

STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION



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DOCKET NO. 1407-N-119-HG

RE: APPLICATION OF 1-800-PACK-RAT TO OPERATE MOTOR VEHICLES IN THE TRANSPORTATION OF HOUSEHOLD GOODS FOR HIRE, AS A HOUSEHOLD GOODS CARRIER, OVER IRREGULAR ROUTES BETWEEN ALL POINTS IN CONNECTICUT UPON CALLS RECEIVED FROM A HEADQUARTERS IN NORTH HAVEN, CONNECTICUT.

FINAL DECISION

November 10, 2014

I. <u>INTRODUCTION</u>

A. Applicant's Proposal

By application filed on July 7, 2014, pursuant to Section 13b-389 of the Connecticut General Statutes, 1-800-Pack-Rat, LLC (hereinafter "applicant"), located at 297 State Street, Building B, North Haven, Connecticut seeks authorization from the Connecticut Department of Transportation (hereinafter "department") to operate motor vehicles in the transportation of household goods for hire as a household goods carrier over irregular routes between all points in Connecticut from a headquarters in North Haven.

B. <u>Hearing</u>

Pursuant to Connecticut General Statutes §13b-390, a hearing on this application was held at the administrative office of the department, in Newington, Connecticut on October 23, 2014.

Notice of the application and of the hearing to be held thereon was given to the applicant and to other parties as required by General Statutes §13b-390. Notice to the public was given by publication the department website 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 §13b-17.

C. Appearances

The applicant appeared through its vice-president and general counsel, Andrew M. Friedman, whose mailing address is 6400 Goldsboro Road, Suite 300, Bethesda, Maryland 20817.

No opposition was presented to this application.

II. <u>FINDINGS OF FACT</u>

- 1. The applicant is a nationwide company that has a network of 62 locations and a portable storage fleet of over 25,000 containers, regulated by the U.S. D.O.T. The applicant maintains a headquarters in North Haven, Connecticut.
- 2. The applicant provides containers for storage, on-site temporary storage, longer term warehouse storage, local relocation and storage, and long distance relocation and storage services.

- 3. The applicant has been in operation for several years in Connecticut as a storage company, providing containers and storing them in their warehouse in North Haven until it is called to take the containers to the final destination.
- 4. Currently, in Connecticut, the applicant's services are "self-serve" and moving must be done by the purchaser of the service.
- 5. The applicant seeks household goods moving authority in Connecticut to provide a full service moving company whose employees can pack and move people within the State of Connecticut.
- 6. Clint Grano is the day to day operations manager who deals with customers requesting the applicant's services to move them within the State. He declines many calls from elderly folks because the applicant is unable to provide the labor with the moving of containers.
- 7. The applicant has a national call center for reservations. Once the reservation is made, the dealings relative to the move of the container are local.
 - 8. The management members of the applicant show no criminal record history.
- 9. The applicant has been in operation in Connecticut as a storage company since 2006 and is in good standing with the Federal Motor Carrier Safety Association and in Connecticut with regard to its Connecticut business filings.
- 10. Belinda Walwyn lives in Newington. She moved from Hebron to Newington and would have used the applicant's service had the applicant been able to conduct household moves. As it was, her move was protracted since her friends and relatives made numerous trips back and forth from her old house to her new house. The applicant's services, had it been authorized to conduct household moves, would have been more cost effective than hiring a large household goods mover.
- 11. Kris Kolaczenko moved from Colchester to Amston and would have used the applicant had the applicant been authorized to provide instate moves.
- 12. The applicant holds a certificate of insurance for coverage of a million dollars with an umbrella of \$15 million.
- 13. The applicant's budget for repairs and maintenance for its North Haven location is \$50,000. The applicant has a national maintenance contract with a maintenance company.
- 14. Seven trucks will be used in North Haven, all of which are owned outright by the company.

