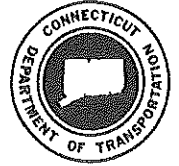


STATE OF CONNECTICUT  
DEPARTMENT OF TRANSPORTATION



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

Phone:

DOCKET NO. 1512-AT 165-T

RE: APPLICATION OF AAA CAB, LLC TO OPERATE TEN (10) MOTOR VEHICLES IN TAXICAB SERVICE WITHIN AND TO AND FROM THE TOWNS OF WINDSOR LOCKS, MANSFIELD, WINDHAM AND WILLINGTON.

FINAL DECISION

JUNE 30, 2016

## I. INTRODUCTION

### A. Applicant's Proposal

By application filed on December 16, 2016, with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-97 of the Connecticut General Statutes, as amended, AAA Cab, LLC (hereinafter "applicant") with a mailing address of 23 Laurel Street, Manchester, Connecticut 06040 seeks authorization to operate ten (10) motor vehicles in taxicab service within and to and from the towns of Windsor Locks, Mansfield, Windham and Willington.

### 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 of Transportation in Newington, Connecticut on June 7, 2016.

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 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

Mirza Akhtar appeared on behalf of the applicant. The applicant was represented by Michael Stone, Esq. who has a mailing address of 129 Church Street, Suite 806, New Haven, Connecticut 06510.

Michael Olschafski appeared on behalf of both Ace Taxi Service dba Ace Taxi (C-1066) and East Hartford Cab Company dba Ace Taxi (C-1145). Both companies were granted intervenor status in this matter and represented by Attorney Mary Alice Moore Leonhardt. Ms. Leonhardt's mailing address is 102 Oak Street, Hartford, Connecticut 06106.

## II. FINDINGS OF FACT

1. The applicant seeks to operate ten (10) taxicabs within and to and from Windsor Locks, Mansfield, Willington and Windham.

2. The applicant currently operates two (2) taxicabs under certificate 1167. The first vehicle has authority in Windsor Locks. The second vehicle has authority to operate in Bloomfield,

East Hartford, East Windsor, Enfield, Farmington, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, Somers, South Windsor, Suffield, Vernon, West Hartford, Wethersfield and Windsor.

3. East Hartford Cab Company dba Ace Taxi (hereinafter "East Hartford Cab") operates two vehicles in Windsor Locks under Certificate 1145. Ace Taxi Service dba Ace Taxi (hereinafter "Ace Taxi") operates eight taxicabs in Windsor Locks, Mansfield and Windham and two vehicles in Willington under certificate 1066.

4. The applicant utilizes a ten percent discount for customers who pay cash.

5. When the applicant refers trips to other taxicab drivers, he retains the billing function and processes the credit card charges himself.

6. The applicant will be utilizing owner operators to drive the additional ten vehicles he is requesting.

7. In the first six months of operation the applicant's expenses include insurance of \$28,072, vehicle repairs of \$9,000, advertising of \$900, cell phone costs of \$6,000 and business card expenditures of \$300.

8. The applicant has \$270,163 cash on hand in an account with Bank of America.

9. The applicant advertises extensively spending about \$2,000 a month.

10. Malik Hussain is one of the applicant's driver/dispatchers. He regularly refers taxicab business his company can't handle to other taxicab drivers.

11. Mohammad Jamil has been the owner of AA Cab since 2007. He operates one taxicab in Windsor Locks. He estimates that he gets three calls a day from the applicant to service taxicab requests that the applicant can't handle. Sometimes he is not able to take these calls because he is busy.

12. Raja Hussain is the owner of Americab which is authorized to operate two taxicabs in Enfield and in the sixteen towns that comprise the Greater Hartford Transit District. The applicant refers him two taxicab trips per day.

13. Aamer Paracha is the owner of Bradley Taxi which operates in Hartford. He gets about five trip referrals per week from the applicant. Some of these trip referrals he is not able to handle.

14. Mohammad Saeed is a driver for Americab. He gets ten to twelve referrals a week from the applicant. These trips are around the Hartford area and the University of Connecticut.

Many times he is not able to do these additional calls.

15. Sayeed Ahmed is a driver for Yellow Cab. He gets ten to fifteen referrals a week from the applicant for trips to the airport, the University of Connecticut and around Hartford. Since he is busy with his own customers, he often has to refuse these calls. He is willing to drive for the applicant if the application is approved. He typically performs ten to twenty trips per shift.

16. Muhammad Nusrat is a driver for Avery Cab. He receives six to seven calls per week from the applicant but he is not always able to do these extra calls. He is available to work for the applicant if this application is approved.

17. Malik Shahzed is a driver for Windsor Taxi which operates in the Greater Hartford Transit District and Windsor Locks. He gets referral calls from the applicant about ten times a week. He wants to work with the applicant if the application is granted.

18. The applicant has gained extensive driving experience since 1989 when he started driving a taxicab in New York.

19. The applicant purchased his first taxicab authorization in 2002 from Alpine. Later in 2007, he purchased the Windsor Locks taxicab authorization from Ace Taxi.

