

STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION



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

(860) 594-2875

DOCKET NO. 1704-NGOV-29-L

RE: APPLICATION OF TIX TRANSPORTATION TO OPERATE ONE (1) MOTOR VEHICLE, HAVING A SEATING CAPACITY OF LESS THAN ELEVEN (11) ADULTS, FOR 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 HEADOUARTERS IN MANCHESTER.

DECISION

JULY 20, 2017

I. INTRODUCTION

A. <u>APPLICATION</u>

By application filed on April 13, 2017, with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-103 of the Connecticut General Statutes, as amended, Tix Transportation, LLC (hereinafter "applicant") with a mailing address of P.O. Box 245, Vernon, Connecticut seeks authorization to operate one (1) motor vehicle, having a passenger seating capacity of less than eleven (11) adults, for 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 Manchester.

B. HEARING

Pursuant to Connecticut General Statutes, Section 13b-103(a) (3), as amended, a public hearing on this application was held on June 6, 2017 and July 13, 2017.

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 Connecticut General Statutes Section 13b-103(a)(1), as amended. Legal notice to the public was given by publication on the department's website.

A hearing officer designated by the Commissioner pursuant to Connecticut General Statutes Section 13b-17 conducted the hearing on this matter.

C. <u>APPEARANCES</u>

John Gagne appeared pro se on behalf of the applicant. The applicant's mailing address is P.O. Box 245, Vernon, Connecticut 06066.

Michael Olschafskie, President of Ace Transportation, LLC, appeared as an intervenor in this case. Ace Transportation, LLC was represented by attorney Gregory Kimmel from Berchem, Moses & Devlin, P.C. with a mailing address of 9 Morgan Avenue, Norwalk, Connecticut 06851.

Claude Bisson, Transportation Manager for Logisticare Solutions, LLC appeared as a witness. His mailing address is 127 Washington Avenue, 5th Floor, North Haven, CT 06473.

D. ADMINISTRATIVE NOTICE

Administrative notice was taken of the decision of Sky Transportation, LLC in Docket Number 1402-AV-126-L issued on October 8, 2014.

II. FINDINGS OF FACT

- 1. The applicant seeks to operate one (1) motor vehicle under contract with transportation broker Logisticare from a headquarters in Manchester.
- 2. Ace Transportation, LLC operates fourteen (14) vehicles under governmental contract from a headquarters in Vernon. Ace Transportation, LLC also has fourteen (14) vehicles in general livery from a headquarters in Enfield and two (2) vehicles to transport the elderly and handicapped.
- 3. Claude Bison from Logisticare supports the application for one (1) livery vehicle from headquarters in Manchester due to the need for additional providers.
- 4. Ace Transportation, LLC does not do all of the calls assigned to it from Logisticare.
 - 5. Ace Transportation, LLC typically handles 500 to 600 calls per day.
- 6. Logisticare had 620 valid complaints against Ace Transportation, LLC from January 2017 until the hearing date. The complaints included no shows, late pickups, no air conditioning, dirty cars and vehicle break downs among other things.
- 7. Logisticare has forty (40) unmet trip requests in the state per week, twenty-four (24) of these unmet trip requests are in the region the applicant wants to operate in.
- 8. The applicant's first six months of expenses includes insurance of \$1,427, maintenance of \$280, property tax of \$118, office expenses of \$50 for a total expense of \$1,875.
 - 9. The applicant has \$3,000 in a Santander Bank.
- 10. Mr. Gagne was the former General Manager of Ace Transportation, LLC from 1992 until he left in March of 2017. While at Ace Transportation, LLC, Mr. Gagne performed a variety of tasks including driving, dispatching and managing the office.
 - 11. The applicant will operate a 2008 Ford Focus in the livery service.
- 12. The applicant will perform ten (10) to twelve (12) livery trips per day for Logisticare.
- 13. Logisticare contracts do not guarantee any specific call volume to the transportation providers. Trips are assigned by an equitable distribution method to ensure all operators have enough work.
 - 14. Logisticare has difficulty assigning last minute add on calls to operators.

