

# STATE OF CONNECTICUT

# DEPARTMENT OF TRANSPORTATION



2800 BERLIN TURNPIKE, P.O. BOX 317546 NEWINGTON, CONNECTICUT 06131-7546 Phone:

(860) 594-2875

## **DOCKET NO. 1007-N-55-T**

RE: APPLICATION OF CHAUFFEURED LIMOUSINE SERVICE, INC. D.B.A. RED DOT TAXI SERVICE FOR AUTHORIZATION TO OPERATE EIGHT (8) MOTOR VEHICLES IN TAXICAB SERVICE WITHIN AND TO AND FROM FAIRFIELD.

FINAL DECISION

October 15, 2010

### I. <u>INTRODUCTION</u>

#### A. Applicant's Proposal

By application filed on July 8, 2010, with the Department of Transportation (hereinafter "Department"), pursuant to Section 13b-97 of the Connecticut General Statutes as amended, Chauffeured Limousine Service, Inc. d.b.a. Red Dot Taxi Service (hereinafter "applicant") of 1262 State Street, Bridgeport, Connecticut, seeks authorization to operate eight (8) motor vehicles in taxicab service, within and to and from Fairfield.

#### 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 September 28, 2010.

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. Notice to the public was given by publication on the Department's website.

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

Jeff Serlin, appeared pro se on behalf of the applicant. The applicant's address is 1262 State Street, Bridgeport, Connecticut 06605.

State Representative Thomas Drew appeared to testify in this matter. Mr. Drew's address is 151 Blue Ridge Road, Fairfield, Connecticut 06825.

State Representative Kim Fawcett appeared to testify in this matter. Ms. Fawcett's address is 234 Collingwood Avenue, Fairfield, Connecticut 06825.

Sheldon Lubin, a member of the Regulatory and Compliance Unit of the Department, was present at the hearing.

#### II. FINDINGS OF FACT

- 1. The applicant currently operates a livery company with intrastate authority.
- 2. The applicant seeks to operate a taxicab company in Fairfield with eight (8) taxicabs.
- 3. The applicant presented two state representatives, Thomas Drew and Kim Fawcett, who are in support of another taxicab company in Fairfield.
- 4. At the present time, Fairfield Cab is only taxicab company authorized in Fairfield. Fairfield Cab has authorization for twelve (12) vehicles, but only has eight (8) vehicles registered. Docket No.1007-N-55-T Chauffeured Limousine Service, Inc. DBA Red Dot Taxi Service

  Page 2 of 5

- 5. The town of Fairfield plans to open a new train station by the end of 2011.
- 6. Ms. Fawcett has heard taxicab complaints from her neighbors about unclean vehicles and unreliable service in Fairfield. Ms. Fawcett also testified about meeting an elderly woman at a drug store in Fairfield who had to wait a long time to get a taxi to take her home.
- 7. Mr. Drew testified that he tried on two occasions to contact the ownership of Fairfield Cab and was unable to do so.
- 8. There have been complaints about trying to get a taxicab at the Fairfield Train Station and having to share a taxicab because there are not enough vehicles.
- 9. The applicant's annual insurance premium is \$4,000 per vehicle except the van which will cost \$4,200.
- 10. The applicant's expenses include \$150 per month per vehicle and property tax of \$700 annually.
  - 11. The applicant will operate 2007 Lincolns and a 2006 Ford E-350 van.
  - 12. The applicant's total assets are \$1,106,617 with current liabilities of \$360,205.
  - 13. The applicant operates its own garage for vehicle maintenance.
  - 14. This application was unopposed by other operators.

#### 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.

With regard to public convenience and necessity, the applicant presented the testimony of two State Representatives who both advocated for another taxicab company in Fairfield. There is a new train Docket No.1007-N-55-T Chauffeured Limousine Service, Inc. DBA Red Dot Taxi Service

station being built in Fairfield which should be completed by the end of 2011. In addition, there are public complaints about the current taxicab service. It is disturbing that Fairfield Cab did not make any effort to speak with Mr. Drew about its service after he had called two times and was unable to speak with management. It appears that the existing service may be complacent because it the only game in town. Unclean vehicles, forcing customers to share a ride and unreliable service cannot be tolerated. The addition of another provider may act as a catalyst for some positive changes to the existing taxicab service while allowing the public more transportation choices.

With regard to the number of taxicabs operated, the applicant did not submit sufficient evidence that eight taxicabs are needed in Fairfield. The Department is concerned that destabilizing the market by adding too many taxicabs, when there is no proof that there is enough work for these additional eight (8) taxicabs, will ultimately hurt the public. Flooding the market with too many vehicles leads to taxicab drivers not making enough money and can result in fights between the drivers, customer stealing, bad maintenance on the vehicles and a host of other ills that occurs when the market place is flooded with a service and people can't make a decent wage.

Studies have shown that areas that have deregulated the taxicab industry have often reregulated it at a later point in time due to various problems which resulted.

That being said, however, there was evidence that the current taxicab service is not meeting customer's needs. A good place for the applicant to start would be four (4) taxicabs. This number would alleviate some of the trouble that is occurring at the train stations with patrons being forced to ride together and give the public more opportunities to use public transportation. This is also the number of vehicles that was granted to Fairfield Cab which are not currently registered or in operation. If the applicant finds that these four (4) vehicles are not enough to meet customer demand, it can reapply at any time for additional vehicles.

In support of financial wherewithal, the applicant presented evidence that the annual insurance premium is \$4,000 per vehicle except the van which will cost \$4,200. Expenses the applicant will incur include \$150 per month per vehicle and property tax of \$700 annually. The applicant will operate 2007 Lincolns and a 2006 Ford E-350 van. The applicant's total assets are \$1,106,617 with current liabilities of \$360,205. The applicant operates its own garage for vehicle maintenance. Based on the evidence presented the applicant has sufficient assets to operate the proposed service.

On the issue of suitability, the applicant presented a criminal record check for Mr. Serlin which disclosed no criminal record. Mr. Serlin has been operating a livery business for some time, so he has experience in the livery industry which should be comparable to the taxicab industry. There is no evidence that the applicant or its management is not suitable to operate the proposed taxicab company.

#### IV. CONCLUSION AND ORDER

Therefore, based upon the above and pursuant to Connecticut General Statutes Section 13b-97, as amended, the application of Chauffeured Limousine Service, Inc. d.b.a. Red Dot Taxi Service is hereby granted in part and Certificate Number 1220 is hereby issued as follows:

TAXICAB CERTIFICATE NUMBER 1220 FOR THE OPERATION OF MOTOR VEHICLE IN TAXICAB SERVICE

Docket No.1007-N-55-T Chauffeured Limousine Service, Inc. DBA Red Dot Taxi Service Page 4 of 5 Chauffeured Limousine Service, Inc. d.b.a. Red Dot Taxi Service is permitted and authorized to operate four (4) motor vehicles within and to and from Fairfield.

#### RESTRICTIONS:

The applicant must register all four (4) of the vehicles granted under this certificate within thirty (30) days from the date of this decision.

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 15th day of October 2010.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

Judith Almeida, Esq.

Staff Attorney III

Administrative Law Unit

Bureau of Public Transportation