File



STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION

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(860) 594-2875

DOCKET NO. 0604-AV-07-T

RE: APPLICATION OF USA TAXI & LIMOUSINE OF STAMFORD, INC. TO OPERATE TWENTY (20) ADDITIONAL MOTOR VEHICLES, IN TAXICAB SERVICE, WITHIN AND TO AND FROM STAMFORD TO ALL POINTS IN CONNECTICUT.

FINAL DECISION

August 31, 2007

I. INTRODUCTION

A. Application

By application filed on April 20, 2006, with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-97(a) of the Connecticut General Statutes as amended, USA Taxi & Limousine of Stamford, Inc. (hereinafter "applicant" or "USA Taxi") of 1069 East Main Street, Suite 310, Stamford, Connecticut, seeks authorization to operate twenty (20) motor vehicles, in taxicab service, within and to and from Stamford to all points in Connecticut.

B. Hearing

Pursuant to Section 13b-97(a) of the General Statutes, as amended, a public hearing on this application was held at the administrative offices of the Department in Newington, Connecticut, on June 12 and 14, 2007.

Notice of the application and of the hearing to be held thereon was given to the applicant and to such other parties as required by Section 13b-97(a) of the General Statutes, as amended. Legal notice to the public was given by publication in the Stamford Advocate, a newspaper having circulation in the area of concern.

The hearing on this matter was conducted by a hearing officer, designated by the Commissioner of Transportation, pursuant to General Statutes Section 13b-17.

C. Appearances

USA Taxi & Limousine of Stamford, Inc. appeared through Francisco Rendon and was represented by Edward L. Marcus, Esq. with The Marcus Law Firm, 111 Whitney Avenue, New Haven, Connecticut. USA Taxi & Limousine of Stamford, Inc.'s address is 1069 East Main Street, Suite 310, Stamford, Connecticut.

Stamford Yellow Cab, Inc. dba Eveready Stamford (hereinafter "Eveready") appeared through, and was represented by its owner, Vito Bochicchio, Jr. Eveready has a mailing address of P.O. Box 15, Darien, Connecticut. Eveready timely filed its petition for party/intervenor status, however, contrary to the petition, Bochicchio testified that he was not opposed to the application. Bochicchio testified that Eveready was also applying for additional taxicabs in Stamford and that the twenty taxicabs for which USA Taxi was applying should be equally divided among the companies present at the hearing. Based on the representations of Stamford Yellow Cab, Inc., its petition for status was denied.

Della Famiglia, Inc. dba Stamford Taxi (hereinafter "Stamford Taxi") appeared through Mark Necatera, treasurer and part owner of the company. Stamford Taxi's mailing address of record is 80 Harvard Avenue, Stamford, Connecticut. Stamford Taxi was represented by, and filed a petition for party or intervenor status, through

Eugene Kimmel, Esq. whose address is Nine Morgan Avenue, P.O. Box 2013, Norwalk, Connecticut The petition was not timely filed and Stamford Taxi was denied intervenor status.

D. Official Notice

Official notice was taken of the following:

The U.S. Census Bureau records – Population estimate for the city Stamford is 119,261.

Application of U.S.A. Taxi & Limousine of Stamford, Inc. for Authorization to Operate Ten (10) Motor Vehicles in Taxicab Service within and to and From Stamford, Department of Transportation, Docket No. 0305-N-05-T (Final Decision, August 6, 2004).

Reopening of U.S.A. Taxi & Limousine of Stamford, Inc. for Authorization to Operate Ten (10) Motor Vehicles in Taxicab Service within and to and From Stamford, Department of Transportation, Docket No. 0305-N-05-T (Final Decision, November 1, 2005).

