



City of Minneapolis
Licenses and Consumer Services Division
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**FINDINGS OF FACT
 CONCLUSIONS, AND RECOMMENDATIONS**

In the Matter of License No. L130 50010 CORKY'S TOWING
 for TOWING CLASS A

Held by:
S & T TRANSPORT INC DBA CORKY'S TOWING
COURTNEY SCHUUR
4040 N WASHINGTON AVE
MINNEAPOLIS, MN 55412

15-1109660

This matter came before a license settlement conference on May 20, 2015. Appearing for the City of Minneapolis were Licenses and Consumer Services Manager Grant Wilson, Lead License Inspector Rich Tuffs, License Inspector Jose Velez, and District Supervisor Pat Hilden. Appearing for Corky's Towing were Courtney Schuur, Laurie Mellon and representative, Al Garcia. Based on the evidence presented at the hearing the department presents the following findings of fact.

FINDINGS OF FACT

1. On March 8, 2014 at approximately 12:37 p.m. Corky's Towing towed a Honda Civic, license number 887 AAJ from 1400 5th Street SE to their impound facility and failed to report the vehicle to the police impound lot as required by the MCO 349.90. A \$200 citation was issued on April 14, 2014 for failure to notify the impound lot of a private property tow. The citation was paid on May 2, 2014.

2. On May 11, 2014, Corky's Towing was towing vehicles using a tow order form which stated "Gopher Towing Inc.", listing the lot address as 1321 Tyler Street N.E. and a phone number of 612-782-8872 which was temporary disconnected. Tow order forms must contain all the proper identifying information per MCO 349.90. A \$200 citation was issued on May 12, 2014 for using a tow order form with the name "Gopher Towing" and with a disconnected phone number listed. The citation was paid on June 3, 2014.
3. On June 6, 2014 at approximately 4:30 p.m. Corky's Towing towed a Pontiac, license number 774 LDV, from 1121 12th Ave North to their impound facility and failed to report the vehicle as required per MCO 349.90. In addition, Corky's Towing failed to notify the police impound lot of all vehicles towed between 4:31 p.m. on Friday June 6, 2014 until Monday, June 9, 2014. A \$400 citation was issued on June 10, 2014 for failure to notify the impound lot of a private property tow. The citation was paid on July 10, 2014.
4. On June 6, 2014 at approximately 4:30 p.m. Corky's Towing towed a car from the lot located at 1121 12th Ave North without the proper signage as required per MCO 349.105. A \$200 citation was issued on June 10, 2014 for towing without proper signage. The citation was paid on July 10, 2014.
5. On August 16, 2014 at 7:30 p.m., License Inspector Rich Tuffs observed that a tow truck with the name(s) Tyson's Towing and Transport, Corkys, WSI and a name blacked out on the driver's side door parked in a No Parking zone at 835-887 Beacon Street SE. The driver of the vehicle was carrying a Minneapolis Tow Truck Driver's license stating the licensed company he towed for was Corky's and also that his vehicle was subcontracted by Corky's Towing in violation of MCO 349.170. As per the Industry Bulletin issued by the Licensing Director on August 4, 2014 Corky's was no longer allowed to subcontract with vehicles from other towing companies. A \$200 citation was issued for failure to have the name of Corky's Towing on a subcontract vehicle. The citation was paid on September 3, 2014.
6. On October 24, 2014, Corky's Towing was issued a violation order to immediately cease towing from a parking lot at 1301 5th Street SE until the posted sign was in compliance with MCO 319.230 (e).

This sign issue was discovered while investigating a complaint about predatory towing in the area. During the investigation, it was determined that the person authorizing the tows from this lot, did not meet the requirements of being a "bona-fide" employee of the parking lot owner per MCO 349.90, thus calling into question the legality of the 51 vehicles towed from that lot. Additionally, the person authorizing the tows from this lot was the same person who was working with Corky's Towing at 1400 5th St SE and 1315 4th St. SE as the authorized agent. The management of the parking lot at 1301 5th Street SE was notified of the possible multiple violations and ceased towing from the parking lot.

7. On October 29, 2014, Licensing determined that Paul Dahl had been driving a Corky's Towing Class A Tow vehicle without a valid Minneapolis Tow Truck driver's license in violation of MCO 349.130 since September 1, 2014. A \$200 citation was issued to Corky's on November 3, 2014 for allowing a driver to operate a tow truck without a Minneapolis Tow Truck driver's license. The citation was paid on November 25, 2014.

