

BEFORE THE PUBLIC UTILITIES COMMISSION
STATE OF COLORADO

PROCEEDING NOS. 24G-0084TO, 24G-0314TO, 24G-0439TO, 24G-0440TO & 24G-0441TO

PROCEEDING NO. 24G-0084TO

COLORADO PUBLIC UTILITIES COMMISSION,

COMPLAINANT,

V.

SERGIO CORNEJO DOING BUSINESS AS MNS TOWING LLC,

RESPONDENT.

PROCEEDING NO. 24G-0314TO

COLORADO PUBLIC UTILITIES COMMISSION,

COMPLAINANT,

V.

SERGIO CORNEJO DOING BUSINESS AS MNS TOWING LLC,

RESPONDENT.

PROCEEDING NO. 24G-0439TO

COLORADO PUBLIC UTILITIES COMMISSION,

COMPLAINANT,

V.

SERGIO CORNEJO DOING BUSINESS AS MNS TOWING LLC,

RESPONDENT.

PROCEEDING NO. 24G-0440TO

COLORADO PUBLIC UTILITIES COMMISSION,

COMPLAINANT,

V.

SERGIO CORNEJO DOING BUSINESS AS MNS TOWING LLC,

RESPONDENT.

PROCEEDING NO. 24G-0441TO

COLORADO PUBLIC UTILITIES COMMISSION,

COMPLAINANT,

V.

SERGIO CORNEJO DOING BUSINESS AS MNS TOWING LLC,

RESPONDENT.

COMPREHENSIVE SETTLEMENT AGREEMENT

This Comprehensive Settlement Agreement (“Settlement Agreement” or “Agreement”) is entered into between Sergio Cornejo dba MNS Towing LLC (“Respondent”) and Trial Staff of the Colorado Public Utilities Commission (“Staff”), each a “Settling Party,” and collectively the “Settling Parties.” There are no parties in this consolidated proceeding other than the Settling Parties. This Settlement Agreement is intended to resolve all issues raised in this consolidated proceeding.

Staff and Respondent agree as follows:

Background

1. Civil Penalty Assessment or Notice of Complaint to Appear No. 139039 (“CPAN”) issued against Respondent alleges 24 counts of violating § 40-10.1-401(1)(a), C.R.S. and 23 counts of violating Commission Rule 6007(e)(II). The maximum civil penalty for violations alleged in the CPAN is \$59,455.00.

2. CPAN No. 138903 issued against Respondent alleges 1 count of violating Commission Rule 6508(b)(I), 4 counts of violating Commission Rule 6509, and 1 count of violating § 40-10.1-405(1)(c)(I), C.R.S. The maximum civil penalty for violations alleged in this CPAN is \$2,846.25.

3. CPAN No. 138978 issued against Respondent alleges 1 count of violating Commission Rule 6508(b)(I), 1 count of violating Commission Rule 6512(c), and 1 count of violating § 40-10.1-405(2)(a)(I), C.R.S. The maximum civil penalty for violations alleged in this CPAN is \$1,897.50.

4. CPAN No. 138328 issued against Respondent alleges 1 count of violating Commission Rule 6007(e)(II), 1 count of violating Commission Rule 6508(b)(I), 2 counts of violating Commission Rule 6509, and 1 count of violating § 40-10.1-405(3)(b)(I), C.R.S. The maximum civil penalty for violations alleged in this CPAN is \$3,478.75.

5. CPAN No. 139090 issued against Respondent alleges 1 count of violating Commission Rule 6508, 5 counts of violating Commission Rule 6509, 1 count of

violating § 40-10.1-401(1)(a), C.R.S., and 2 counts of violating § 40-10.1-405, C.R.S. The maximum penalty for violations alleged in this CPAN is \$4,743.75.

Admission of Liability

6. Respondent admits to liability for all violations set forth in CPAN Nos. 139039, 138903, 138978, 138328, and 139090.

Civil Penalties

7. In consideration of Respondent's admission of liability and the mitigating factors in this case, Respondent will pay, and Staff agrees to accept, a reduced penalty amount totaling \$10,000.00, which is inclusive of the 15 percent surcharge required pursuant to Section 24-34-108, C.R.S.

8. Respondent shall pay the civil penalty to the Colorado Public Utilities Commission ("Commission") at the office of the Commission, either in person or by depositing the payment postpaid in the United States mail, within 21 days after the Commission's order approving this Settlement becomes final.

Refunds

9. Respondent shall issue refunds totaling \$5,700.12 for fees and charges collected in connection with the tows of vehicles identified in Attachment B.

10. Respondent shall send refund checks to the payee's last known address by certified mail postage paid within 21 days after the Commission's order approving this Settlement becomes final. Respondent shall include with each refund check a letter informing the payee of the reason for the refund, identifying when and where

the subject tow occurred, and notifying the payee that the refund amount will be remitted to the Colorado Department of Treasury as unclaimed property if the refund check is not presented for payment within 90 days after the Commission's order approving this Settlement becomes final. Respondent shall provide evidence of same to Staff.

11. Respondent shall cancel refund checks that are returned to Respondent as undeliverable or are not otherwise presented for payment within 90 days after the Commission's order approving this Agreement becomes final. For cancelled refund checks, the Respondent shall report and remit the respective unpaid refund amounts to the Colorado Department of Treasury as unclaimed property no later than 120 days after the Commission's order approving this Agreement becomes final. Respondent shall provide evidence of the same to Staff.