II. FINDINGS OF FACT

- 1. USA Taxi and Limousine, Inc. received authorization to operate ten vehicles in taxicab service within and to and from Stamford in August 2004 and seeks authorization for twenty additional taxicabs within the same territory.
- 2. Francisco Rendon, sole stockholder and manager of the applicant company, does not have a criminal conviction history as of June 27, 2007, nor has he had criminal involvement since the date of the criminal history report.
- 3. The applicant has not been the subject of any citations since the inception of its business.
- 4. The applicant maintains a list of people who are ready and willing to drive a taxicab for the company with whom the applicant has spoken. These potential drivers have submitted copies of their driver licenses.
- 5. Insurance for the proposed twenty additional motor vehicles in taxicab service is estimated at an annual premium of approximately \$110,940 (approximately \$5,547 per vehicle), which would be purchased from J.M. Glover Agency/North Haven. The insurance would be paid by down payment and monthly installments.
- 6. The insurance costs will be prorated and included in the drivers' weekly lease fees.

- 7. The applicant maintains a cash balance in the amount of \$40,000 at the Commerce Bank as of May 2007.
- 8. The applicant's balance sheet dated May 2007 shows cash in the amount of \$40,000 with total assets for the company at \$137,488, officer loan payable at \$78,269, loan receivable from the estate of the deceased former stockholder at \$41,511 and retained earnings of \$58,219.
 - 9. The applicant's fixed expenses are \$900 per month.
- 10. If the application is granted, the applicant will put into service drivers who are owner-operators. Owner-operators will provide their vehicles for company use and will pay their own expenses. This will minimize the applicant's capital expenses.
- 11. The applicant's lease fee will begin at \$275 per week, with an increase planned in the near future to \$300 per week to cover additional insurance expenses.
- 12. The applicant currently operates its taxicab business 7 days a week from 6 a.m. to 2 a.m. The remainder of the hours he is available to dispatch.
- 13. The applicant's staff lets the telephone to ring when all of the taxicabs are dispatched. During busy times the computers have 8 or 9 calls waiting in a queue for service.
- 14. The applicant employs four dispatchers who rotate their time with three on duty and one off duty at any given time.
- 15. Paola Valencia, from Stamford, has been a dispatcher for the applicant since September 2004. When three dispatchers are on duty and all of the taxicabs are dispatched, the three dispatchers receive approximately 50 calls, per dispatcher per day, for which they cannot dispatch a taxicab for lack of authorized vehicles.
- 16. Sean Meade, the assistant general manager of the 115-room Courtyard Marriott in downtown Stamford, and a resident of Stamford, is responsible for the day to day operations of the hotel. The hotel has two shuttles that Meade or the general manager use to personally shuttle hotel guests because the taxicab service in Stamford is unreliable.
- 17. Marriott hotel guests wait from 15 to 20 minutes for a taxicab; often times Meade receives no answer to his calls for a taxicab. Meade receives complaints because guests are unable reach their destinations on time when taking a taxicab.
- 18. Meade uses taxicabs one or two times a week, from the outskirts of downtown to downtown and he has had difficulty getting through to the applicant and

other companies for rides. It usually takes 25 minutes to a half hour to get into town by taxicab.

- 19. Eduardo Guica, from Cos Cob, owned a construction company for twenty years and for the past 8 years has been an assistant pastor for a local congregation. Guica is primarily responsible for the Hispanic community of his congregation. The congregation has approximately 2000 members. Forty to fifty percent of his community live in downtown Stamford and depend on taxicab service.
- 20. Many of Guica's parishioners, who speak Spanish cannot drive or get their licenses timely and require the use of taxicabs. Guica receives complaints from members of the congregation about the unreliability of taxicabs.
- 21. Many of the applicant's taxicab drivers, and prospective taxicab drivers, speak Spanish.
- 22. Sidney Morgan works at investment bank USB as a front desk and senior management receptionist and reservationist in Stamford. In his capacity, Morgan makes daily transportation and taxicab arrangements and reservations for the bank management, guests and clients.
- 23. Morgan has been employed in his capacity for six and one half years and has had problems with taxicab companies responding timely. Morgan calls the applicant most of the time for rides because the applicant is timelier and provides better service than other companies.
- 24. In the month of March 2007, the applicant had 10 taxicabs in operation on 8 of 31 days, 9 taxicabs in operation on 13 out of 31 days and 8 taxicabs in operation on 6 out of 31 days.
- 25. The applicant's taxicabs are double-shifted (used for a day and evening shift in an approximate twenty- hour period) and provide an average of approximately 23 trips per day.
- 26. The applicant provides rides for an average of approximately 204 calls per day with as few as six (6) taxicabs (on 1 day) and as many as ten (10) taxicabs (on 8 days).
 - 27. The applicant uses an average of nine (9) taxicabs per day.
- 28. The highest number of trips performed by the applicant's taxicab fleet in March 2007 was 284.
- 29. The lowest number of trips performed by the applicant's taxicab fleet in March 2007 was 126.

