

# FILE STATE OF CONNECTICUT

## DEPARTMENT OF TRANSPORTATION



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### **DOCKET NO. 0701-AV-2-T**

RE: APPLICATION OF TRANSPORTATION GENERAL, INC. D.B.A. METRO TAXI TO OPERATE FIVE (5) MOTOR VEHICLES IN TAXICAB SERVICE WITHIN AND TO AND FROM MILFORD AND ORANGE TO ALL POINTS IN CONNECTICUT.

FINAL DECISION

May 23, 2008

#### I. INTRODUCTION

#### A. Applicant's Proposal

By application filed on January 8, 2007, with the Department of Transportation (hereinafter "Department"), pursuant to Section 13b-97 of the Connecticut General Statutes as amended, Transportation General, Inc. d.b.a. Metro Taxi (hereinafter "applicant") of P.O. Box 2604, West Haven, Connecticut, seeks authorization to operate five (5) motor vehicles in taxicab service, within and to and from Milford and Orange.

#### B. Hearing Held

Pursuant to Section 13b-97(a) of the Connecticut General Statutes, as amended, a public hearing on this application was held at the Department in Newington on October 4, 2007, November 17, 2007 and February 1, 2008. Mr. Spear, an intervenor in this matter, requested an early start time for the hearing on February 1, 2008 but did not arrive until after the hearing had concluded.

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 Connecticut General Statutes, as amended. Legal notice to the public was given by publication in The New Haven Register, 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 Connecticut General Statutes Section 13b-17.

#### C. Appearances

William Scalzi appeared on behalf of the applicant, Transportation General d.b.a. Metro Taxi. The applicant was represented by Jeffery Zyjeski, Esq. with a mailing address of 1 Liberty Square, New Britain, Connecticut 06051.

Richard Spear appeared pro se as an intervenor on behalf of Coastal Transportation and Lodging Corporation d.b.a. New Haven Milford Taxicab Company. Mr. Spear's mailing address is 135 Rimmon Road, Woodbridge, Connecticut 06525.

Sheldon Lubin, a member of the Regulatory and Compliance Unit of the department, was present.

#### D. Administrative Notice

Administrative Notice was taken of Certificate Number 86 which allows the applicant to operate:

- A. ONE HUNDRED SIXTEEN (116) vehicles within and to and from East Haven and New Haven.
- B. ONE HUNDRED SEVEN (107) of the vehicles in section A can also be used in Hamden, West Haven and Woodbridge.
  - C. SIX (6) of the vehicles in section A can be used in Branford and North Branford.
  - D. TWO (2) vehicles in Branford and North Branford.
  - E. TWO (2) vehicles in North Haven.
  - F. SEVENTEEN (17) vehicles in Meriden.
  - G. FOUR (4) vehicles in Wallingford.
- H. One (1) motor vehicle, limited to a student transportation vehicle, in taxicab service within and to and from Guilford to all points in Connecticut.

#### II. FINDINGS OF FACT

- 1. Metro Taxi is licensed to operate taxicabs in East Haven, New Haven, North Haven, Hamden, West Haven, Woodbridge, Branford, North Branford, Meriden and Wallingford. The applicant also owns, Fairfield County Transportation, which operates taxicabs in Bridgeport, Stratford and Trumbull.
  - 2. Heritage Taxi operates two (2) taxicabs in Milford.
- 3. The applicant has approximately 170 independent contractors operating its taxicabs.
- 4. The applicant receives ten to fifteen requests for service daily from Milford and Orange.

