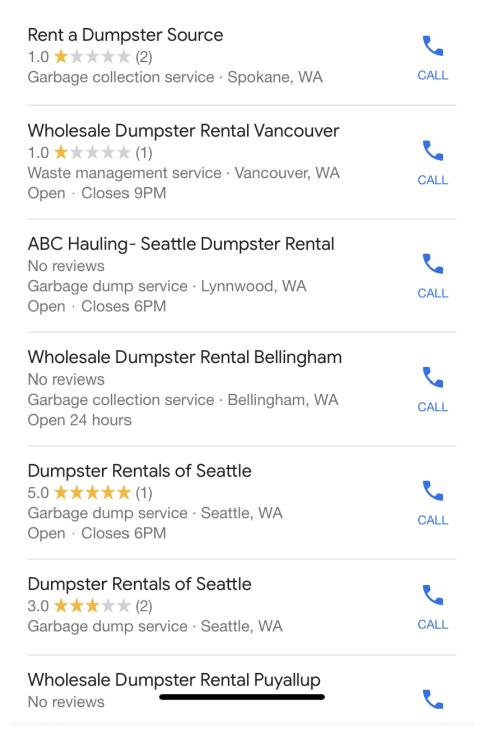


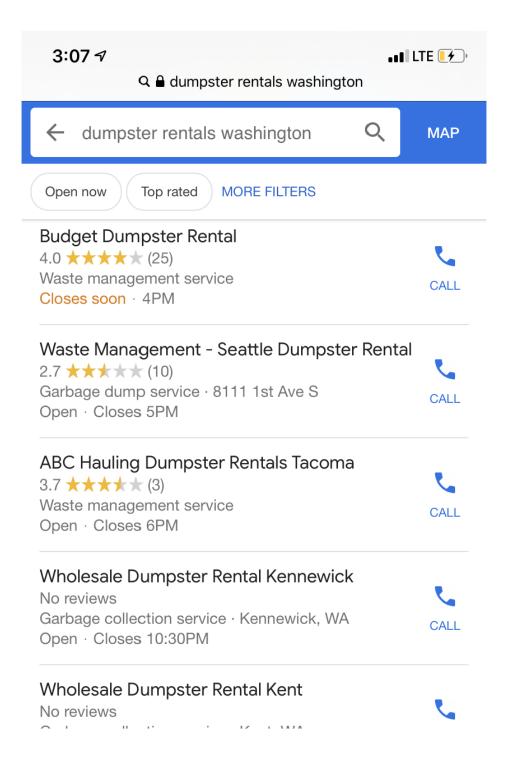
Open · Closes 6PM

CALL
CALL
CALL
CALL
CALL









CALL
CALL
CALL

Sent from Yahoo Mail for iPhone

#### Attachment F

## McPherson, Kathryn (UTC)

From: McPherson, Kathryn (UTC)

Sent: Thursday, October 10, 2019 4:01 PM

To: 'gary abdella'

**Subject:** RE: Gary abdella dumpster rental

Good day, Mr. Abdella.

Thank you for responding to the compliance investigation currently ongoing with your company. My goal is to provide technical assistance that can assist you in avoiding future compliance issues. Mr. Dotson informed me that you had come in to discuss your business practices. He stated that you planned to change your practices to reflect junk removal, as opposed to solid waste removal.

Junk removal service is a business that does not require a solid waste certificate of convenience. If you are a junk remover, your company may fall under the definition in RCW 81.77.010(5) "private carrier" means a person who, in his or her own vehicle, transport solid waste purely as an incidental adjunct to some other established business owned or operated by the person in good faith. A person who transports solid waste from residential sources in a vehicle designed or used primarily for the transport of solid waste is not a private carrier. If your business practice is to leave the box for the customer, and rent for 3 days, it would fall under the definition of RCW 81.77.010(7) "Solid waste collection company" means every person or his or her lessees, receivers, or trustees, owning, controlling, operating, or managing vehicles used in the business of transporting solid waste for collection or disposal, or both, for compensation, except septic tank pumpers, over any public highway in this state as a "common carrier" or as a "contract carrier."