8. On November 20, 2014, Corky's Towing failed to provide proper staffing at their storage facility as required per MCO 349.140. A \$200 citation was issued on November 20, 2014. The citation was paid on February 3, 2015.
9. During our previously noted investigation of the predatory towing complaint, the complainant told license inspectors that he had seen Corky's flatbed tow trucks on 2nd St. SE. On January 22 and again on January 29, Inspectors saw flatbed trucks parked on 2nd St SE, under the 35W Bridge. While Inspectors suspected that Corky's was illegally "dropping" cars at this location and throughout the Dinkytown area, our investigation continued until definitive proof and photos could be obtained which occurred on February 6th.

On Friday, February 6, 2015 at approximately 5:30PM, at 8th St, and 9th Ave SE, a Corky's Tow Truck was observed failing to take a white Hyundai Genesis and a Chevrolet Malibu with WI Plates # 470 VJE, directly to the impound facility in violation of MCO 349.140.

Two (2) \$200 citations were issued on February 11, 2015 for these violations. The citations were paid on March 13, 2015.

10. On Thursday February 26, 2015 a subcontracted Corky's Towing tow truck, was observed without the proper name on the driver's side door in violation of 341.170(d). The driver thought that his magnetic sign fell off while driving. The Inspector informed the driver he could not operate until the signage was replaced.

A violation notice was issued on February 27, 2015.

11. Per Minneapolis Police Report #15- 098618, on March 22, 2015 at 00:44 AM, an unlicensed driver named, Jaclyn Armstrong, was found conducting private property towing activities while driving a Corky's tow truck at 608 19TH AVE S in violation of MCO 349.130. A \$400 citation was issued on April 22, 2015. This citation was appealed on May 11, 2015.

12. On Friday April 10, 2015 at the parking lot at 1414 Nicollet, a Corky's tow truck was observed, on video, failing to release a vehicle to the owner before hoisting in violation of MCO 349.80. During the investigation of this incident, it was determined that violations also occurred for: Failure to get proper authorization (MCO 349.90); failure to accept a credit card (MCO 349.270) and failure to issue a receipt upon request (MCO349.170)

Four (4) \$200 citations were issued on April 22, 2015. These 4 citations were appealed on May 11, 2015.

13. On Friday, April 24, 2015, an S & T Transport (DBA Corky's Towing) tow truck was observed towing a vehicle from a pay lot at 1315 4th Street SE, without the correct company information on the truck per MCO 341.170 (d). The truck had the phone number listed to Hooked -Up Towing.

A violation order was issued on May 7, 2015.

14. On Friday, April 24, 2015 the owner of S & T Transport (DBA Corky's Towing) was observed at the pay parking lot at 1315 4th Street SE authorizing a tow to a Corky's tow truck in violation of MCO 349.90. Although the paperwork was completed and

authorized by an employee of the lot, the video of the Corky's Towing owner Courtney (Corky) Schuur handing off the tow sheet blurs the lines of who is authorizing the tow.

A violation order was issued on May 7, 2015.

15. On Friday, April 30, 2015, a Corky's tow truck was observed towing a vehicle from the Burrito Loco parking lot, located at 418 13th Ave SE, without proper authorization per MCO 349.90. The driver hoisted the vehicle without anyone authorizing the tow. Once the car was hoisted the driver was observed entering the restaurant with what appeared to be an authorization form.

On May 7, 2015, a violation order was issued.

16. A license settlement conference was held on May 20, 2015. The above information was presented to the Corky's owners and their representative. Corky's stated that many of these incidents were mistakes that were corrected immediately. Corky's said that they are working to "tighten –up the ship" and that employees are being trained. License Manager, Grant Wilson stated he was concerned about the perception that the towing company is too close to the person authorizing the tow. The owners agreed to find ways to fix the problem. Corkys' agreed to submit a business plan that addresses the problems. They also stated they wanted to submit a written response to the issues raised at this hearing.

CONCLUSIONS

Since July, 2013 when S & T Transportation INC, DBA Corky Towing, was first licensed in the City of Minneapolis, Licenses and Consumer Services has found evidence to issue:

- One (1) citation for violating MCO 349.80
- Four (4) citations and two (2) violation orders for violating MCO 349.90
- One (1) citation for violating MCO 349.105
- Two (2) citations for violating MCO 349.130
- Three (3) citations for violating MCO 349.140
- Two (2) citations and two (2) violation orders for violating MCO 349.170
- One (1) citation for violating MCO 349.270.

Since July 2013, Corky's Towing has paid \$2000 in fines for these ordinance violations and also has \$1200 in penalties pending appeal.

