



STATE OF CONNECTICUT
DEPARTMENT OF TRANSPORTATION



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Phone:

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DOCKET NO. 1301-NGOV-171-L

ERRATUM AS TO PERMIT NUMBER

RE: APPLICATION OF PEOPLES TRANSIT, LLC TO OPERATE FOUR (4) MOTOR VEHICLES, HAVING A SEATING CAPACITY TEN (10) ADULTS OR LESS, IN THE TRANSPORTATION OF PASSENGERS FOR HIRE BY VIRTUE OF A CONTRACT WITH, OR A LOWER TIER CONTRACT FOR, ANY FEDERAL, STATE OR MUNICIPAL AGENCY BETWEEN ALL POINTS IN CONNECTICUT FROM A HEADQUARTERS IN SOUTHURY, CONNECTICUT.

CORRECTED FINAL DECISION

January 15, 2014

I. INTRODUCTION

A. Application

By application filed on January 13, 2013 with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-103(a)(3) of the Connecticut General Statutes, as amended, Peoples Transit, LLC (hereinafter "applicant") whose mailing address is 1224 Mill Street, East Berlin, Connecticut seeks authorization to operate four (4) motor vehicles, having a seating capacity of ten (10) adults or less, in the transportation of passengers for hire by virtue of a contract with, or a lower tier contract for, any federal, state or municipal agency between all points in Connecticut from a headquarters in the town of Southbury, Connecticut.

B. Hearing

Pursuant to Connecticut General Statutes, Section 13b-103(a)(3), as amended, a public hearing on this application was held on December 12, 2013.

Notice of the application and of the hearing to be held thereon was given to the applicant and to such other parties as required pursuant to General Statutes Section 13b-103(a)(1), as amended. Legal notice to the public was given by publication on the department's web site at www.ct.gov/dot.

The Commissioner of Transportation designated the undersigned hearing officer to conduct the hearing on this matter, pursuant to Connecticut General Statutes Section 13b-17.

C. Appearances

The applicant appeared through its owners Elnur Sadygov and Mirza Sadigov and was represented by Polina Shapiro, Esq. whose mailing address is 650 Farmington Avenue, Hartford, Connecticut 06105.

No opposition was filed to this application.

II. FINDINGS OF FACT

1. The applicant is currently the holder of livery Permit number 3261 and is authorized to operate vehicles in livery service. These vehicles are currently used to provide transportation under contract with Logisticare Solutions, LLC (hereinafter "Logisticare"), a transportation broker that provides non-emergency medical transportation to Medicaid clients in the State of Connecticut.

2. The applicant seeks to add four (4) vehicles to its fleet to provide additional non-emergency medical transportation for Logisticare's clients.

3. Logisticare assigns the applicant approximately 120 trips per day. With its current fleet of cars, the applicant is able to complete the trips it receives most of the time; however, there are complaints lodged against the applicant because of they are sometimes late.

4. The only complaint Logisticare has about the applicant is the timeliness issue. Logisticare supports the applicant in every way, especially the applicant's request for 4 vehicles since additional cars would take care of the timeliness issue.

5. With the implementation of the Affordable Care Act, Logisticare anticipates a 10 percent increase in Medicaid patients (approximately 55,000 additional patients) who will need non-emergency medical transportation beginning January 2014.

6. If approved, the applicant will be providing transportation for Logisticare in the Southington and New Britain areas and as well as south central Waterbury and northern New Haven region and surrounding area.

7. Claude Bisson has been employed by Logisticare for 15 years and has worked as its Transportation Manager for the past 8 years. As the Transportation Manager for Logisticare, Bisson supports the approval of the instant application for four (4) additional livery vehicles to help meet Logisticare's demand for non-emergency medical transportation.

8. The contract by and between Logisticare and the applicant is current, executed and automatically renews annually.

9. But for its timeliness issues because of the lack of enough vehicles, the applicant is an excellent transportation provider for Logisticare; the applicant has helped Logisticare provide transportation to remote areas of the state when needed.

10. The owners/managers of the applicant company have no criminal convictions.

11. The applicant owns outright the four vehicles it intends to use for this business.

12. The applicant's cash on hand as of October 31, 2013 totals approximately \$20,000. The annual insurance premium for the four vehicles totals approximately \$11,200 per year, which cost will be financed monthly. Other estimated costs and expenses including gas, repairs, and maintenance for a six month period total approximately \$4,500. The office is currently in existence and will not add additional expense. The applicant's revenue since inception is \$117,426 with a net income of \$22,268. Based on the financial information presented, the estimated net income for six months would be approximately \$17,000.

13. The applicant had a violation in September for which it paid a civil penalty in the amount of \$500. The applicant immediately remediated its violation and paid a minimal civil penalty. The applicant is currently in compliance.

14. No opposition was presented to this application.

III. DISCUSSION

The department has jurisdiction over each person, association, limited liability company or corporation owning or operating a motor vehicle in livery service, pursuant to General Statutes Section 13b-102.

