

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
PENALTY ASSESSMENT UW-140820

**PLEASE NOTE:** You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

1. **Payment of penalty.** I admit that the violations occurred. I have:

Enclosed \$14,600 in payment of the penalty

Submitted my payment of \$14,600 online at [www.utc.wa.gov](http://www.utc.wa.gov). My confirmation number is \_\_\_\_\_

2. **Request for a hearing.** I believe that the alleged violation did not occur for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge: *See attached A + B*

3. **Application for mitigation.** I admit the violation, but I believe that the penalty should be reduced for the reasons set out below:

a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision

OR  b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: 6/4/2014 [month/day/year], at Seattle, WA [city, state]

Mana Lindley, manager  
Name of Respondent (company) – please print

  
Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”

To Whom It May Concern:

I do not believe that I am personally liable for these violations. I am a manager of Cristalina LLC. I delegated responsibility for compliance with commission requirements to an employee, Stephanie Ophsteeph. To my knowledge she timely filed reports with the UTC until August 2013. Ms. Ophsteeph unexpectedly left the employment of Cristalina in August 2013. I did not know she failed to file the August 2013 report until October 2013, when the UTC contacted me at which time Cristalina filed the report.

It was not until this Notice of Penalty that I realized the company had once again not submitted a 4<sup>th</sup> quarter report. Cristalina LLC is in violation of not reporting the funds. I will see to it that Cristalina files the report. The report has not only been filed for the 4<sup>th</sup> quarter of 2013 but ALSO the 1<sup>st</sup> quarter of 2014 as of today.

Cristalina LLC has been over loaded with work since September 2013. There have been two boil water notices, 3 different water operator changes, several UTC complaints and a formal hearing that have needed a lot of my attention. In addition, substantial time and resources have been devoted to preparing for transfer the company to a new owner.

Cristalina LLC has been negotiating a transfer of the company since January of 2014. This has been a much slower process than expected. Due to issues with broken pumps, poor water quality testing, boil water notifications and the negligence of a previous bookkeeper Cristalina has spent a substantial amount of time searching for and negotiating with a prospective new owner. We have found that owner and we should have a contract signed very soon to present to the commission.

Currently Cristlina LLC's monthly expenses are much higher than usual. Energy has been put into transferring the company to a buyer that will have the capital and experience to bring Cristalina back into compliance.

As a manager, I do not believe I have personal liability for these Cristalina violations of failing to file timely reports. I request that these violations be dismissed.

**RCW 25.15.155****Liability of managers and members.**

Unless otherwise provided in the limited liability company agreement:

(1) A member or manager shall not be liable, responsible, or accountable in damages or otherwise to the limited liability company or to the members of the limited liability company for any action taken or failure to act on behalf of the limited liability company unless such act or omission constitutes gross negligence, intentional misconduct, or a knowing violation of law.

(2) Every member and manager must account to the limited liability company and hold as trustee for it any profit or benefit derived by him or her without the consent of a majority of the disinterested managers or members, or other persons participating in the management of the business or affairs of the limited liability company from (a) any transaction connected with the conduct or winding up of the limited liability company or (b) any use by him or her of its property, including, but not limited to, confidential or proprietary information of the limited liability company or other matters entrusted to him or her as a result of his or her status as manager or member.

[1994 c 211 § 402.]