ITEM #8

BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: March 9, 2023
To: Board of Transportation Commissioners
From: Connie Llanos, Interim General Manager
Subject: RECOMMENDATION TO ASSESS A $1,000.00 MONETARY PENALTY AND REVOKE FOUR UNRESTRICTED NON-AMBULATORY GURNEY AND TWO UNRESTRICTED NON-AMBULATORY WHEELCHAIR AUTHORITIES HELD BY ART MED TRANS, INC. (COMPANY ID #2677)

RECOMMENDATIONS

That your Board:

a. **Find** that repeated illegal transportation operations by Art Med Trans, Inc. (Art Med) in operating unrestricted non-ambulatory-gurney and wheelchair vehicles in the City of Los Angeles without valid permits, as required by Section 71.02(a) of the Los Angeles Municipal Code (LAMC) is grounds for revocation of four unrestricted non-ambulatory gurney vehicle permits and two unrestricted non-ambulatory wheelchair permits pursuant to the provisions contained in LAMC Section 71.08.

b. **Find** that Art Med was found guilty of violating Section 71.02(a) of the Los Angeles Municipal Code four times within the last six-months.

c. **Find** that, in spite of assessing monetary penalties, the company continues to operate illegally.

d. **Revoke** Art Med in its entirety.

e. **Direct** the Department to not accept any permit applications from Art Med Trans, Inc., or its principals operating under any other company name for a period of one year.

INITIATED BY

The Department initiated this report in view of the repeated illegal transportation operations by Art Med and the company’s failure to abide by the rules and regulations of the City of Los Angeles and the Department of Transportation.

DISCUSSION

On November 8, 2021, Art Med was granted authorization to operate two unrestricted non-ambulatory
gurney vehicles. Both vehicles, Units #100 and #110 were placed into service by the 120-day deadline. On October 24, 2022, Art Med was granted two additional unrestricted non-ambulatory Gurney and two unrestricted non-ambulatory wheelchair authorities. All four vehicles, Units #120, #130, #150, and #170 were placed into service prior to the deadline.

**Documented Violations**

August 23, 2022, 12:10 PM:

Unpermitted Art Med Unit #AM330, a white Ford Transit Connect, license plate #26937M3 was observed by an LADOT Investigator picking up a wheelchair patient from USC Kidney Center, 2310 Alcazar St, Los Angeles, CA 90033. Upon making contact with the driver, Ghasem Zomorodinia, the Investigator was able to confirm that the vehicle did not possess the required LADOT vehicle permits required for passenger/patient transports within the City. Hearing Notice #66460 was issued to the company for violation of LAMC §71.02 (a) – unpermitted vehicle. The company was notified the same day, via email of the issuance of the Hearing Notice and the scheduled date of the hearing.

The hearing was scheduled for September 1, 2022. After the hearing was conducted, Art Med was assessed a monetary penalty of $500.00. The penalty was paid on September 12, 2022.

December 16, 2022, 12:00 PM:

Unpermitted Art Med Unit #AM330, a white Ford Transit Connect, license plate #26937M3 was again observed by an LADOT Investigator picking up a patient from U.S. Renal Care, 14600 Roscoe Blvd, Panorama City, CA 91402. After making contact with the vehicle’s driver, Tigran Makaryan, the Investigator confirmed that a violation of LAMC §71.02 (a) – unpermitted vehicle had occurred and issued Hearing Notice #65805. On the same day, the company was notified via email that a Hearing Notice had been issued and the date of the hearing.

At the scheduled hearing on December 29, 2022, the Investigator concluded that a violation had occurred, but dismissed the violation with a warning.

December 23, 2022, 9:00 AM:

Unpermitted Art Med unit #AM230, a dark blue Dodge Grand Caravan, license plate #33349J3 was observed by an LADOT Investigator picking up a patient from USC Kidney Center, 2310 Alcazar St, Los Angeles, CA 90033. Unlike the other unpermitted vehicles, this vehicle, a Dodge Grand Caravan was dark in color with markings and logos that blended into the vehicle’s background making identification difficult. Upon making contact with the driver, Ghasem Zomorodinia, the Investigator was able to confirm that the vehicle did not possess the required LADOT vehicle permits required for passenger/patient transports within the City. Hearing Notice #65809 was issued to the company for violation of LAMC §71.02 (a) – unpermitted vehicle.

