


BOARD REPORT
CITY OF LOS ANGELES

Date: August 8, 2024

To: Board of Transportation Commissioners

From: Laura Rubio-Cornejo, General Manager 

Subject: **REHEARING REGARDING THE BOARD'S JUNE 8, 2023 RECOMMENDED DENIAL OF THE APPEAL OF SMOOTH RIDE SERVICES, COMPANY ID #2662, REGARDING THE COMPANY'S PENDING REVOCATION**

RECOMMENDATIONS

That the Board:

- a. **Find** that Smooth Ride Services is requesting a rehearing regarding the Board of Transportation Commissioners decision to impose a \$1,000 monetary penalty, as well as a one-year probationary period wherein any violation within the one-year period would result in immediate revocation of the company.
- b. **Find** that on May 30, 2024, an Investigator found Smooth Ride Services employee Christopher Anthony Duenas operating in violation of Los Angeles Municipal Code Section 71.03(b) - unpermitted non-ambulatory driver. Hearing Notice #60200 was issued and signed by Christopher Anthony Duenas. This was a violation of the company's one-year probationary period.
- c. **Find** that on January 31, 2024 and March 28, 2024, the company was found guilty for non-compliance issues as required by Board Order 257, Los Angeles Municipal Code Section 71.16.1(b) and California Vehicle Code Section 27155.
- d. **Deny** Smooth Ride's appeal and uphold the revocation of the company as assessed by the Board on June 8, 2023.

Initiated By

On June 16, 2024, Marina Daglian (Owner of Smooth Ride Services) appealed the Department's decision for Temporary Suspension of Smooth Ride Services, Company ID #2662 by filing a written "Request for Hearing Before the Board of Transportation Commissioners" (Attachment 1) pursuant to Board Order No. 600, Sec. H.

Discussion

On May 13, 2021, the Board approved the application of MDPD Transportation, Inc. dba Smooth Ride Services, Company ID #2662 to operate three unrestricted non-ambulatory passenger vehicles as wheelchair transport.

On June 16, 2022, the company was granted a fleet increase of two non-ambulatory vehicles also to be used for wheelchair transportation. This brings the company's total authorized vehicle permits to five.

Documented Violations

Violation #1

On May 30, 2024, an Investigator approached Smooth Ride Services employee Christopher Duenas while unloading a patient at the Davita/USC Kidney Center at 2310 Alcazar Street, Los Angeles, CA 90033. Smooth Ride Services Vehicle Unit No. 11 (California License No. 51211K3) displayed LADOT Decal #622 and is permitted to operate in the City of Los Angeles. Christopher Duenas had an expired LADOT Non-Ambulatory Vehicle Driver Permit ID: 626981 on his person. The permit expired on May 1, 2024. When asked by the Investigator, Christopher Duenas said, "he told his supervisor his permit was expiring a while back but never heard anything else." The Investigator issued Hearing Notice #60200 for Los Angeles Municipal Code Section 71.03(b) - unpermitted non-ambulatory driver. The company was found guilty during the administrative hearing held on June 6, 2024.

Violation #2

On March 28, 2024, during a field investigation, an Investigator noticed the fuel cap cover missing on Smooth Ride Services Vehicle Unit No. 37. California Vehicle Code Section 27155 states "No motor vehicle shall be operated or parked upon any highway unless the filling spout for the fuel tank is closed by a cap or cover of noncombustible material." During the administrative hearing held on April 4, 2024, the company was issued a discretionary dismissal.

Violation #3

On January 31, 2024, during a field inspection, an Investigator noticed the company decals on the driver and passenger sides of the vehicle were peeling. Smooth Ride Services Vehicle Unit No. 9 (California License No. 75704H3) has LADOT Decal #415 and is permitted to operate in the City of Los Angeles. The Investigator found the company in violation of Los Angeles Municipal Code Section 71.16.1(b) - Non-Taxicab Vehicle Identification: Name or Trademark required and issued Hearing Notice #066361 to the company. It was signed and acknowledged by the driver Victor Amarillas (LADOT Non-ambulatory Driver Permit ID: 628373). The company was found guilty and a warning was issued during the administrative hearing on February 12, 2024.

Violation #4

On April 25, 2023, a Department Investigator observed a non-ambulatory passenger vehicle (California License No. 74118B2) bearing the Smooth Ride name and Unit No. 37, enter the parking lot of USC Davita Dialysis Clinic located at 2310 Alcazar Street and parked. The Investigator observed the driver, later identified as Michel Avila Higuera, exit the vehicle and enter the clinic. Michel Higuera returned to the vehicle a few minutes later without a passenger.