In determining whether a livery permit should be granted, the department shall take into consideration the present or future public convenience and necessity. The applicant must prove that the public's convenience and necessity will be improved by the proposed service. Additionally, the applicant must show the suitability of the applicant or the suitability of the management if the applicant is a limited liability company or corporation, the financial responsibility of the applicant, the ability of the applicant efficiently and properly to perform the service for which authority is requested and the fitness, willingness and ability of the applicant to conform to the provisions of the statutes and the requirements and regulations of the department thereunder, in accordance with General Statutes Section 13b-103.

The applicant provided the requisite balance sheet and proof of its cash on hand. The applicant showed a net profit and has funds to operate for an initial six months. The applicant is currently in operation and has had no problems with its operation.

The owners/managers of the applicant company testified to their ability and willingness to operate within the confines of the regulatory scheme governing livery service. Claude Bisson, Logisticare's Transportation Manager spoke highly of the company.

The applicant and Logisticare are parties to an existing contract for non-emergency transportation services to Medicaid patients. Logisticare expects its demand for transportation to increase significantly based on the passage of the Affordable Care Act.

While this hearing officer presided over a citation matter for the applicant, the applicant had remediated its violation immediately upon being noticed thereof. The applicant paid its civil penalty assessment and it is currently in compliance. The violation was minimal in nature and will not be held against the management's suitability.

IV. CONCLUSIONS OF LAW

There is substantial evidence on the record to conclude that the applicant's management is suitable to operate the proposed service and follow the rules, regulations and statutes governing livery service. Moreover, it is financially suitable to operate the proposed service and there is an existing contract meeting the public convenience and necessity requirement in accordance with Connecticut General Statutes Section 13b-103.

V. ORDER

Based upon the above and pursuant to Connecticut General Statutes Section 13b-103, as amended, the application of Peoples Transit, LLC is hereby granted and Permit Number 3261, standing in the name of Peoples Transit, LLC, is hereby amended and reissued as follows:

LIVERY PERMIT NO. 3261 **FOR THE OPERATION OF MOTOR VEHICLES IN LIVERY SERVICE**

Peoples Transit, LLC is hereby permitted and authorized to four (4) motor vehicles with a seating capacity of less than ten (10) adults in general livery service from a headquarters in Southbury.

This authority (transferred in Docket No. 1202-S-17-L on May 9, 2012) may not be sold or transferred until it has been operational, i.e. its vehicles registered with livery plates thereunder, for not less than twenty-four (24) consecutive months. If during the twenty-four (24) month period the applicant enters into a contract for the full or partial sale and transfer of any of the vehicles authorized, the authorization transferred to this Permit will be revoked.

Peoples Transit, LLC has thirty (30) days from the date of the decision (in Docket No. 1202-S-17-L) to register four (4) livery vehicles.

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

This permit 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.

A Memorandum of this Permit, bearing the seal of the department, shall be kept conspicuously posted in the motor vehicles operated hereunder.

FOR THE PROVISION OF DURATIONAL TRANSPORTATION
OF PASSENGERS FOR HIRE BY VIRTUE OF A CONTRACT WITH
LOGISTICARE SOLUTIONS, LLC
Issued in Docket No. 1301-NGOV-171-L on January 15, 2014

Peoples Transit, LLC is hereby permitted and authorized to operate four (4) motor vehicles, having a seating capacity of less than ten (10) adults, for the provision of livery service under contract with Logisticare Solutions, LLC from a headquarters in Southbury, Connecticut.

The authority granted in this Docket No. 1301-NGOV-171-L shall be durational in nature and shall exist only for the period of time that the permit holder has a current and continuing contract in effect for the provision of service with Logisticare Solutions, LLC.

The Permit holder shall notify the department of any termination of its contract with Logisticare Solutions, LLC or the cessation of the active provision of service thereunder. The Permit holder shall file with the department on an annual basis, upon registration or re-registration of the motor vehicles authorized in this decision, a current, executed copy of the extension of said contract. Failure to file an extension of the contract or a new executed contract with Logisticare Solutions, LLC shall void the authority for the vehicles authorized pursuant to this contract.

This permit is not transferable and shall remain in effect until revoked by the department or until the contract under which this authority is granted has expired. Failure of the permit holder to maintain proper insurance and/or comply with all pertinent motor vehicle laws and other State statutes and/or rules, regulations and orders of the department shall be considered sufficient cause to amend, suspend or revoke said permit.

A Memorandum of this Permit, bearing the seal of the department, shall be kept conspicuously posted in the motor vehicles operated hereunder.

Dated at Newington, Connecticut, this 15th day of January 2014.

CONNECTICUT DEPARTMENT OF TRANSPORTATION



Laila A. Mandour
Staff Attorney III
Administrative Law Unit
Bureau of Finance and Administration