

BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: May 9, 2019 P7X
To: Board of Transportation Commissioners
From: Seleta J. Reynolds, General Manager
Subject: **RECOMMEND APPROVAL OF THE APPLICATION OF CYRUS SERVICES INC. FOR THREE UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMITS**

RECOMMENDATIONS

That your Board:

- a. **Find** that Cyrus Services Inc., based upon evidence of patients in need of transportation; public convenience and necessity requires the operation of three unrestricted non-ambulatory passenger vehicles.
- b. **Grant** three unrestricted non-ambulatory passenger vehicle permits to Cyrus Services Inc. 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.

INITIATED BY

On March 13, 2019, the Department received an application requesting three non-ambulatory passenger vehicle permits which include two gurney vans and one wheelchair van from Matthew Modaraei, CEO of Cyrus Services Inc., 15720 Ventura Blvd., Suite 415, Encino, CA 91436 (Attachment 1). On April 24, 2019, additional documents needed to complete the application were received.

DISCUSSION

Cyrus Services Inc. is not currently authorized by the Board to operate any vehicle for hire in the City of Los Angeles. Cyrus Services Inc. was previously given authorization by the Board to operate three unrestricted non-ambulatory passenger vehicles in the City of Los Angeles on May 10, 2018; however, the company was unable to place the vehicles into service within 120 days after the Board approval per the City's rules and regulations. For this reason, the three previously granted non-ambulatory vehicle permits were invalidated by the Department.

The history of Cyrus Services Inc.'s business is as follows: On August 12, 2015, the Articles of Incorporation of a General Stock Corporation were filed with the California Secretary of State establishing Cyrus Services Inc. (Attachment 2). A Statement of Information (California Stock, Agricultural Cooperative and Foreign Corporations) was filed with the California Secretary of State on April 9, 2019, naming Matthew Modaraei as Chief Executive Officer and Chief Financial Officer, and Reza Momeni as Secretary of the company (Attachment 3). Matthew Modaraei and Reza Momeni are the shareholders of Cyrus Services Inc.

Public Convenience and Necessity

The application of Cyrus Services Inc. 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 4).

- a. Experience – The resume of Matthew Modaraei, CEO and General Manager of Cyrus Services Inc. was submitted. The applicant states that he was the operation manager of Cyrus Services Inc. since August 2015. His resume also states that he conducted employee trainings, managed billing and accounting programs, monitored dispatching, investigated the complaints and accidents, and updated all city/state licenses.
- b. Background Check – A background check was conducted on the owners and general manager of Cyrus Services Inc., and no disqualifying criminal history was found as listed in Board Order No. 600.
- c. Financial Capability – The applicant submitted the Department of Motor Vehicles registrations for three non-ambulatory passenger vehicles that are ready to be placed into service within 120 days. The applicant also submitted financial documentation showing that the company demonstrates sufficient liquid assets to support the request for three non-ambulatory passenger vehicle permits.
- d. Reason for Requesting Permits – Currently, without the City of Los Angeles (City) permits, the applicant can only take its patients to their appointments but cannot provide return rides that

adversely affect patients' continuity of care. By obtaining the requested permits, they will be able to provide excellent transportation service in the City to meet the patients' requests.

- e. Impact on Existing Transportation Providers – The applicant states that there will be a positive impact on existing transportation providers because their high level of professionalism and new technology will influence other existing transportation providers to improve their quality of service.
- f. Description of Public Benefit – Applicant states that the patients will be benefited by their reliability and professionalism with gurney/wheelchair van services to meet the special needs.
- 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 Saturday, 24 hours per day.

There is no documented evidence of illegal operation by Cyrus Services Inc. in the City of Los Angeles in the past 12 months.

B19-013.isk
Attachments