- 30. With a full complement of vehicles, the applicant averages 29 (28.4) rides per day, based on the highest call volume in March 2007.
- 31. The additional call volume that cannot be accommodated, as determined by the owner, dispatcher and caller-ID, is between 100 and 150 calls per day, which averages to 125 calls per day of calls that are unable to be serviced.
- 32. An average of 125 calls per day that go unanswered or are unable to be serviced may be accommodated by an additional 5 (4.3) motor vehicles in taxicab service.

III. DISCUSSION

The Department of Transportation has jurisdiction over common carriers, which includes each person, association, limited liability company or corporation owning or operating a taxicab in the State of Connecticut in accordance with Connecticut General Statutes Section 13b-96, as amended. The department is authorized to prescribe regulations with respect to fares, service, operation and equipment, as it deems necessary for the convenience, protection and safety of the passengers and the public.

Pursuant to Connecticut General Statute Section 13b-97(a), as amended, any person who applies for authority to operate a taxicab shall obtain from the department a certificate of public convenience and necessity certifying that the public's convenience and necessity requires the operation of a taxicab or taxicabs for the transportation of passengers. No certificate shall be issued unless the department finds that the person is suitable to operate a taxicab service. In so doing the department must take into consideration any convictions of the applicant under federal, state or local laws relative to safety, motor vehicle or criminal violations, the number of taxicabs to be operated under the certificate, the adequacy of the applicant's financial resources to operate the service, the adequacy of insurance coverage and safety equipment and the availability of qualified operators.

In support of financial wherewithal, the applicant provided a balance sheet and several tax returns, in addition to proof of cash on hand. The applicant had a net income for five months ending May 31, 2007 of \$14,725 and the projection for the calendar year with twenty additional vehicles beginning August 1, 2007 is estimated to be \$99,306. The balance sheet as of May 31, 2007 reflected cash in the amount of \$40,002, total assets of \$137,488, an officer's loan payable at \$78,269, loan receivable from former stockholder \$41,511 and retained earnings in the amount of \$58,219. The company is currently in operation and will not be expending monies for vehicles or maintenance. The financial information provided supports the financial suitability of the applicant's management.

In support of suitability, the applicant provided the requisite criminal conviction history form which shows no record for Francisco Rendon, the applicant's owner and manager. No citations have been filed against the applicant since its inception in 2004. Rendon testified that he is complying and remains willing and able to operate the proposed service in accordance with the rules, regulations and statutes that govern taxicabs in the State of Connecticut.

Insurance for the vehicle applied for was estimated at approximately \$5,547 per vehicle per year, which will be paid for by the owner-operators in the lease fee they will be charged. Furthermore, the vehicles that will be used by the applicant will be inspected prior to being placed into service. Lastly, the applicant provided a list of potential owner-operators who have supplied their names and copies of their driver licenses. Prior to a vehicle being placed into service, inspections must take place and Rendon testified that he would comply with the statutes and regulations that govern inspections. The evidence presented shows that the applicant is suitable to operate the proposed additional service.

Turning to the element of public convenience and necessity, the applicant must show by substantial evidence that the public's convenience and necessity requires the operation of additional taxicabs in the area of concern. Several witnesses appeared to testify in support of the grant of additional vehicles based on public convenience and necessity. The testimony was that often times when called, the applicant's telephones would ring and the caller received no answer. Additionally, there was testimony that the waiting time for taxicabs in Stamford ranges from 15 to 20 minutes to an hour – and sometimes there were no shows. Additionally, the testimony was that there is dissatisfaction with the taxicab companies in Stamford for a variety of reasons.

