

BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: July 11, 2019 P7X
To: Board of Transportation Commissioners
From: Seleta J. Reynolds, General Manager
Subject: **RECOMMEND APPROVAL OF THE APPLICATION OF P & I TRANSPORTATION, INC. DBA P & I TRANSPORTATION FOR FIVE UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMITS**

RECOMMENDATIONS

That your Board:

- a. **Find** that P & I Transportation, Inc. dba P & I Transportation, based upon evidence of patients in need of transportation; public convenience and necessity, requires the operation of five unrestricted non-ambulatory passenger vehicles.
- b. **Grant** five unrestricted non-ambulatory passenger vehicle permits to P & I Transportation, Inc. dba P & I Transportation contingent upon:
 1. The applicant filing with the Department in such form as the Department requires and thereafter, keeping in full force and effect a policy of automobile liability insurance acceptable to the City Attorney and the City Risk Manager;
 2. The drivers and attendants obtaining the required permits;
 3. The applicant obtaining commercial or exempt registration for the vehicles;
 4. The vehicles passing Department inspection;
 5. The applicant complying with all Board rules and regulations and City ordinances pertaining to the operation of non-ambulatory passenger vehicles;
 6. The applicant charging only those rates for non-ambulatory passenger vehicle service as set forth in Board Order No. 602 (Ordinance No. 182,502) and successor regulations; and
 7. The vehicles must be placed into service within 120 days after the Board of Transportation Commissioners' (Board) approval, or such authority shall become invalid. Upon written request and for good cause, the Department in its discretion, may grant an extension of time beyond the initial 120-day period after Board approval. Any

request for an extension beyond the initial deadline date must be received prior to the 120-day deadline. Furthermore, if an extension is granted, only one extension may be allowed per application.

- c. **Impose** a two-year probationary period.

INITIATED BY

On August 15, 2018, the Department received an application requesting five unrestricted non-ambulatory vehicle permits to be used as wheelchair vans from Irina Yerkanyan, CEO of P & I Transportation, Inc. dba P & I Transportation (P & I Transportation), 8258 Sunland Blvd., Sun Valley, California 91352 (Attachment 1). On May 7, 2019, Ms. Yerkanyan submitted additional documents needed to complete the application.

DISCUSSION

P & I Transportation is not currently authorized by the Board to operate any vehicle for hire in the City of Los Angeles.

The history of P & I Transportation Inc.'s business is as follows: On August 1, 2014, the Articles of Incorporation were filed with the California Secretary of State establishing P & I Transportation, Inc. (Attachment 2). On August 30, 2017, a Statement of Information (California Stock, Agricultural Cooperative Corporations) was filed with the California Secretary of State naming Irina Yerkanyan as Chief Executive Officer, Chief Financial Officer, and Secretary of the company (Attachment 3). On July 26, 2018, P & I Transportation Inc. filed a Fictitious Business Name Statement with the Los Angeles County Clerk to do business as P & I Transportation (Attachment 4). Irina Yerkanyan is the sole shareholder of the company.

Public Convenience and Necessity

The application of P & I Transportation was evaluated against Section 2 of the Guidelines for Establishing Public Convenience and Necessity as established by the Board on August 11, 2005, for applicants with no unrestricted non-ambulatory passenger vehicle permits (Attachment 5).

- a. Experience – The resume of Irina Yerkanyan, CEO and General Manager of P & I Transportation was submitted. The applicant states that she was the general manager of the company since August 2014. Her resume also states that she managed the accounting system, coordinated operation development, monitored the dispatch systems, and updated operation policies.
- b. Background Check – A background check was conducted on the owner and general manager of P & I Transportation and no disqualifying criminal history was found as listed in Board Order No. 600.
- c. Financial Capability – The applicant submitted the Department of Motor Vehicle's registration for five non-ambulatory passenger vehicles. The applicant also submitted financial documents showing that the company demonstrates sufficient liquid assets to support the request for five non-ambulatory passenger vehicle permits.

- d. Reason for Requesting Permits – The applicant states that they strive to provide the safest and fastest medical transportation to the community. LogistiCare contracted with the applicant and expressed that there is a huge shortage in medical transportation service in the City of Los Angeles.
- e. Impact on Existing Transportation Providers – The applicant states that there will not be any negative impact on existing transportation providers. The applicant states that many transportation companies are overbooked and often not able to meet the growing demands. Therefore, the applicant plans to assist other existing providers from their overwhelming schedules.
- f. Description of Public Benefit – The applicant states that they will offer timely and courteous transportation service to benefit the patients and hospital facilities. The applicant proposes the service hours to be Monday through Sunday with extended hours to benefit the patients.
- g. Business Plan – The applicant submitted a business plan that includes the company's days and hours of operation, dispatching procedures, employee training plans, affirmative action policy, method of monitoring the quality of service, and emergency procedures. The hours of operation for the transportation service are Monday through Sunday, from 7 a.m. to 10 p.m.

DOCUMENTED VIOLATIONS

June 19, 2018, Incident:

In June of 2018, P & I Transportation was observed operating illegally within the City of Los Angeles. Per Section 71.00 of the Los Angeles Municipal Code, companies providing non-emergency medical transportation within the limits of the City must obtain authorization from the City prior to conducting such services. P & I Transportation was notified via certified mail to cease all illegal transportation operations through the Notice to Cease Unlawful Transportation Operations on June 21, 2018 (Attachment 6).

July 12, 2018, Incident:

On July 12, 2018, P & I Transportation was again observed operating illegally with an unpermitted driver, and unpermitted attendant using an unpermitted gurney vehicle to pick up a patient from Davita Crescent Heights Dialysis Center, 8151 Beverly Blvd., Los Angeles, California. P & I Transportation does not possess the necessary authorization to pick up passengers or patients from addresses within City limits. The unpermitted driver and an unpermitted attendant who only had an Imperial Regional Detention Facility I.D. as identification, were arrested for this violation. The company was again notified to immediately cease and desist from picking up passengers within the City until the company has obtained the proper permits through the City's Department of Transportation, as required by Sections 71.02 (a) and 71.03 (b) and 71.04.1 of the Los Angeles Municipal Code (Attachment 7).

August 14, 2018, Incident:

On August 14, 2018, P & I Transportation was again observed operating illegally by having an unpermitted driver and unpermitted attendant with an unpermitted gurney vehicle operating within the

City of Los Angeles. Per Section 71.00 of the Los Angeles Municipal Code, companies providing non-emergency medical transportation within the limits of the City of Los Angeles must obtain authorization from the City prior to conducting such services. Again P & I Transportation was not authorized to operate in the City of Los Angeles. A Notice to Cease Unlawful Transportation Operations was sent to P & I Transportation on August 14, 2018 (Attachment 8). The Department staff believes that P & I Transportation continued to operate illegally without City approval.

It is staff's recommendation that although P & I is making an effort to be in compliance, a two-year probationary period be imposed on this company based on the previous incidents, should vehicle authorities be granted. If the company is found in violation of any rule, regulation, law or statute of the City, County, or State within the probationary period, it shall result in the revocation of all authorities without any further action from the Board.

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Attachments