- 5. The additional motor vehicles that the applicant is placing into taxicab service will cost about \$5,000 each. The repair and maintenance expense will be about \$2,500 for each taxicab, with property tax equaling \$300 per vehicle. Gasoline is to be paid by the driver.
- 6. Coastal Transportation & Lodging operates five (5) taxicabs in Milford and Orange.
- 7. Philip Turpin is the Front Office Manager at the Courtyard by Marriott. Most of his guests are corporate travelers. The hotel's primary taxicab company is Milford Taxi. Employees of the hotel have experienced times when they cannot get in touch with Milford Taxi. When this occurs, they call Metro Taxi and lie about where their patrons are going to get service. Metro Taxi will service these calls. The hotel has also tried to use Heritage Taxicab and has not been able to reach someone on the phone. The hotel averages about eight taxicabs trips per week for Milford or Orange of which about four trips per week are a problem to get service for. The most common problem with the taxicabs service is trying to set up pick ups within a certain period of time to serve the patrons.
- 8. Crystal Molina works at the Hampton Inn in Milford from 7:00 a.m. to 3:00 p.m. as a Front Desk Supervisor. Her patrons go the train station, Bridgeport Ferry, Sikorsky Aircraft and Tweed Airport. At least fifteen people in the mornings each day need a taxicab but seventy-five percent of these calls leave the Milford or Orange area. She was not aware that Metro Taxi can legally transport her patrons to some of the areas they are going. The hotel usually calls a taxicab by utilizing business cards distributed by Milford Taxi's drivers.
- 9. Richard Spear, the owner of Milford Taxi, testified that his company can handle all of the requests for service that it receives. The company operates three taxicabs during the day and two at night. The trip sheets submitted by Milford Taxi reflect that it performs approximately eleven trips per shift, per vehicle.
- 10. Corey Gallant is a co owner of Blue Cube Billiards & Lounge in Orange. He has called Milford Taxi for service and the taxicab either shows up late or not at all. He estimates this occurs about eighty percent of the time. He had a problem recently with the dispatcher at Milford Taxi. He was trying to get a ride home for his patrons but he was continually hung up on, sworn at and refused transportation. As a result, he now only calls Metro Taxi. If his customers live in Milford and Orange he cannot get them transportation home from the bar.

- 11. Kelly McCabe works at the Spring Hill Suites in Milford as an assistant General Manager. When she calls a taxicab she had difficulty getting one or it comes an hour to an hour and a half late. There are approximately twenty to twenty-five requests from guests weekly for taxicab service. About five to ten of those requests are turned down by Milford Taxi. She is familiar with Heritage Taxi but has never called for service.
- 12. Kathryn Craven is the Sales Director at the Residence Inn and Spring Hill Suites in Milford. On occasion, a staff member has to provide transportation for customers because they could not get taxicab service. She receives two to six complaints per week about the bad taxicab service. Fifteen to twenty percent of her customers are going to the New Haven area while another fifteen to twenty percent are going to locations outside of the Milford/Orange area. Seventy percent are trips are within the Milford area. She does call Heritage Taxi and does not have any complaints against that company.
- 13. Metro Taxi operates in Milford and Orange daily when it goes to or from its legitimate service area in the towns surrounding Milford and Orange.
- 14. Mr. Scalzi testified that his company was not under investigation at the time of the hearing.
- 15. Robert Colucci, Supervising Special Investigator in the Regulatory & Compliance Unit testified there were two citations pending in the Regulatory and Compliance Unit which were subsequently referred to the Administrative Law Unit after this hearing concluded. As a result, the final decision from this hearing had to be held in abeyance while the two citations were adjudicated.
- 16. The two citations held against the company were for an alleged sexual assault in the applicant's taxicab and an illegal taxicab trip. The result of these two citation hearings, held on May 14, 2008, is that one case was withdrawn while the other case was dismissed.
- 17. Paul Santoli works as a dispatcher and driver for Milford Taxi. He testified that the most time it takes is fifteen to twenty minutes to get service to any hotel in the Milford/Orange area. At this time three cars are on the road at any time in the Milford/Orange area. On a daily basis he sees Metro Taxi and Heritage Taxi in the Milford area.
- William Assad works nights as a taxicab driver with Milford Taxi. It is slow during the weekdays but steady on the weekends. There are two to three vehicles on at night. He is concerned that Metro Taxi will flood the town with taxicabs. He averages ten and fifteen trips per night on a week night.

#### III. DEPARTMENT ANALYSIS

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 Statutes 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 presented information that reflects that it has \$4,683,974 in assets with cash totaling \$203,351. Revenue as of August 31, 2007 was \$3,422,769 with net income of \$508,197. The company has a self-insurance fund for claims of \$50,000 or less that is made up of two accounts. The target balances are \$80,000 and \$350,000 for a total of \$430,000. As of August 24, 2007 the bank balances were \$87,430 and \$358,358 for a total of \$445,789. The excess coverage over \$50,000 to \$1,000,000 has a premium of \$2,863 per vehicle on a policy with an insurance company.

The additional motor vehicles that the applicant is placing into taxicab service will cost about \$5,000 each. The repair and maintenance expenses will be about \$2,500 for each taxicab with property tax equaling \$300 per vehicle. Gasoline is to be paid by the driver. Based upon the financial information presented, the Department finds the applicant financially suitable to operate the additional proposed taxicab service.