In your email, you have made reference to drop box services. Many drop box service that do not have a common carrier permit only accept recyclable materials that can go to a Materials Recovery Facility (MRF.) This is allowable under RCW 81.77.010(8) Solid waste collection" does not include collecting or transporting recyclable materials from a drop-box or recycling buy-back center, or collecting or transporting recyclable materials by or on behalf of a commercial or industrial generator of recyclable materials to a recycler for use or reclamation. Transportation of these materials is regulated under chapter 81.80 RCW. If your goal is to transport recyclables, your company should apply for a common carrier permit under RCW 81.80.010 (1)"Common carrier" means any person who undertakes to transport property for the general public by motor vehicle for compensation, whether over regular or irregular routes, or regular or irregular schedules, including motor vehicle operations of other carriers by rail or water and of express or forwarding companies.

At this time, I am requesting a response to your current business practices in order to assist in determination of classification. To assist you, you may refer to:

WAC 480.70.016(4) In determining whether operations require a solid waste certificate or a motor carrier permit, the commission will consider factors including, but not limited to:

- (a) The intent of the shipper;
- (b) The intended destination of the shipment;
- (c) The actual destination of the shipment;
- (d) Special handling or conditions placed on the shipment by the shipper and/or receiver;
- (e) The value of the commodity being transported;
- (f) Whether the carrier is primarily engaged in the business of providing solid waste collection or is primarily engaged in the business of providing a service other than the collection of solid waste; and
  - (g) Whether the carrier holds itself out to the public as a transporter of solid waste.

Determining your operation practices is the easiest way to determine what your carrier status should be, if any. I look forward to receiving your response. If you have any questions, please give me a call. I will return to the office Monday, October 7, 2019.

Thank you,

#### Kathryn McPherson

Investigator, Solid Waste Enforcement Transportation Safety Division (360) 664-1108 Office Kathryn Mcpherson@utc.wa.gov www.utc.wa.gov



This email/letter states the informal opinions of commission staff, offered as technical assistance, and are not intended as legal advice. We reserve the right to amend these opinions should circumstances change or additional information be brought to our attention. Staff's opinions are not binding on the commission.

## Attachment G

# McPherson, Kathryn (UTC)

From: gary abdella <abdellagary@yahoo.com>
Sent: Thursday, October 10, 2019 4:32 PM
To: McPherson, Kathryn (UTC)
Subject: Re: Gary abdella dumpster rental

Hi again..

Gary Abdella

I regret not taking business in college because

I don't understand most of this. Lol.. we offer recycling of appliances, we donate anything we get to a small company towards Aberdeen on the side of the highway. That's about all the recycling we would do. The recycling place pays \$70 a ton (that's a lot of metal) so we wouldnt bother, we would just give it to this guy for free. That's the extent or our plans for recycling. We would love to be able to leave a drop box "15yard dumpster" at our customers home or business. If that isn't possible we would offer the "junk removal" and fill it ourselves, wich seems to be ok with everyone we have spoken to. Most would be yard debris and household junk. There are no employees I have one partner and use my personal truck, wich we just purchased to tow legally without exceeding our tow capacity. That is our business plan. Enjoy your weekend and any direction you can point me in will be greatly appappreciated. Oh one more question. what if I just let people use our 15 yard dumpster for free (borrow it) and we just charged them for dump fees? Would that make leaving our dumpster at someone's home apart of the "business" or would it be more like letting a friend borrow it.? Talk to you Monday.

#### Attachment H

# McPherson, Kathryn (UTC)

From:McPherson, Kathryn (UTC)Sent:Tuesday, October 15, 2019 2:51 PM

To: 'gary abdella'

**Subject:** RE: Gary abdella dumpster rental

Mr. Abdella,

I am sorry we were not able to speak the day you were in. I hope breaking down the email you sent is beneficial. I have tried to answer any questions you may have. Please let me know if you do not understand. I am happy to discuss more.

In the meantime, it is important that you cease any and all transportation of solid waste until such time that you apply for, and receive a certificate of convenience. I included an application in the compliance letter I sent you October 3, 2019.

If you choose to pursue a junk removal business, you will need a common carrier permit. You may apply for a common carrier permit with this link. Common carrier application.

My responses to your questions are below in **RED**.

"we offer recycling of appliances, we donate anything we get to a small company towards Aberdeen on the side of the highway."

