


BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: August 8, 2019 P7X
To: Board of Transportation Commissioners
From: Seleta J. Reynolds,  General Manager
Subject: **RECOMMEND APPROVAL OF THE APPLICATION OF SVAG TRANS INC. FOR ONE UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMIT**

RECOMMENDATIONS

That your Board:

- a. **Find** that SVAG Trans Inc. based upon evidence of patients in need of transportation; public convenience and necessity, requires the operation of one unrestricted non-ambulatory passenger vehicle.
- b. **Grant** one unrestricted non-ambulatory passenger vehicle permit to SVAG Trans 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 April 2, 2019, the Department received an application from Maria Melkumyan, CEO of SVAG Trans Inc. located at 1034 Thompson Avenue, Suite 2, Glendale, California 91201, requesting one non-ambulatory passenger vehicle permit to be used for wheelchair van service (Attachment 1). On July 24, 2019, Ms. Melkumyan submitted additional documents needed to complete the application.

DISCUSSION

SVAG Trans Inc. is not currently authorized by the Board to operate any vehicles for hire in the City of Los Angeles.

The history of SVAG Trans Inc.'s business is as follows: On September 10, 2018, the Articles of Incorporation of a General Stock Corporation were filed with the California Secretary of State establishing SVAG Trans Inc. (Attachment 2). A Statement of Information (California Stock, Agricultural Cooperative and Foreign Corporations) was filed with the California Secretary of State on September 20, 2018, naming Maria Melkumyan as Chief Executive Officer, Chief Financial Officer, and Secretary of the company (Attachment 3). Maria Melkumyan is the sole shareholder of the company.

Public Convenience and Necessity

The application of SVAG Trans 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 Suren Vardanyan, General Manager of SVAG Trans Inc. was submitted. The applicant states that he was the general manager of the company since January 2018. His resume also states that he hired and trained the employees, maintained policies and procedures, coordinated operation development, performed analysis of customer service, monitored dispatching system, and generated the leads to acquire new clients.
- b. Background Check – A background check was conducted on the owner and general manager of SVAG Trans 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 Vehicle's registration for one non-ambulatory passenger vehicle. The applicant also submitted financial documents showing that the company demonstrates sufficient liquid assets to support the request for one non-ambulatory passenger vehicle permit.
- d. Reason for Requesting Permits – The applicant stated that through their observation there are steadily growing demands for the medical transportation service; therefore, they plan to expand their service within the City of Los Angeles. In the meantime, they have also obtained contracts with multiple medical facilities within the City.

- e. Impact on Existing Transportation Providers – The applicant stated that there will not be any negative impact on existing transportation providers. The applicant will assist other existing providers to handle the ongoing increase of the trip volume.
- f. Description of Public Benefit – The applicant stated that they will offer high quality transportation service for patients with the highest standards of safety and customer care. The applicant also stated that their staff are well-trained to provide the professional patient care.
- 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, from 8 a.m. to 6 p.m.

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

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Attachments