The hearing was scheduled for January 5, 2023. After the hearing, the Senior Investigator concluded that a violation had occurred and assessed a monetary penalty of $750.00. The penalty was paid on February 4, 2023.
January 27, 2023, 8:30 AM:

Unpermitted Art Med Unit #200, a white Toyota minivan, license plate #8XET770 was observed by an LADOT Investigator picking up a wheelchair patient from 8987 Laurel Canyon Blvd, Sun Valley, CA 91352. After making contact with the vehicle’s driver, Konstantin Bagdasaryan, the Investigator confirmed that a violation of LAMC §71.02 (a) – unpermitted vehicle had occurred and issued Hearing Notice #65810. The hearing was scheduled for February 9, 2023.

The company was also notified of the issuance of the Hearing Notice and the scheduled hearing date via email on the same date.

No one representing Art Med appeared for the hearing, and the Senior Investigator conducting the hearing concluded that a violation of LAMC §71.02 (a) – unpermitted vehicle had occurred. Due to the frequency of the observed violations, the decision was made to assess the appropriate monetary penalty of $1,000.00, but also present Art Med to the Board of Transportation Commissioners for further disciplinary action. On February 14, 2023, a "Failure to Appear Notice" (LE23-007.pab) was issued to the company notifying them of the Department’s decision.

PROPOSED DISCIPLINARY ACTION

The history of Art Med shows that the company knew or should have known that the operation of unpermitted non-ambulatory wheelchair and gurney vehicles was illegal, but consistently committed the violations, in spite of being assessed monetary penalties.

It is the recommendation of staff that due to the violative history of the company and their failure to effect remedies, even when given ample opportunity to do so, that the Board impose the monetary penalty of $1,000.00 as required by Board Order 580, Rule 1(b), and revoke all existing permits and authorities of Art Med and direct the Department that it may not accept any permit applications from Art Med Trans, Inc., Arthur Sahakyan, his relatives, and the company’s principals operating under any other company name for a period of one year.

Applicable Regulations

Vehicle permits are addressed in LAMC Section 71.02(a), which states in part:

“No person or corporation shall drive, operate, or use, whether as owner, lessor, lessee or otherwise, any of the vehicles defined in Section 71.00 to pick up or attempt to pick up passengers within the limits of the City of Los Angeles, or allow or permit to be operated, driven, or used, whether as owner, lessor, lessee, or otherwise, any of the vehicles defined in Section 71.00 to pick up or attempt to pick up passengers within the limits of the City of Los Angeles, unless a written vehicle permit for the operation of such specifically defined vehicles has been obtained from the Board . . .”

Grounds for revocation of permits is addressed in LAMC Section 71.08, which states:

“The following shall constitute grounds for denial, revocation, suspension or cancellation of any driver, attendant, or vehicle permit for which this article makes provision:
(a) Arrest for the commission of any crime while driving a vehicle defined in Section 71.00 or any crime involving moral turpitude;

(b) Violation of any rule or regulation of the Board, any section of the Los Angeles Municipal Code, Los Angeles Administrative Code and other ordinances of the City, any rule or regulation of the Department of Airports, and any section of a State Statute or Administrative Code, relating to the operation of a vehicle defined in Sec. 71.00 and for which a permit is required under this code.”

Waiver of hearing is addressed in Section 71.09(d), which states:

“Failure of permittee to respond to a notice to appear for a hearing before the General Manager of the Department or his authorized representative or before the Board is a waiver of the right to a hearing and action may be taken without permittee being present.”

Board Order 580 states, in part:

“Any occurrence/incident may have multiple violations and each violation will be reviewed and assessed independently. Any three occurrences/incidents of violations within a 12-month period may result in the Department’s recommendation to the Board to revoke all existing permits and impose a probationary period, for no less than one year, during which time no new applications will be accepted. Furthermore, depending on the severity of the violations(s), the Board may revoke all existing permits after the first or second violation and impose a probationary period of no less than one year.”

JMM/pab

B23-001.pab