How are you paid to transport the appliance? How are they hearing about your services?

"That's about all the recycling we would do."

If hauling appliances is the only "recycling" you do, then am I to assume all other transportation would be taken to the landfill or solid waste (garbage) transfer stations?

"We would love to be able to leave a drop box "15yard dumpster" at our customers home or business. "

If you were leaving a drop box at a customer's home or business, with no intent to transport it to a recycling center, the transportation of the drop box would break RCW 81.77.040 because you do not have a certificate of convenience (permit) from the commission.

"If that isn't possible we would offer the "junk removal" and fill it ourselves, wich seems to be ok with everyone we have spoken to. Most would be yard debris and household junk."

If you opt to perform junk removal, you cannot let the consumer's fill the box. In addition, you cannot pick up garbage or debris that is ready for transport. For example, if a customer asks you to pick up bagged yard waste they have on their driveway, the job hired for is considered curbside pickup. The company authorized (your area is LeMay) to do so in the area is the only company allowed to do curbside pickup. This would also be a violation of RCW 81.77.040.

There are no employees I have one partner and use my personal truck, wich we just purchased to tow legally without exceeding our tow capacity.

As you can see below, definitions of motor vehicle and solid waste company do not designate a specific amount of employees or even a specific vehicle. You have drop boxes and you are transporting that drop box. This means you are falling into the definition of a solid waste collection company, until such time you change your business practices.

1

"Motor vehicle" means any truck, trailer, semitrailer, tractor, or any self-propelled or motor driven vehicle used upon any public highway of this state for the purpose of transporting solid waste, for the collection or disposal, or both, of solid waste;

"Solid waste collection company" means every person or his or her lessees, receivers, or trustees, owning, controlling, operating, or managing vehicles used in the business of transporting solid waste for collection or disposal, or both, for compensation, except septic tank pumpers, over any public highway in this state as a "common carrier" or as a "contract carrier";

Oh one more question, what if I just let people use our 15 yard dumpster for free (borrow it) and we just charged them for dump fees? Would that make leaving our dumpster at someone's home apart of the "business" or would it be more like letting a friend borrow it?

It is not the rental fee of the dumpster that violates the rules. It is illegal to transport solid waste. Operating for the hauling of solid waste for compensation includes advertising, soliciting, offering, or entering into an agreement to provide that service.

Please let me know if you need additional information. I am available to speak with by phone for your convenience at 360-664-1108.

Thank you,

## Kathryn McPherson

Investigator, Solid Waste Enforcement Transportation Safety Division (360) 664-1108 Office Kathryn Mopherson Outc. wa gov www.utc.wa.gov



This email/letter states the informal opinions of commission staff, offered as technical assistance, and are not intended as legal advice. We reserve the right to amend these opinions should circumstances change or additional information be brought to our attention. Staff's opinions are not binding on the commission.

## Attachment I



# STATE OF WASHINGTON

# UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

October 15, 2019

Gary Abdella 400 Powers Creek Road Elma, WA 98541

Re: Response to email sent by Mr. Abdella October 10, 2019

Mr. Abdella,

I am sorry we were not able to speak the day you came by the office. I brokedown the email you sent to determine questions you had. Please let me know if you do not understand. I am happy to discuss more.

In the meantime, it is important that you cease any and all transportation of solid waste until such time that you apply for, and receive a certificate of convenience. I included an application in the compliance letter I sent you October 3, 2019.

If you choose to pursue a junk removal business, you will need a common carrier permit. You may apply for a common carrier permit online at <a href="https://www.utc.wa.gov">www.utc.wa.gov</a>. You may also contact the licensing division at 360-664-1222.

My responses to your questions are below in RED.

"we offer recycling of appliances, we donate anything we get to a small company towards Aberdeen on the side of the highway."

How are you paid to transport the appliance? How are they hearing about your services?

"That's about all the recycling we would do."

If hauling appliances is the only "recycling" you do, then am I to assume all other transportation would be taken to the landfill or solid waste (garbage) transfer stations?

Respect. Professionalism. Integrity. Accountability.

October 15, 2019 Gary Abdella

"We would love to be able to leave a drop box "15yard dumpster" at our customers home or business."

