

STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION



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DOCKET NO. 1204-N-67-L

RE: APPLICATION OF NEW HORIZON, INC. TO OPERATE TWO (2) 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 FARMINGTON.

FINAL DECISION

October 29, 2013

I. <u>INTRODUCTION</u>

A. APPLICATION

By application filed on May 2, 2012, with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-103 of the Connecticut General Statutes, as amended, New Horizon, Inc. (hereinafter "applicant") located at 37 Bliss Memorial Drive, Unionville, Connecticut 06085 seeks authorization to operate two (2) motor vehicles, each having a passenger 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 Farmington.

B. HEARING

Pursuant to Connecticut General Statutes, Section 13b-103(a)(3), as amended, a public hearing on this application was held on December 11, 2012.

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. APPEARANCES

Michael Shaw appeared on behalf of New Horizons, Inc. Mr. Shaw's mailing address is 37 Bliss Memorial Drive, Unionville, Connecticut 06085.

D. AMMENDED APPLICATION

During the applicant's presentation it was discovered that the applicant had been given incorrect advice from the Department to file an application to transport handicapped and elderly persons when in fact, the majority of work the applicant wished to perform is work for the broker Logisticare. The applicant subsequently filed an application for livery service under contract on December 24, 2012 which was addressed in this decision.

II. FINDINGS OF FACT

- 1. The applicant seeks to provide non-emergency transportation to residents in the Farmington area under a contract with Logisticare.
- 2. The applicant will be operating two (2) vehicles in this endeavor with service to Farmington, Canton, Avon, New Hartford, New Britain, Burlington and Simsbury.
- 3. The applicant is a nonprofit that operates New Horizon Village and Cherry Brook, a nursing home. In conjunction with operating those facilities, the applicant has gained transportation experience.
- 4. Jim McMellon of Logisticare testified that the applicant will be contracted by Logisticare to provide transportation in the Farmington area.
- 5. Frank Sullivan, a resident of New Horizon Village testified that he uses Logisticare to go to doctor's appointment but often has to wait long times for service. He knows of many instances where clients being transported from doctors' appointments have had difficulty getting transportation service or no service at all.
- 6. Many of the residents that the applicant works with are on Title 19 and are unable to pay privately for transportation.
- 7. Although the applicant originally filed to transport the elderly and handicapped, the applicant would not be paid privately by the client so it could not be licensed under that statute.
- 8. Susan Vinal from Cherry Brook testified that most of the residents are on Title 19. Her residents often have difficulty with the transportation services from Logisticare. There are often no shows from Logisticare or residents have to wait a substantial amount of time for a ride.
- 9. Carol Kirkwood testified that the vans used by New Horizons that were designated for social functions now have to be placed into service for medical transportation due to the lack of providers.
- 10. Many of the applicant's transportation issues arose when American Medical Response stopped providing transportation for Logisticare.
- 11. Costs the applicant will have to incur include the annual insurance premium of \$3,250 and the cost to purchase two vehicles of \$76,884.
- 12. The applicant's total assets are \$15,050,732 with cash amounting to \$1,666,541. The applicant's total liabilities are \$12,309,363. This leaves a surplus of \$818,529.

13. The applicant failed to file a signed contract with Logisticare despite having been given many months to do so.

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, 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 there under, in accordance with Connecticut General Statutes Section 13b-103.

To show financial support the applicant submitted the following information which included the cost of the annual insurance premium of \$3,250 and the cost for purchasing the two vehicles of \$76,884. The applicant's total assets are \$15,050,732 with cash amounting to \$1,666,541 of that total. The applicant's total liabilities are \$12,309,363. This leaves the applicant a surplus of \$818,529. Based on the evidence of record, the applicant has shown financial suitability to operate the proposed livery vehicles.

In support of suitability to operate the proposed service, the applicant submitted a criminal record check for Mr. Shaw showing no convictions. Mr. Diaz who is also on the application, is unable to have himself finger printed due to his handicap. Mr. Danials who was originally on the application has since been removed. The applicant has experience in transportation and would service the public well. Based on the information of record, the applicant possesses the suitability to operate the proposed service.

Lastly, the applicant must prove that the public's convenience and necessity will be improved by the proposed service. The applicant presented a witness from Logisticare, Mr. James McMellon, who testified that his company needs livery additional vehicles and has sufficient work to keep two (2) of the applicant's vehicles busy due to the loss of American Medical Response. Unfortunately, the applicant was not able to get a contract with Logisticare after the hearing. Based on the evidence presented, the applicant has failed to submit an executed contract with Logisticare so this application must be denied.

VI. ORDER

Based upon the above and pursuant to Connecticut General Statutes Section 13b-103, as amended, the application of New Horizon, Inc. is hereby denied.

Dated at Newington, Connecticut, this 29th October 28, 2013.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

Judith Almeida

Staff Attorney III

Administrative Law Unit

Bureau of Finance and Administration

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