

# STATE OF CONNECTICUT

# DEPARTMENT OF TRANSPORTATION



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### CORRECTED FINAL DECISION

DOCKET NO. 1110-R-104-T

RE: PETITION OF NORWALK YELLOW CAB, INC. AND EVEREADY NORWALK, INC. TO INCREASE THE TAXICAB METER RATES IN NORWALK.

Final Decision

January 3, 2012

#### I. INTRODUCTION

#### A. PETITIONER'S PROPOSAL

By petition filed on October 21, 2011, with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-96 of the Connecticut General Statutes, Norwalk Yellow Cab, Inc. and Eveready Norwalk, Inc. (hereinafter "petitioners"), seek authorization to increase the taxicab meter rate in Norwalk.

#### CURRENT METERED TAXICAB RATES OF FARE:

METER DROP:

\$ 2.75 first 1/9 mile

TRAVEL:

.25 each additional 1/9 mile

WAITING TIME:

.25 every 34 seconds

#### PROPOSED METERED TAXICAB RATES OF FARE:

METER DROP:

\$ 3.00 first 1/10 mile

TRAVEL:

.25 each additional 1/10 mile

WAITING TIME:

.25 every 29 seconds

#### B. HEARING HELD

Pursuant to Sections 13b-96 of the Connecticut General Statutes, as amended, and Sections 4-177 through 4-182 of the Connecticut General Statutes, inclusive, this petition was assigned for a public hearing which was held at the administrative offices of the Department in Newington, Connecticut on December 15, 2011.

Notice of the petition and of the hearing to be held thereon was given to the petitioner, and to such other parties as deemed necessary by the department as required by Connecticut General Statutes Section 13b-97, as amended. Legal notice to the public was given by publication on the department's website.

#### C. <u>APPEARANCES</u>

Vito Bochicchio appeared on behalf of both Norwalk Yellow Cab, Inc. and Eveready Norwalk, Inc., the petitioners. The mailing address is P.O. Box 15, Darien, CT 06820.

Rrock Shtufaj appeared pro se on behalf of Norwalk Taxi. Although Norwalk Taxi did not file a timely petition for party and intervenor status, Mr. Shtufaj was allowed to participate in the hearing by presenting evidence and making a statement. Norwalk Taxi's mailing address is 163 Connecticut Avenue, Norwalk, CT 06854.

Sheldon Lubin, department staff, appeared on behalf of the Regulatory and Compliance Unit.

#### D. ADMINISTRATIVE NOTICE

Administrative notice was taken of the testimony in rate hearings in Docket Number 1108-R-85-T, 1105-R-42-T, 1104-R-34-T, 1109-R-91-T and 1108-R-84-T.

# II. FINDINGS OF FACT

- 1. The petitioner seeks to increase the meter rate for taxicab fares in the town of Norwalk.
  - 2. The last metered rate increase in this area was in 2007.
- 3. Since the last meter rate increase, there has been an increase in taxicab related costs including insurance, vehicle parts, cost of vehicles, gasoline and car maintenance among other things.
- 4. The petitioner produced numerous invoices showing the increased costs they have absorbed since the last rate increase. In 2007, it cost \$69 per tire which has risen to \$126 today. It cost \$400 to paint a car in 2007 and now it costs \$450. Another example of price increases is cost of mechanic services which has risen about 15 percent since the last rate increase.
- 5. Mr. Bochicchio and Mr. Shtufaj claim they will not be raising the lease fee as a result of a new meter rate.
- 6. Mr. Shtufaj agrees that a meter rate increase is in order but he does not think that increasing the rate to what Mr. Bochicchio has petitioned for is a good idea with the bad economy. Mr. Shtufaj proposed a lower taxicab rate.
- 7. Mr. Lubin proposed an intermediate rate between what was petitioned for and the lower alternate rate proposed by Mr. Shutfaj. Both parties were in agreement that this rate would allow the drivers to gain additional income but would not overly burden the taxi riding public.

# III. DEPARTMENT ANALYSIS

The department has jurisdiction over each person, association, limited liability company or corporation owning or operating a taxicab in accordance with Connecticut General Statutes Section 13b-93 as amended. In addition, the department is authorized to prescribe adequate service and reasonable rates and charges with respect to fares, service, operations and equipment, as it deems necessary.

The petitioners put forth evidence concerning the types of costs that have increased since the last rate increase in 2007. There was much evidence presented to show that there have been substantial increases in all areas that have affected the taxicab industry. Prices on insurance, gas, cars, parts, taxes and other expenses have all increased to the point that it would be reasonable to allow a meter rate increase. It is not reasonable to expect operators to absorb all of these additional costs.

Mr. Bochicchio petitioned for one rate and Mr. Shtufaj proposed a lower rate. The theory behind Mr. Shtufaj's lower rate is the concern that the taxi riding public would not be able to afford the petitioned rate. Mr. Lubin proposed a modest rate increase between where the two operators held their positions. After an analysis by the operators, both agreed that the alternate rate proposed by Mr. Lubin would allow the drivers to make a bit more money while not over burdening the taxi riding public especially on the short trips in Norwalk.

Based on the evidence presented, the petitioners have shown that the proposed meter is justified but a lower rate proposed by the department will be adopted.

#### IV. CONCLUSION AND ORDER

Based upon the above and pursuant to the authority granted under Connecticut General Statutes Section 13b-96, as amended, the petition filed by Norwalk Yellow Cab, Inc. and Eveready Norwalk, Inc. is hereby granted with a rate modification.

Therefore, it is hereby ordered that the following schedule of metered rates of fare shall be implemented for the town of Norwalk, shall become effective on Saturday, January 14, 2012 at 12:01 a.m.

#### NEW METERED TAXICAB RATES OF FARE:

METER DROP:

\$ 3.00 first 1/8 mile

TRAVEL:

.30 each additional 1/8 mile

WAITING TIME:

.30 every 30 seconds

There is no fuel surcharge allowed.

The metered rates in effect for Norwalk listed above on the date of the final decision are cancelled upon implementation of the new rates authorized herein.

Public notice of the intent to implement the rates authorized herein shall be given by the petitioners through publication of a legal notice in the Norwalk Hour, not less than five (5) days prior to such implementation. The petitioners operating in the above towns shall be responsible for the expense to place the legal notice.

The metered rates of fare approved herein shall apply to all taxicab operators servicing Norwalk.

Dated at Newington, Connecticut on this 3<sup>rd</sup> day of January 2012.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

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Staff Attorney III

Administrative Law Unit

Bureau of Finance and Administration