20. The applicant has accounts with the University of Connecticut and several companies including Stanadyne and The Hartford.

21. The applicant is performing taxicab trips for University of Connecticut two to three times a day.

22. The applicant refers twenty- five taxicab trips a day, from the service area requested, to other taxicab drivers.

23. The applicant testified that he has six or seven drivers who are willing to drive for him. He produced four drivers at the hearing.

24. Neither Ace Taxi nor East Hartford Cab has applied for additional vehicles in Windsor Locks, Willington, Mansfield or Windham.

25. Leanna Sacier is a driver for Ace Taxi on the 5:00 AM to 5:00 PM shift in Willington. She works during the week and performs four to six taxicab trips per shift. She has the ability to do another eight to ten trips per shift.

26. Robert Cote is an independent contractor with Ace Taxi. He works in the Mansfield and Willimantic area. He works Monday through Saturday from 7AM to 7 PM. He averages seven trips per shift. He has the ability to perform additional taxicab trips.

27. Scott Hamilton is a driver for Ace Taxi. He drives a 6:30 AM to 6:30 PM shift, five days a week, in Willimantic. He performs four to five trips per shift but he could perform ten more trips per shift.

28. Norwich Taxi also operates in the proposed service area.

29. Marco Henry is the owner of Yellow Cab. He currently operates eleven taxicabs in Windsor Locks. Twenty-five percent of his fleet is not being utilized. Mr. Henry has not applied for additional taxicab authorization in Windsor Locks since he purchased it in 1991.

30. Trip sheets, from 1/1/16 to 5/31/16, were submitted by East Hartford Cab which services Windsor Locks. The trip sheets reflect a total of 1974 trips over the five months averaging 389 trips per month or 13 trips per day for the fleet.

31. Trip sheets, from 1/1/16 to 5/31/16, were submitted by Ace Taxi which services Mansfield, Windham and Willington. The trip sheets reflect 1122 total trips over the five months for an average of 224 trips per month or 7 trips per day for the fleet.

32. The applicant provides a good level of customer service.

33. Stanadyne provides the applicant with 5 to 6 trips per day to the Bradley International Airport.

34. The applicant cannot perform as many calls as he receives from The Hartford.

### III. DEPARTMENT ANALYSIS

The Department of Transportation has jurisdiction over common carriers, which include 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 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.

Some factors to consider in determining public convenience and necessity are whether the service will benefit the relevant class of users, whether the proposed service is more efficient, more economical, more convenient, more satisfactory, or different than the services offered by the existing service providers, whether the new service would create a potentially beneficial effect upon rates and customer service and whether the acquisition of equipment would be more suitable to customer needs, whether the population in the area that the applicant proposes to service is increasing, whether potential customers have requested a service like that suggested by the applicant and whether the proposed service will improve the existing mode of transportation as recently defined in Steve Martorelli v. Department of Transportation (SC19307).

On the issue of public convenience and necessity, the applicant presented the testimony of three taxicab owners who regularly receive taxicab referral work from him. Mr. Akhtar refers approximately twenty-five trips per day to other taxicab operators. Although the applicant has been attempting to pass on this extra work, some of these calls are not being addressed since these operators can't always handle them.

The applicant has engaged in extensive advertising which has generated his own customer base. It is not fair to the applicant or his clients to have these calls passed on to other operators when these customers have specifically called him for service and may prefer to utilize his company because of the level of customer service that he provides.

The applicant has transportation agreements with several corporations who want to use his service. Although none of these agreements are exclusive, they do show evidence of usage by these organizations. The applicant's proposed service will be a clear benefit to the users of his taxicab service in addition to taxicab customers in the territory requested.

The question then becomes whether the number of vehicles requested by the applicant is supported by the evidence presented. Mr. Akhtar testified that he refers approximately twenty-five trips each day in the territory that he applied for. However, the number of calls Mr. Akhtar is referring does not support the ten additional vehicles requested. Several of the drivers in that territory testified that they can perform at least ten trips or more per shift on top of the five or so trips that they are currently doing. Even assuming a low number of ten trips per car per day, twenty-five trips a day would only justify a grant of three (3) additional vehicles.

The trip records submitted by the intervenor show an average of twenty total trips each day in the proposed service area of Mansfield, Windham, Willington and Windsor Locks. This territory is not generating enough calls to justify a grant of more than three (3) additional vehicles to the applicant. It would not be a benefit to the public to put extra taxicabs on the road that could not be supported by the existing work load.

It should be noted that the most effective way to show how much work a taxicab company is currently performing is by presenting trip sheets showing vehicle utilization. The applicant has failed to provide his trip records in this case to support his claim that he needs ten additional vehicles.

The applicant testified that he has six or seven individuals who can drive for his company. At the hearing he presented the testimony of four drivers who are currently driving for other companies but would leave their existing jobs to drive for him if this application is granted. The applicant stated that he will utilize owner operators who will each operate their own vehicle. Therefore, the number of actual drivers the applicant has proposed to utilize is not adequate to fill all ten vehicles the applicant has requested.