In support of suitability, the applicant provided a requisite criminal conviction history form that shows no record for William Scalzi. The applicant has been in business for many years and has only had two recent citation hearings. However, several troubling issues arose during the hearing. The first one is that when called to perform an illegal taxicab trip, Metro Taxi drivers will perform the trip. While it may not be entirely Metro's fault that hotels and their patrons are lying to get taxicab service, these trips should not be conducted and the applicant is hereby placed on notice to cease and desist from performing these types of illegal trips when called to service outside its territory. If the patron identifies a destination which Metro cannot legally perform, the driver is to refuse to take the trip.

Another concern raised at the hearing was the two citation hearings pending against the applicant. Mr. Scalzi testified that his company did not have any citation hearings pending but Mr. Colucci, Supervising Special Investigator, testified that Mr. Scalzi was given oral notice of these complaints. It cannot be determined whether Mr. Scalzi attempted to mislead the hearing officer, but in any event, he was on notice as to the pending investigations against his company. The applicant was cited for an alleged sexual assault that took place in its taxicab and an illegal taxicab trip. These cases went to citation hearing on May 14, 2008 and resulted in one withdrawal and one dismissal. Based on the evidence of record, the applicant is suitable to operate the proposed service.

Lastly, for an approval of additional authority to operate taxicab service, the applicant must prove that the public's convenience and necessity requires the operation of additional taxicabs. The applicant submitted letters of support from a local business and local politicians. Unfortunately, these letters are of limited weight in making the determination as to need since these authors cannot be cross-examined in the hearing.

The applicant also submitted the testimony of several witnesses who work for local hotels or businesses who complained about slow or non existent taxicab service in Milford and Orange. The testimony shows that there is unreliable and inefficient taxicab service operating in this area. Many of the needed taxicab trips take place to or from outside the Milford/Orange area and can easily be handled by Metro Taxi's other authorized taxicabs. The remaining trips within the Milford/Orange area are not being serviced fully for an unknown reason by the existing taxicab companies.

Mr. Scalzi testified that he receives ten to fifteen requests for service daily for Milford and Orange. This number of requests does not equate to a grant of additional vehicles. The public testimony offered about the number of taxicab trips needed to the Milford/Orange area also does not lead to the conclusion that five additional taxicabs are needed but clearly these is some minimal need for service.

Public convenience and necessity does however require that an additional service provider be allowed to pick up the slack that is not being handled by either Milford Taxi or Heritage Taxi. Therefore, the applicant will be allowed to service Milford and Orange with two vehicles already servicing the East Haven and New Haven area. This will ensure that the public will get the proper service while not inundating the Milford/Orange area with unnecessary taxicabs.

#### IV. CONCLUSION AND ORDER

Therefore, based upon the above and pursuant to Connecticut General Statutes Section 13b-97, as amended, the application of Transportation General d.b.a. Metro Taxi is hereby granted in part and Certificate Number 86 is hereby reissued as follows:

## TAXICAB CERTIFICATE NUMBER 86 FOR THE OPERATION OF MOTOR VEHICLE IN TAXICAB SERVICE

Transportation General, Inc. d.b.a. Metro Taxi is hereby permitted and authorized to operate ONE HUNDRED FORTY-TWO (142) motor vehicles in taxicab service as listed below:

- A. ONE HUNDRED SIXTEEN (116) vehicles in East Haven and New Haven.
- B. ONE HUNDRED SEVEN (107) of the vehicles in section A can also be used in Hamden, West Haven and Woodbridge.
  - C. SIX (6) of the vehicles in section A can be used in Branford and North Branford.
  - D. TWO (2) vehicles in Branford and North Branford.
  - E. TWO (2) vehicles in North Haven.
  - F. SEVENTEEN (17) vehicles in Meriden.
  - G. FOUR (4) vehicles in Wallingford.
- H. One (1) motor vehicle, limited to a student transportation vehicle, in taxicab service within and to and from Guilford to all points in Connecticut.
  - I. TWO (2) vehicles in section A can also be used in Orange and Milford.

#### RESTRICTIONS:

This certificate may not be sold or transferred until it has been operational, i.e. a vehicle registered with a taxicab plate there under, for not less than twenty-four (24) consecutive months. This certificate is transferable only with the approval of the Department.

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 23<sup>rd</sup> day of May 2008.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

Judith Almeida, Esq.

Staff Attorney III

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Bureau of Public Transportation