


BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: May 9, 2024

To: Board of Transportation Commissioners

From: Laura Rubio Cornejo, General Manager 

Subject: **RECOMMENDED PENALTY ASSESSMENT OF \$2,490 AND PERMANENT REVOCATION OF SECURE MED TRANZ (ID #2676) DUE TO MULTIPLE VIOLATIONS OF THE LOS ANGELES MUNICIPAL CODE SECTIONS**

RECOMMENDATIONS

That your Board:

- a. **Find** that repeated illegal non-ambulatory/gurney passenger transportation operations within the City of Los Angeles (City) by Secure Med Tranz Inc (Co. ID #2676) resulted in violations of Los Angeles Municipal Code (LAMC) § 71.02(a) – unpermitted vehicle 71.03(b) – unpermitted driver, 71.04.1 – unpermitted non-ambulatory attendant, as well as violations of Board Orders 598.
- b. **Find** that on two occasions, Secure Med Tranz Inc has allowed a driver without the required valid California Driver License and an attendant without a required valid California Driver License or Identification card to transport gurney patients within the City.
- c. **Find that** Secure Med Tranz Inc has repeatedly failed to comply with the City’s rules and regulations, repeatedly placing the safety and care of patients the company transports in peril with the use of at least one unlicensed driver and attendant, and failed to submit payment for monetary penalties assessed. As of this report, the unpaid fine amount is \$2,490 including the addition of late fees and penalties.
- d. **Permanently revoke** Secure Med Tranz Inc authorization to operate a passenger transportation service within the City in its entirety.
- e. **Require** Secure Med Tranz Inc to pay the assessed monetary penalties and fines as well as any accumulated interest and fees within 30-days of the Board’s decision.
- f. **Direct** the Department that it shall not accept any permit application from Secure Med Tranz Inc, its principals, owners, and/or family members operating under any other name.

Initiated By

The Department has initiated this report in view of the repeated illegal transportation operations performed by Secure MedTranz Inc as well as the company's failure to submit required monetary penalty payments and failure to effect remedies; abide by or attempt to abide by the rules and regulations of the City of Los Angeles and the Department of Transportation.

DISCUSSION

Tigran Arutunyan (Arutunyan), Chief Executive Office of Secure Med Tranz Inc, submitted the first application requesting authorization to operate two unrestricted non-ambulatory/gurney vehicles on March 22, 2021. The Board granted this application on October 14, 2021. However, the company failed to submit two vehicles for inspection as required within the 120-day deadline and, after being given an extension of time to do so and failing to submit the vehicles for inspection, the authority terminated on February 11, 2022.

Arutunyan submitted a subsequent application on March 15, 2022, requesting to add two unrestricted non-ambulatory/gurney vehicles to his company's permitted fleet. This application was granted by the Board on May 12, 2022. Currently, Secure Med has one vehicle in service under this authority and one vehicle with a status of "Out-of-Service."

Documented Violations**Incident #1 – June 28, 2023, 12:30 pm:**

While conducting surveillance at a dialysis center located at 2723 W. Temple Street, a Department Investigator observed a Ford Transit vehicle (California license plate 66251P2) enter the parking lot of the facility. The vehicle displayed the company logo for Secure Med Tranz Inc (SMT Transportation, LLC)¹ and the Unit #8. After parking, two males exited the vehicle and entered the dialysis center with an empty gurney.

The two males exited the facility with a patient secured to the gurney. After loading and securing the patient, the Investigator approached the vehicle, identified himself and asked to see the driver and attendant's Los Angeles Department of Transportation (LADOT) issued permits. The driver was able to produce a valid, current LADOT permit issued for Secure Med Tranz Inc. The attendant was unable to produce an LADOT permit; a violation of LAMC § 71.04.1 - unpermitted attendant. Additionally, the vehicle did not display an LADOT issued vehicle permit, a violation of LAMC § 71.02(a) – unpermitted vehicle.

The driver contacted Arutunyan via cell phone so the Investigator could get more information. Upon hearing of the potential violations, Arutunyan became irate and argumentative stating that he had paid

¹ The authorized name for this company is Secure Med Tran Inc. Secure Med Tranz, LLC is not authorized.

all of the necessary fees and was waiting for an inspection². Due to the argumentative nature of the call, the Investigator terminated the call, and after the driver signed Hearing Notice #0066243, left the area.

Administrative Hearing - July 13, 2023

After hearing all of the evidence, the Investigator conducting the hearing concluded that the violations had occurred and assessed a \$1,000 fine. Arutunyan stated that he would pay \$100 for the unpermitted driver but would not pay anything else, again stating that he had paid all the required fees for Unit #8, but stated he was unable to provide any proof of this. Arutunyan then appealed the Department's assessment when advised that the assessed penalty was appropriate. This penalty remains unpaid.

Board of Transportation Meeting - August 10, 2023

On August 10, 2023, Arutunyan's appeal was presented to the Board of Transportation Commissioners (Board). After hearing the appeal, the Board declined to approve Arutunyan's appeal and confirmed that the monetary penalty of \$1,000 must be paid. Invoice #21893 was created and sent to the company on August 10, 2023. As of March 5, 2024, this invoice remains unpaid. Invoice #26827 was created assessing required late fees and penalties of \$290 for the unpaid amount. Neither invoice has been paid.