If you were leaving a drop box at a customer's home or business, with no intent to transport it to a recycling center, the transportation of the drop box would break RCW 81.77.040 because you do not have a certificate of convenience (permit) from the commission.

"If that isn't possible we would offer the "junk removal" and fill it ourselves, wich seems to be ok with everyone we have spoken to. Most would be yard debris and household junk."

If you opt to perform junk removal, you cannot let the consumer's fill the box. Also, you cannot pick up garbage or debris that is ready for transport. For example, if a customer asks you to pick up bagged yard waste they have on their driveway, the job hired for is considered curbside pickup. The company authorized (your area is LeMay) to do so in the area is the only company allowed to do curbside pickup. This would also be a violation of RCW 81.77.040.

There are no employees I have one partner and use my personal truck, wich we just purchased to tow legally without exceeding our tow capacity.

As you can see below, definitions of motor vehicle and solid waste company do not designate a specific amount of employees or even a specific vehicle. You have drop boxes and you are transporting that drop box. This means you are falling into the definition of a solid waste collection company, until such time you change your business practices.

"Motor vehicle" means any truck, trailer, semitrailer, tractor, or any self-propelled or motor driven vehicle used upon any public highway of this state for the purpose of transporting solid waste, for the collection or disposal, or both, of solid waste;

"Solid waste collection company" means every person or his or her lessees, receivers, or trustees, owning, controlling, operating, or managing vehicles used in the business of transporting solid waste for collection or disposal, or both, for compensation, except septic tank pumpers, over any public highway in this state as a "common carrier" or as a "contract carrier";

Oh one more question. what if I just let people use our 15 yard dumpster for free (borrow it) and we just charged them for dump fees? Would that make leaving our dumpster at someone's home apart of the "business" or would it be more like letting a friend borrow it.?

It is not the rental fee of the dumpster that violates the rules. It is illegal to transport solid waste. Operating for the hauling of solid waste for compensation includes advertising, soliciting, offering, or entering into an agreement to provide that service.

October 15, 2019 Gary Abdella

Please let me know if you need additional information. I am available to speak with by phone for your convenience at 360-664-1108. This information was emailed to you October 15, 2019, as well. However, due to server issues with the state internet, emails to yahoo.com are not processing.

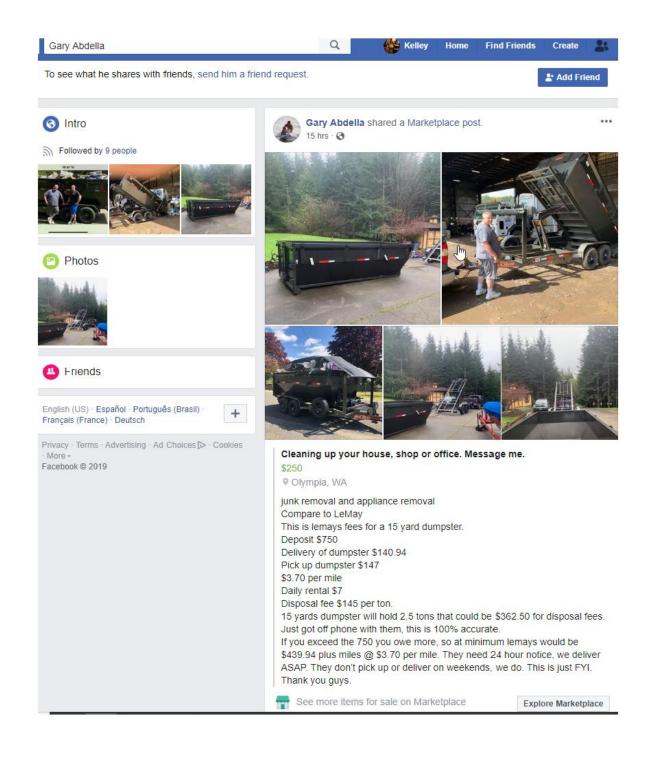
Thank you,

## Kathryn McPherson

Investigator, Solid Waste Enforcement Transportation Safety Division

This letter states the informal opinions of commission staff, offered as technical assistance, and are not intended as legal advice. We reserve the right to amend these opinions should circumstances change or additional information be brought to our attention. Staff's opinions are not binding on the commission.

# Attachment J



# Attachment K