- 15. The addition of household goods moving to the current operation will not have any significant changes in the company's marketing, advertising, storage capability, effect on business as it is currently operated.
- 16. As of August 31, 2014, the applicant's current liquid cash was \$8,371,362, total assets were \$118,337,128 and total equity was \$50,891,410.
 - 17. The applicant has a \$50 million credit facility in place with Wells Fargo Capital.
- 18. The applicant will hire fully qualified moving staff, which will be insured and fully trained.
 - 19. No opposition was presented to this application.

III. <u>DISCUSSION</u>

The Department of Transportation has jurisdiction over any person operating any motor vehicle in the transportation of household goods for hire as a household goods carrier pursuant to Section 13b-389 of the Connecticut General Statutes. Further, no person shall operate as a household goods carrier within Connecticut without first obtaining a certificate of public convenience and necessity to so operate.

In determining whether or not such a certificate shall be granted, the Commissioner of Transportation shall take into consideration the existing motor transportation facilities and the effect upon them of granting such a certificate, the suitability of the management of the applicant, the financial responsibility and the financial stability of the applicant, the ability of the applicant efficiently to perform the service for which the authority is requested, the criminal history of the applicant, the condition of and effect upon the highways involved and the safety of the public using such highways. In addition, the commissioner shall take into consideration such recommendations as to motor transportation facilities, or highways, or the effect of granting such certificate upon either of them, or the safety of the public using such highways, pursuant to pursuant to Section 13b-392 of the General Statutes, as amended by Public Act No. 14-68.

The applicant has been active as a storage facility and operator of storage containers from a North Haven headquarters for several years. It is a nationwide company that provides interstate moving and storage and that also has in-State authority in several states to provide household goods moving services. The applicant has the financial resources to provide the service and has financial stability to sustain it operations in the State of Connecticut. The members of management of the applicant have no record of criminal convictions and the company is in compliance with the federal requirements for licensing. The applicant is fully insured.

No evidence was presented on the record to show that the applicant is not suitable to operate the proposed service or that there would be a negative effect on the highways resulting from the operation of this service. The evidence shows the opposite, that the company has been in existence and has used the highways and has had no problems, or caused any problems as a result. Moreover, there was no evidence that the proposed service would have a negative impact on the public.

IV. CONCLUSIONS OF LAW

Based on the substantial evidence of record, and in accordance with Connecticut General Statutes §13b-392, as amended by Public Act No. 14-68, the applicant meets the criteria for the grant of household goods authority.

V. ORDER

Based upon the above and pursuant to Section 13b-392 of Connecticut General Statutes, as amended by Public Act 14-68, the application of 1-800-Pack-Rat, LLC is hereby granted and the following certificate is hereby issued:

CERTIFICATE NO. 1776 TO OPERATE MOTOR VEHICLES FOR THE TRANSPORTATION OF PROPERTY FOR HIRE AS A MOTOR COMMON CARRIER

1-800-Pack-Rat, LLC is hereby permitted and authorized, subject to such regulations and conditions as the department may from time to time prescribe, to transport property for hire as a motor common carrier over irregular routes as follow:

Household goods, within the State of Connecticut, between all points upon calls received at its headquarters in North Haven, Connecticut.

RESTRICTIONS:

The certificate holder must accept and transport property, as herein authorized in accordance with its tariff on file with the department, for all persons who desire the service to the extent of the certificate holder's facilities at uniform rates for all similar service.

This certificate cannot be sold or transferred until it has been operational for more than 24 months.

There shall be carried in each vehicle operated under this authority, a copy of the certificate registration receipt issued by the department.

This certificate shall remain in effect until 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 rules, regulations and orders of the department shall be considered sufficient cause to amend, suspend or revoke said certificate. This certificate may be transferred only with approval of the department and within the conditions and restrictions contained herein.

Dated at Newington, Connecticut, on this 10th day of November 2014.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

Laila A. Mandour

Staff Attorney III

Administrative Law Unit

Bureau of Finance and Administration