At approximately 1:30 pm, Higuera re-entered the clinic and exited with a female patient in a wheelchair. Higuera loaded the patient into the van and secured her for transport. The Investigator approached Higuera after he exited the vehicle, identified himself and asked to see Higuera's driver's license, Los Angeles Department of Transportation (LADOT) driver permit, and the vehicles' LADOT

permit. Higuera was able to provide his Driver's License information and the vehicle registration, but was unable to provide an LADOT driver or vehicle permit. Smooth Ride was issued Hearing Notice #65818 for the violation of Los Angeles Municipal Code Section 71.02(a) - unpermitted vehicle and 71.03(b) - unpermitted non-ambulatory driver.

A check of the Taxicab, Ambulance and Vehicle for Hire (TAVIS) system shows Higuera did not possess the valid LADOT driver permit required for the operation of passenger transportation within the City of Los Angeles at the time of this incident. TAVIS records indicate that Higuera's application was not submitted to the Department until 2:35 pm on April 25, 2023. The driver's permit was activated on July 31, 2023.

TAVIS shows that Unit No. 37, California License Number 74118B2 (VIN 1FMZK1CMXHKA47490) was placed into service as a non-ambulatory wheelchair vehicle with Angel's Transportation, Inc. (Company ID #2485) on February 18, 2018 and removed from service on March 7, 2023. There are no records indicating Smooth Ride requested this vehicle to be placed in service under their company.

The administrative hearing for Hearing Notice #65818 was held on May 4, 2023. Mr. Peter Daglian attended as a representative for Smooth Ride and Investigator Ron Haywood conducted the hearing for the City of Los Angeles. Investigator Haywood concluded that the violations occurred and assessed a monetary penalty of \$500 for violating Los Angeles Municipal Code Section 71.02(a) - unpermitted vehicle and a \$500 penalty for 71.03(b) - unpermitted non-ambulatory driver. When advised of the amount of the monetary penalty, Daglian stated "we are guilty of the charges, but I'm not paying that much, so you gotta work with me." "I'll pay for one, but not both, that's just too much money and we can't afford it. Daglian, also stated "we've been waiting around for processing and I'm not gonna keep waiting around for that, I'm gonna put guys to work and take the chance." "What are the odds of getting caught?"

Violation #5

On September 16, 2021, a Department Investigator observed a vehicle bearing Smooth Ride Services insignia (California License Plate 38831P2) Unit No. 29 parked at Adventist White Memorial Hospital located at 1700 East Cesar E. Chavez Ave, Los Angeles, CA 90033. The Investigator asked the driver, later identified as Eduard Khachikyan, for his California Driver's License and LADOT permit. The driver stated he did have a permit, but did not have it on his person. After returning to the office, the Investigator discovered the driver did not have a valid LADOT permit. The company was issued Hearing Notice #100226. During the administrative hearing on September 30, 2021, the company was found guilty of violating Los Angeles Municipal Code Section 71.03(b) - unpermitted non-ambulatory driver.

June 8, 2023 Board of Transportation Commissioners Hearing

On June 8, 2023, the Board upheld the Department's recommendation of a one-year probationary period with an automatic revocation should the company be found in violation within the probationary period.

PROPOSED DISCIPLINARY ACTION

It is the Department's recommendation that the Board uphold the findings of the June 8, 2023 Board Report (B23-010.pab) and revoke Smooth Ride for a minimal period of one year. (Attachment 2)

Applicable Regulations

Los Angeles Municipal Code Section 71.02(a) states:

“No person or corporation shall driver, operate or use, whether as owner, lessor, lessee or otherwise, any of the vehicles defined in Section 71.00 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.

Los Angeles Municipal Code Section 71.03(b) states:

“No person shall drive a non-ambulatory passenger vehicle as defined in Section 71.00 without first having obtained a non-ambulatory passenger vehicle permit from the Board.”

Los Angeles Municipal Code Section 71.16.1(b) states:

“Every motor vehicle other than taxicabs or autos for hire used and defined herein (Section 71.00) to carry passengers for hire, shall have displayed on both sides of each vehicle the name or the trademark of the person under whose authority the vehicle is being operated or the name of the lessor or lessee thereof. The display of the name or trademark shall be permanently marked in letters in sharp contrast to the background and shall be of such size, shape, or color as to be readily legible during the daylight hours from a distance of 50 feet. This section does not prohibit additional displays approved by the Board not inconsistent with this section.”

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 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.”

Board Order 257, states, in part:

All permitted vehicles must be maintained in an appearance and state of repair as is required by the California Highway Patrol.


California Vehicle Code Section 27155 states:

No motor vehicle shall be operated or parked upon any highway unless the filling spout for the fuel tank is closed by a cap or cover of noncombustible material.

Appellant’s Statement

Maria Maglian's additional statements are contained in (Attachment I)

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B24-001.ata

Approved: 8/8/2024 with Amended Motion
Board of Transportation Commissioners

Commission Executive Assistant