

ITEM #8

BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: July 11, 2024

To: Board of Transportation Commissioners

From: Laura Rubio Cornejo, General Manager 

Subject: **REQUESTED REHEARING OF RECOMMENDED PERMANENT REVOCATION OF SECURE MED TRANZ, INC (ID #2676) DUE TO MULTIPLE VIOLATIONS OF THE LOS ANGELES MUNICIPAL CODE SECTIONS**

RECOMMENDATIONS

That your Board:

- a. **Find** that on May 9, 2024, the Board of Transportation Commissioners (Board) accepted the Department's recommendation to assess a monetary penalty of \$2,490 and permanently revoke Secure Med Tranz, Inc (Co. ID #2676) (Secure).
- b. **Find** that on June 12, 2024, a request for a rehearing of the May 9, 2024 report was submitted by Secure.
- c. **Find** that Secure failed to notify the Department of the change in management as required.
- d. **That** the Board uphold the May 9, 2024 decision to permanently revoke Secure Med Tranz, Inc's authorization to operate a passenger transportation service within the City.
- 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, its principals, owners, and/or family members operating under any other name.

Initiated By

The Department initiated this report at the request of Tigran Arutunyan, Chief Executive Officer of Secure Med Tranz, Inc (Attachment 1).

DISCUSSION

Due to Secure's violation history, as well as the company's failure to respond to Administrative Hearings, the company was scheduled to appear before the Board on May 9, 2024 for further disciplinary action (Attachment 2).

April 30, 2024

The notice of the scheduled hearing (LE24-050.pab) was sent to the company by both regular mail and email (Attachment 3). There was no response to the notice and no representative from the company appeared for the Board meeting. The mailed notice was not returned to the Department as unopened nor did the email bounce. The Board upheld the Department's decision, and the company's status in the Department's Taxicab and Vehicle-For-Hire System (TAVIS) was updated to Temporarily Suspended on May 10, 2024.

May 14, 2024

Secure was notified via regular mail and email that the Board assessed the monetary penalty and permanently revoked the company. No response was received from Secure.

May 16, 2024

Staff received an email stating that Secure was unable to upload driver information into TAVIS. There is no signature name and the email is unsigned. Staff responded to this email by advising the company that the Board's decision is final.

May 20, 2024

Staff received an email letter with no date, but Arutunyan's name listed at the bottom, requesting an appointment so a solution could be achieved. The company was again advised that the Board's decision was final. There was no further interaction from the company until June 11, 2024. On June 11, 2024, Arutunyan appeared at the office and met with staff for a short discussion. As a result of this discussion, on June 12, 2024, Arutunyan submitted a written request for a rehearing. (Attachment 1)

It should be noted that Arutunyan's request for a rehearing does not give a date when he returned to administer his company nor was any evidence found that Grigori Kazarov ever submitted a livescan background check to the Department.

Monetary Penalty Payment History

Monetary Penalty of \$1,000 (Invoice #26937) assessed on August 17, 2023, and confirmed by the Board on August 10, 2023, was paid on May 12, 2024.

Monetary Penalty of \$200 (Invoice #27225) assessed on March 15, 2024, was paid on May 12, 2024, and;

Monetary Penalty of \$25 (Invoice #28431) assessed on May 10, 2024, was paid on May 12, 2024.

In addition, Invoice #26827, in the amount of \$290 for late fees and penalties for non-payment of Invoice #21893 was paid on May 12, 2024.

RECOMMENDED DISCIPLINARY ACTION

Due to the fact that the Department never received notification of a management change, the serious violations listed in the May 9, 2024 Board report were confirmed, the company's violation history as well as its continued failure to comply, staff's recommendation is to uphold the Board's decision.

Applicable Regulations

Los Angeles Municipal Code §71.09.1 states:

"Upon receipt of a written request from a person whose permit has been denied, suspended revoked or cancelled stating the grounds for protesting such action, the Board shall consider the basis of the request and may set the matter for rehearing, notify the applicant and take appropriate action."

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