RECOMMENDATIONS

The City of Minneapolis License Official received a written response from S & T Transport, Inc. representative Al Garcia on June 22, 2015. This response included business plan changes relating to various corrective actions relating to towing practices.

The Department acknowledges the licensee's interest in resolving the issues with its licensed business. Due to the expressed willingness of all parties to bring the business into compliance with all applicable ordinances, statutes and regulations the Department makes the following recommendations:

1. That S & T Transport Inc. DBA Corky's Towing, pay all unpaid fines, fees and judgements owed to the City of Minneapolis and others within sixty (60) days of approval of this agreement by the Minneapolis City Council.
2. That S & T Transport Inc. DBA Corky's Towing, submit a business plan that if followed would prevent future violations of Chapters 319 and 349 of the Minneapolis Code of Ordinances.
3. That S & T Transport Inc. DBA Corky's Towing, post additional signs at all exits of 1400 5th Street SE. Signage location, size and wording subject to the approval of the Licensing Official.
4. Acknowledging that the current authorized person at 1400 5th St. S.E. IS NOT an employee of S & T Transport Inc, DBA Corky's Towing, notwithstanding, Corky's will recommend to the owner of the properties and/or Businesses at location that if they or their authorized person have a reasonable opportunity to warn a person parking and leaving the area that they will be towed, they should if possible, warn said driver **THEY WILL BE TOWED**
5. That S & T Transport Inc. DBA Corky's Towing, post signs on all trucks stating the driver takes cash, credit card and checks for all payments. Uniform lettering as required by Chapter 349 of the Minneapolis shall be used on all towing vehicles operating in the City of Minneapolis.
6. That S & T Transport Inc. DBA Corky's Towing, will fully comply with MCO 349.90 showing the actual time the vehicle left the lot and the time it arrives at the impound facility.
7. That S & T Transport Inc. DBA Corky's Towing, institute a policy that all drivers must have a fully completed authorization order form - in hand - prior to attempting to attach a private vehicle in a Class A service situation.
8. That S & T Transport Inc. DBA Corky's Towing, show that all drivers have be provided with a copy of Chapter 349 of the Minneapolis Code of Ordinances and be trained on the subject matter contained therein related to the performance of Class Motor vehicle Service procedures.
9. That S & T Transport Inc. DBA Corky's Towing, agree to a ten (10) day suspension of their Class A Motor vehicle Servicing License and be assessed a \$3,000 cost of recovery fee to cover City of Minneapolis costs related to this matter. All ten days of this license suspension shall be stayed for a period of one year from the date of approval of this agreement by the Minneapolis City Council if there are no same or similar violations of Minneapolis ordinances relating to Class A motor vehicle services.

10. The City of Minneapolis and S & T transport, Inc. have agreed to settle and or dispose of the five administrative citations listed below as described.

15-1106123 – (March 22, 2015 Unlicensed tow driver \$400.00)

This citation will be continued for dismissal in 12 months should there be no same or similar violations.

15-1106104 – (April 10, 2015 fail to accept credit card \$200.00)

This citation will be continued for dismissal in 12 months should there be no same or similar violations.

15-1106108 – (April 10, 2015 fail to provide receipt \$200)

This citation will be continued for dismissal in 12 months should there be no same or similar violations.

15-1106114 – (April 10, 2015 tow prior to having signed authorization form \$200.00)

Pay listed fine.

15-1106120 – (April 10, 2015 fail to release a vehicle when owner has appeared \$200.00)

Pay listed fine.

S & T Transport, DBA as Corky's Towing understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility. A minimum standard shall be met in order to hold such a license. One minimum standard is that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances, and regulations. It is understood and agreed that any violation of the above Recommendations shall constitute just and proper cause for the immediate imposition of any stayed penalties. It is further understood that compliance with the above Recommendations is a requirement for continuing to hold a license and that failure to comply with any of these conditions may result in additional adverse license action.

I have read and understand the above findings of fact, conclusions, and recommendations. I agree with their contents and I agree with the above noted Recommendations. I understand that the failure of my business to adhere to this agreement may be cause for further suspension, revocation, or denial of my license. I understand that this report must be accepted and approved by the Minneapolis City Council and Mayor.

Based upon the foregoing, this agreement is FREELY & VOLUNTARILY ENTERED INTO IN GOOD FAITH:

Business

By: _____
(signature)

Its: _____
(title)

Dated: _____, 20__

For the City of Minneapolis:

Grant J. Wilson
Manager

Dated: _____, 20__