Incident #2 - August 4, 2023, 7:15 am:

While working surveillance at a dialysis center located at 12126 Victory Blvd in the North Hollywood area, a Department Investigator observed a non-ambulatory passenger vehicle enter the parking lot. The vehicle (California license # 10181J3) did not display any company logo or other company identifiers. The vehicle did however, display LADOT vehicle decal #417.

The Investigator observed two males exit the vehicle, off-load a patient on a gurney, and enter the facility. The two males returned to the vehicle with the gurney-bound patient a few minutes later and loaded the patient back into the vehicle.

The Investigator approached the two males and requested to see their LADOT driver and attendant permits. The driver, identified as Vakhtangi Okropiridze, was unable to produce an LADOT permit, and further, was unable to produce a valid California Driver License or any other form of identification. The attendant, Andrei Goldman, was also unable to produce any form of identification or an LADOT issued permit. While checking the Department's permitting system, the attendant called Arutunyan so the Investigator could talk to him.

Arutunyan stated that the vehicle (Unit #4) was in the process of getting a new insignia and that the driver and attendant were "in process" for their LADOT permits. Arutunyan asked to be given a warning only and stated it would never happen again.

² A thorough examination of the Department's records failed to find any evidence that this vehicle was ever submitted for inspection or decaling. Neither the driver nor the attendant has ever possessed any LADOT issued permits.

The Investigator issued the company Hearing Notice #65848 for violations of LAMC § 71.03(b) – unpermitted driver, § 71.04.1 – unpermitted attendant, and Board Order 598, Rule (L) - no logo on vehicle.

Administrative Hearing - August 17, 2023

After hearing all of the evidence, the Investigator conducting the hearing concluded that the violations had occurred and assessed a \$1,550 fine. This penalty was paid on August 10, 2023.

Incident #3 - February 21, 2024 – 11:14 am:

At approximately 11:14 am, while conducting enforcement and surveillance at a dialysis facility located at 14434 Sherman Way, a Department Investigator observed a vehicle with the logo SMT Transportation LLC and unit designation #4 parked in the parking lot. The Investigator watched as two males exited the facility and loaded a gurney-bound patient into the vehicle.

The Investigator approached the two males after they loaded the patient, and after identifying himself, asked to see their LADOT issued driver and/or attendant permits and their California Driver License or Identification Card.

The driver, identified as Zholbors Uulu Baiyshbek (Baiyshbek), was only able to produce a State of Washington Driver License #WDL1854B73B, a violation of California Vehicle Code § 12500(a) – driving a vehicle while unlicensed. Baiyshbek was also unable to produce an LADOT issued driver permit. The attendant spoke limited English and was unable to produce any form of identification or an LADOT issued permit. The attendant was never identified.

Baiyshbek phoned his company and spoke to someone in a different language. He then gave the phone to the Investigator so he could speak to the person on the other end. The person on the other end identified himself as “Tigran” and stated the patient being transported was a family member and not a customer. “Tigran” got upset and started a profanity-laced tirade over the phone when the Investigator refused to stop the investigation. At that point, the Investigator terminated the call.

The investigator spoke to the patient that was being transported (identified as Ortega) and asked if he was related to either the driver or the attendant or the owners/managers of the company. The patient stated “NO” and further said that the facility where he is staying hired the company to pick him up.

The Investigator issued Hearing Notice #066370 to the company for the following violations: LAMC § 71.03(b) – unpermitted driver, LAMC § 71.04.1 – unpermitted attendant and Board Order #257 - cracked windshield. The hearing was scheduled for March 5, 2024.

Administrative Hearing – March 5, 2024

After hearing all of the evidence, the Investigator conducting the hearing concluded that the violations had occurred and assessed a \$200 fine. This penalty remains unpaid, but is not yet past due.

On March 8, 2024, Secure Med Tranz was issued Hearing Notice #100408 regarding the company’s failure to effect remedies regarding the violations. The intention of this meeting was to give the company the opportunity to provide proof regarding their efforts to come into compliance and/or

evidence as to why the company has not paid the fines. The hearing was scheduled for March 19, 2024 at 10:00 am. No one from Secure Med Tranz, Inc appeared for the hearing.

RECOMMENDED DISCIPLINARY ACTION

It is staff's foremost recommendation that, due to the company's repeated failure to effect remedies for these violations or attempt to come into compliance with the Department's rules and regulations, the continued disregard for the safety of the patients being transported by allowing unlicensed and unpermitted personnel to transport patients, the company's failure to take responsibility for the violations, that the Department uphold the assessment of the \$2,490 monetary penalty to be paid within 30-days of the Board's decision as well as permanent revocation of the company.

Applicable Regulations

California Vehicle Code §12500 (a), states:

"A person may not drive a motor vehicle upon a highway , unless the person then holds a valid driver's license issued under this code, except those persons who are expressly exempted under this code."

Los Angeles Municipal Code § 71.02 (a), states:

"No person, corporation, cooperative, association, firm, partnership, membership organization, or other entity shall drive, operate or use, whether as owner, lessor, lessee or otherwise, any of the vehicles defined in 71.00 to pick-up or attempt to pick-up a passenger 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."

Los Angeles Municipal Code § 71.04.1, states:

"No person shall act as a non-ambulatory passenger vehicle attendant in a non-ambulatory passenger vehicle as defined in §71.00 unless such person holds a non-ambulatory passenger vehicle attendant permit or an ambulance attendant permit from the Board."

Board Order 257 (1) states:

"All franchised or permitted vehicles shall at all times be maintained by the company, in an acceptable appearance and state of repair and safe operation conditions as is also required by the California Highway Patrol."

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