- 15. Ace Transportation, LLC returns some call requests it receives from Logisticare thereby creating a void in service for Logisticare.
- 16. Ace Transportation refuses calls from Logisticare during certain times because of bad past experience.

III. <u>DISCUSSION</u>

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

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 Connecticut General Statutes Section 13b-103.

To show financial support, the applicant has presented evidence that the applicant's first six months of expenses includes insurance of \$1,427, maintenance of \$280, property tax of \$118, office expenses of \$50 for a total expense of \$1,875. The applicant has \$3,000 in a Santander Bank which is more than enough to cover these initial costs. The applicant has proven financial suitability.

Regarding the applicant's suitability, the applicant submitted a criminal history form for Mr. Gagne showing a past conviction. Since the applicant still retains a public service license to drive a livery vehicle, that conviction is not considered relevant to the suitability determination in this matter. Mr. Gagne has many years of experience in the livery industry acting as a General Manager for Ace Transportation, LLC. He has acquired the knowledge to operate an efficient livery company. Based on the evidence presented, the applicant is suitable to operate a livery service.

The record is clear that Logisticare needs additional livery support. Requests for livery service are being refused by operators including refusals by Ace Transportation, LLC. There are forty (40) trips per week not being addressed in the state and twenty-four (24) of these are in the area the applicant is seeking to service. In addition, there are many valid complaints against Ace Transportation's livery service for a variety of performance issues which impacts on Logisticare's ability to perform under its contract with the state.

Logisticare is ready willing and able to contract with the applicant for livery service.

Claude Bisson, Transportation Manager for Logisticare, fully supports the applicant's one (1) livery vehicle. Mr. Bisson detailed the problems that Logisticare is having servicing all of its clients. The applicant's additional one (1) livery vehicle will improve Logisticare's mission of providing efficient livery service to its clients.

Mr. Olschafskie, from Ace Transportation, LLC, complained that the applicant's livery service will have a negative impact on his business but it appears that an underlying issue is that Mr. Gagne worked for Ace for many years and is now trying to operating his own company thereby competing with Ace. The addition of the applicant will have little, if any, effect on Ace Transportation, LLC and will only improve livery service to the public and support the work of Logisticare.

Based on all of the evidence presented, the applicant will be granted one (1) governmental livery permit.

IV. ORDER

Based upon the above and pursuant to Connecticut General Statute Section 13b-103, as amended, the application is hereby granted. Accordingly, Livery Permit Number 3595, standing in the name of Tix Transportation, LLC is hereby issued as follows:

LIVERY PERMIT NO. 3595

DURATIONAL LIVERY SERVICE UNDER CONTRACT WITH LOGISTICARE DOCKET NO. 1704-NGOV-29-L-GRANTED ON JULY 20, 2017

Tix Transportation, LLC is authorized to operate one (1) motor vehicle, having a seating capacity of less than eleven (11) passengers, for the provision of transportation for hire by virtue of a contract with Logisticare from a headquarters in Manchester.

RESTRICTIONS:

The applicant must register and insure the one (1) motor vehicle granted in this decision within sixty (60) days from the date of this decision. Any vehicles not registered or insured within the sixty (60) day period will be revoked automatically.

The applicant must submit an executed contract with Logisticare within sixty (60) days of the date of this decision or the authority contained herein will be automatically revoked. This decision constitutes notice pursuant to Connecticut General Statute Section 4-182.

The authority for the one (1) motor vehicles granted in Docket No. 1704-NGOV-29-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.

The permit holder shall notify the department of any termination of its contract with Logisticare 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 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 conspicuously posted in each motor vehicle operated under this permit.

Dated at Newington, Connecticut on July 20, 2017.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

Judith Almeida

Staff Attorney III

Administrative Law Unit

Bureau of Finance and Administration