Regarding the adequacy of insurance coverage and safety equipment, the applicant presented a quote for insurance for the additional ten taxicabs for which he has ample funds to pay. The owner operators will supply their own taxicabs and will be required to undergo state inspections prior to registration.

With regard to suitability, the two members of the limited liability corporation supplied criminal conviction forms which showed no convictions. Mr. Akhtar has been operating two vehicles in taxicab service for several years. He has gained business experience by operating a taxicab company and his company has not been the subject of any citation hearings from the department.

That being said, several potential violations of the department's regulations were unearthed during the hearing. First, Mr. Akhtar has been charging a ten percent cash discount which is not allowed by the department. Mr. Akhtar testified at the hearing that he received approval from Mr. Lubin, the department's Utilities Examiner, to give this cash discount.

The applicant was allowed to bring forth any evidence that he had which showed that he received approval from the department for this cash discount. The applicant presented a late filed exhibit in the form of a 2010 tariff showing that there was a cash discount allowed at that time. Such a discount is not currently being accepted by the Department. It also appears that the applicant may have been utilizing the cash discount for trips other than those to and from airport as listed on the 2010 tariff.

The application also requests a cash discount which Mr. Lubin expressly denied. Since the applicant was initially granted the cash discount, use of it will not be held against him. However, the applicant must hence forth cease and desist utilizing a cash discount unless the department specifically grants it in a new tariff application.

The second issue which arose in the hearing is that the applicant is directly billing customers that he is referring to other taxicab companies. When a customer is referred to another taxicab company, the company performing the work is required to do the billing not the company

making the referral. In that way, the customer knows exactly which company performed the service. The applicant must cease this billing practice and only bill customers who have actually been serviced by his company.

The intervenors have attempted to discredit the applicant's suitability by bringing up a debt issue between Mr. Akhtar and Mr. Olschafskie concerning the Windsor Locks authorization the applicant purchased in 2007. This is not the forum to litigate that issue and it will not be considered in the suitability analysis.

The intervenors also claim that the applicant is working outside of his authorized service area. It was unclear from the record whether the applicant is actually violating his territorial restriction or is operating from the airport which allows taxicabs in the queue line to transport passengers to any location in the state. Any complaints the intervenors have regarding this issue should be addressed with Regulatory and Compliance.

Overall, the applicant is providing good customer service and is not overcharging or otherwise taking financial advantage of the public. The applicant must however cease utilizing the ten percent discount and billing customers for trips performed by other companies. Since these are not serious violations involving public safety or financial loss, the applicant will not be deemed unsuitable due to these actions.

As far as the applicant's financial wherewithal is concerned, the applicant presented evidence that he will be utilizing owner operators to drive the additional ten (10) vehicles. The first six months of the applicant's expenses include insurance of \$28,072, vehicle repairs of \$9,000, advertising of \$900, cell phone costs of \$6,000 and business card expenses of \$300 for a total expenditure of \$44,272. The applicant has \$270,163 cash on hand which is more than enough to cover these startup costs during the first six months of operation. Based on the evidence provided, the applicant has shown the requisite financial ability to have this application granted.

Based on the evidence presented, the applicant has proven that he has both suitability and financial wherewithal to be granted authority. The applicant has also shown that a partial grant of three (3) vehicles is required to satisfy public convenience and necessity in this case.

#### IV. CONCLUSION

Therefore, based upon the above and pursuant to Connecticut General Statutes Section 13b-97, as amended, the application of AAA Cab, LLC is hereby granted in part and Certificate Number 1167 is hereby issued as follows:

CERTIFICATE NUMBER 1167  
FOR THE OPERATION OF MOTOR VEHICLES IN TAXICAB SERVICE

AAA Cab, LLC is hereby permitted and authorized to operate motor vehicles in taxicab



service as follows:

1. Three (3) motor vehicles within and to and from Windsor Locks, Windham, Willington and Mansfield to all points in Connecticut.
2. One (1) motor vehicle within and to and from Windsor Locks.
3. One (1) motor vehicle within and to and from Bloomfield, East Hartford, East Windsor, Enfield, Farmington, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, Somers, South Windsor, Suffield, Vernon, West Hartford, Wethersfield, and Windsor.

**RESTRICTIONS:**

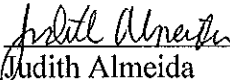
**The applicant must register the three (3) vehicles granted under this certificate within sixty (60) days from the date of this decision.**

This certificate may not be sold or transferred until it has been operational, i.e., its vehicles registered with taxicab plates thereunder, 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, as this department may from time to time prescribe, shall be considered sufficient cause to amend, suspend or revoke this certificate.

Dated at Newington, Connecticut on this 30<sup>th</sup> day of June, 2016.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

  
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Judith Almeida  
Staff Attorney III  
Administrative Law Unit  
Bureau of Finance and Administration