Abandoned Vehicles

12. Respondent shall provide documents or records evidencing the disposition of the vehicles remaining in Respondent's possession identified in Attachment B no later than 120 days after the Commission's order approving this Agreement becomes a final decision of the Commission. Should Respondent sell any of the vehicles remaining in Respondent's possession identified in Attachment B, Respondent shall report and remit all proceeds from the sale of the vehicles to the Colorado Department of Treasury as unclaimed property no later than 120 days after

the Commission's order approving this Agreement becomes a final decision of the Commission. Respondent shall provide evidence of the same to Staff.

Towing Ban

13. Respondent shall not, for a period of ten (10) years from the final decision, work in the towing industry in any capacity, including but not limited to, an owner, principal, officer, member, partner, director, employee, contractor, associate, or agent, for a towing carrier who is required to obtain a permit from the Commission under Section 40-10.1-401(a), C.R.S.

Non-Compliance

14. If Respondent fails to comply with terms of this Agreement, Respondent shall be liable for the maximum penalty amount of \$72,421.25, which shall be due immediately. This remedy shall be in addition to any other remedy available under Colorado law or Commission rules, including but not limited to disqualification from reapplying for a towing permit.

General Provisions

15. Except as expressly set forth herein, nothing in this Settlement Agreement is intended to have precedential effect or bind the Settling Parties with respect to positions they may take in any other proceeding regarding any of the issues addressed in this Settlement Agreement. No Settling Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Settlement Agreement. Furthermore, this Settlement Agreement

does not constitute agreement, by any Settling Party, that any principle or methodology contained within or used to reach this Settlement Agreement may be applied to any situation other than the above-captioned proceeding, except as expressly set forth herein.

16. The Settling Parties agree the provisions of this Settlement Agreement, as well as the negotiation process undertaken to reach this Settlement Agreement, are just, reasonable, and consistent with and not contrary to the public interest and should be approved and authorized by the Commission.

17. The discussions among the Settling Parties that produced this Settlement Agreement have been conducted in accordance with Rule 408 of the Colorado Rules of Evidence. Nothing in this Settlement Agreement shall constitute a waiver by any Settling Party with respect to any matter not specifically addressed in this Settlement Agreement.

18. The Settling Parties agree to use good faith efforts to support all aspects of the Settlement Agreement embodied in this document in any hearing conducted to determine whether the Commission should approve this Settlement Agreement, and/or in any other hearing, proceeding, or judicial review relating to this Settlement Agreement or the implementation or enforcement of its terms and conditions. Each Settling Party also agrees that, except as expressly provided in this Settlement Agreement, it will take no formal action in any administrative or judicial proceeding that would have the effect, directly or indirectly, of contravening the provisions or

purposes of this Settlement Agreement. However, except as expressly provided herein, each Settling Party expressly reserves the right to advocate positions different from those stated in this Settlement Agreement in any proceeding other than one necessary to obtain approval of, or to implement or enforce, this Settlement Agreement or its terms and conditions.

19. The Settling Parties do not believe any waiver or variance of Commission rules is required to effectuate this Settlement Agreement but agree jointly to apply to the Commission for a waiver of compliance with any requirements of the Commission's Rules and Regulations if necessary to permit all provisions of this Settlement Agreement to be approved, carried out, and effectuated.

20. This Settlement Agreement does not constitute agreement, by any Settling Party, that any principle or methodology contained within or used to reach this Settlement Agreement may be applied to any situation other than this proceeding, except as expressly set forth herein.

21. This Settlement Agreement is an integrated agreement that may not be altered by the unilateral determination of any Settling Party. There are no terms, representations or agreements among the parties which are not set forth in this Settlement Agreement.

22. This Settlement Agreement shall not become effective until the Commission issues a final decision addressing the Settlement Agreement. In the event the Commission modifies this Settlement Agreement in a manner unacceptable

to any Settling Party, that Settling Party may withdraw from the Settlement Agreement and shall so notify the Commission and the other Settling Parties in writing within 10 calendar days of the date of the Commission order. In the event a Settling Party exercises its right to withdraw from the Settlement Agreement, this Settlement Agreement shall be null and void and of no effect in this or any other proceeding.

23. There shall be no legal presumption that any specific Settling Party was the drafter of this Settlement Agreement.

24. This Settlement Agreement may be executed in counterparts, all of which when taken together shall constitute the entire Agreement with respect to the issues addressed by this Settlement Agreement. This Settlement Agreement may be executed and delivered electronically, and the Settling Parties agree that such electronic execution and delivery, whether executed in counterparts or collectively, shall have the same force and effect as delivery of an original document with original signatures, and that each Settling Party may use such facsimile signatures as evidence of the execution and delivery of this Settlement Agreement by the Settling Parties to the same extent that an original signature could be used.

Dated March 25, 2025

Agreed on behalf of: **Trial Staff of the Colorado Public Utilities Commission**

By: *Lloyd E. Swint*

Lloyd E. Swint
Criminal Investigations and Compliance Unit Manager
Colorado Public Utilities Commission
1560 Broadway, Suite 250
Denver, CO 80202

Agreed as to form:

/s/ Aileen Chong

Aileen Chong, #56439*

Justin Cox, #58570*

Jennifer Hayden #43265*

Assistant Attorneys General
Revenue & Regulatory Law Section

*Attorneys for Trial Staff of the Public Utilities
Commission -*

Ralph L. Carr Colorado Judicial Center
1300 Broadway, 8th Floor
Denver, Colorado 80203
Telephone: (720) 508-6330 (Chong)
Telephone: (720) 508-6743 (Cox)
Telephone: (720) 508-6324 (Hayden)
Email: Aileen.Chong@coag.gov
Email: Justin.Cox@coag.gov
Email: Jennifer.Hayden@coag.gov
*Counsel of Record

Dated March 25, 2025

Agreed to on behalf of:

Sergio Cornejo doing business as MNS Towing LLC

/s/ 