While the testimony of one or two witnesses conflicted regarding response times, the majority of witnesses testified that the wait time for taxicabs in Stamford was in excess of a half an hour. Some of the witnesses testified, further, that the callers will often times try to arrange for other transportation. Some witness testimony was given little weight on the basis that the witnesses were either drivers for other taxicab companies or had issues with the management of other taxicab companies in Stamford.

Upon request of the hearing officer, the applicant provided trip sheets for the month of March 2007. The trip sheets were analyzed to determine the current usage of the applicant's fleet. The trip sheets show that the applicant is using an average of nine vehicles per day in taxicab service, while authorized for ten taxicabs. This usage is reasonable since there will be times that a vehicle will be taken out of service for maintenance or repair.

In March 2007, the average number of calls per day, per taxicab, was 204, for a double-shifted vehicle, which translates to approximately 23 calls per vehicle per day. On any one day, the highest number of rides provided by a taxicab in the applicant's fleet was 284, which when divided by ten cars amount to 28 calls per taxicab on the

applicant's busiest day. The applicant's usage of vehicles and the corroborating evidence such as unaccommodated calls, busy signals lateness of service or no service, supports the conclusion that the public's convenience and necessity requires a grant of authority.

Having concluded that the public's convenience and necessity requires a grant of additional vehicles in taxicab service, the questions becomes how many vehicles are required to accommodate the public's convenience and necessity. The highest use of vehicles that the applicant on any single day is 284 calls, which averages to 28 calls per taxicab. Based on the evidence that a taxicab in the applicant's fleet can provide approximately 28 calls per day, and the number of taxicab requests that cannot be accommodated is estimated at 125 calls per day, given the applicant's testimony and the supporting witness testimony and looking at the totality of the evidence, a grant of five vehicles should relieve the busy signals and the unanswered calls about which witnesses testified.

The trip sheet evidence along with the witness testimony support the conclusion that the public convenience and necessity requires the operation of five additional vehicle in taxicab service in Stamford.

IV. CONCLUSIONS OF LAW

Based upon due consideration of all of the evidence of record, the department concludes, as a matter of law, that the applicant possesses the suitability and financial wherewithal to operate additional vehicles in taxicab service and that the public's convenience and necessity requires the operation of additional vehicles in accordance with Connecticut General Statutes Section 13b-97(a).

Further, the evidence supports only a partial grant of the authority requested. The evidence of records supports a grant of authority for the operation of five (5) additional motor vehicles in taxicab service, which will accommodate the present need of an average of approximately 150 calls that are unable to be provided to the general public by the applicant.

V. ORDER

Accordingly, based on the above findings and conclusions, and pursuant to Connecticut General Statutes Section 13b-97(a), as amended, the application of U.S.A. Taxi and Limousine of Stamford, Inc. is hereby approved, in part, and taxicab certificate number 1182 is hereby amended and reissued as follows:

TAXICAB CERTIFICATE NO. 1182 FOR THE OPERATION OF MOTOR VEHICLES IN TAXICAB SERVICE

U.S.A. Taxi and Limousine of Stamford, Inc. of Stamford, Connecticut, is hereby permitted and authorized to operate FIFTEEN (15) motor vehicles in taxicab

service, within and to and from Stamford, to all points in Connecticut.

<u>RESTRICTIONS</u>

U.S.A. Taxi and Limousine of Stamford, Inc. is hereby ordered to register its vehicles within thirty (30) days from the date of this final decision.

This Certificate may not be sold or transferred until it has been operational, i.e., a vehicle registered with a taxi plate thereunder, for not less than twenty-four (24) consecutive months.

This Certificate shall remain in effect until it is amended, suspended or revoked by the Department. Failure of the Certificate holder to maintain proper insurance and/or to comply with all pertinent motor vehicle laws and other State statutes and/or the rules, regulations and orders of the Department shall be considered sufficient cause to amend, suspend or revoke this Certificate.

This Certificate is transferable only with the approval of the Department and is issued subject to compliance by the holder hereof with all motor vehicle laws of the State of Connecticut, and with such rules, regulations and orders as this Department may from time to time prescribe.

Dated at Newington, Connecticut, on this 31st day of August 2007.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

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