

BRIAN SANDOVAL
Governor



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
TAXICAB AUTHORITY

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DENNIS NOLAN
DEAN COLLINS
BRUCE AGUILERA, ESQ.

BEFORE THE STATE OF NEVADA TAXICAB AUTHORITY
BOARD MEETING AND PUBLIC HEARING MINUTES

October 20, 2014

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Monday, October 20th, 2014. The meeting was held in the Taxicab Authority Boardroom at 2080 E. Flamingo Road, Suite 114, Las Vegas, Nevada 89119. The meeting began at 9:30 A.M.

Present were: Chairman Ileana Drobkin, Member Dennis Nolan, Member Dean Collins and Member Bruce Aguilera. Others present: Jennifer DeRose, Deputy Administrator; Ryan Sunga, Deputy Attorney General, Legal Counsel for the Taxicab Authority; Ruben Aquino, Chief Investigator; Christine Guerci-Nyhus, Deputy Attorney General, Legal Counsel for the Board, and Recording Secretary, Barbara A. Webb. Absent: Member Josh Miller.

1. Call to Order –

Chair Drobkin called the meeting to order at 9:30 A.M.

The Chair commented that Captain Tom Ely from Parole and Probation would be the Interim Administrator effective Monday, October 27th, 2014.

2. Pledge of Allegiance to the Flag

Pledge of Allegiance to the Flag was led by Member Dean Collins.

3. Compliance with Open Meeting Law

Deputy Administrator DeRose stated that we are in compliance with the Open Meeting Law.

4. Public Comment

No one spoke.

Public Comment closed.

* 5. Approval of the August 26th, 2014 Board Meeting Minutes.

Motion: Approval of the August 26th, 2014 Board Meeting Minutes
By:
Seconded:
Vote: Passed unanimously

6. Discussion with Maria Soto, Traffic Manager for LVCVA, regarding recent taxicab service.

Maria Soto spoke of the events that were at LVCVA stating overall there was good service. Unfortunately, IHeart Radio was in the 19th and 20th and to get cab service at the LVCVA was an issue. At times there was a 35-40 minute wait and nothing could be done. LVCVA has set up areas where cabs can come onto their property as well as leave it as long as there is no road construction at the time. She said they are reaching out to the companies.

She introduced Tom Gattuso who is the Show Director for SEMA which will be in Las Vegas at LVCVA as well as Sands Expo from Tuesday, November 4 through Friday, November 7th, 2014. He commented that there will be a car show at the Wynn which is open to the public with cars going down the Strip.

7. Discussion with Freddie Kirtley, Assistant Director, Landside Operations, McCarran International Airport.

Ms. Kirtley stated she is overall satisfied with the cab service and understands that when there are many conventions and/or concerts going on there will be a wait for cabs at the airport.

8. Discussion with Jeff White, Security Manager, Sands Expo, regarding recent taxicab service.

Mr. White commented that Frias and YCS have reached out to him, gave him business cards and was very happy as they really helped when he needed cabs. He commented that at times, there are issues of not enough cabs, but overall, service is pretty good.

Chair Drobkin took Agendas 9 and 10 together.

9. Discussion and Possible Decision regarding the Application of Newton Howard Dudley, seeking Approval to Transfer His Entire Interest in Taxicab Operating Rights CPCT 399, CPCT 712 and CPCT 439 to the Dudley 2012 Family Trust and to Act as Trustee.
10. Discussion and Possible Decision regarding the Application of Sherry Ann Dudley, seeking Approval to Act as Trustee of the Dudley 2012 Family Trust, which upon approval of the Taxicab Authority, will hold Newton Howard Dudley's Shares of Nevada Yellow Cab Corporation, Nevada Checker Cab Corporation and Nevada Star Cab Corporation, which already hold CPCNs issued by the Taxicab Authority.

Atty. Eric Taylor spoke on behalf of Newton Howard Dudley and Sherry Ann Dudley explaining what the transfers related to and asking for approval of the transfers.

Investigator Rivers, Background Investigator, stated that there were no issues with granting approval for neither Newton Howard Dudley nor Sherry Ann Dudley. His only problem was regarding one appointee in the transfer that he had not done a background on and wasn't sure if it fell under NRS 706.453 or NRS 706.565. Attorney Taylor explained the process of being successor trustees.

Motion: Approve as stated in Agenda Items 9 and 10 approve transfers
with a request for supplement applications for successor trustees
By: Member Aguilera
Seconded: Member Collins
Vote: Passed unanimously



11. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the SEMA/AAPEX being held at the Las Vegas Convention and Visitors Authority and the Sands Expo from Tuesday, November 4, 2014 through Friday, November 7th, 2014 with an anticipated attendance of 140,000 attendees.

Kelly Kuzik, Management Analyst, made his presentation reiterating what was allocated last year and what was asked for this year.

Intervenors were Western Cab Company, Desert Cab Company, Yellow/Checker/Star Cab Companies, A Cab, LLC, Whittlesea Blue/Henderson Taxi, Boulder Cab d/b/a Deluxe Taxicab Service, Frias Companies, ITPE Union and Nellis Cab Company

George Balaban, Desert Cab, presented on behalf of Western, Desert, YCS, Whittlesea Blue/Henderson Taxi, Deluxe and Frias. Nellis was not in attendance.

George Balaban stated that last year service was not sufficient and would rather err on the side of too many medallions than not enough. He made his request as follows -

Monday, November 3rd – 10 medallions – 12 PM – 2 AM (any 12 hours)
Tuesday, November 4th through Wednesday, November 5th – 10 medallions – 7 AM – 7 PM and 10 medallions – 12 PM – 2 AM (any 12 hours)
Thursday, November 6th – 10 medallions 7 AM – 7 PM

Western, YCS, Whittlesea Blue/Henderson Taxi, Deluxe and Frias supported his request.

Jay Nady, A Cab, stated that it would be better for everyone – drivers and customers as well – if, during conventions, all geographical restrictions be lifted for all companies to better serve all areas and give the drivers a chance to make more money.

Cheryl Knapp of Whittlesea/Henderson stated that CES is the largest convention that comes to Las Vegas and SEMA is the second largest convention to come to Las Vegas and asked the Board to consider that with the requested 20 medallions that are overlapping. SEMA she said, as per Mr. Gatusso of SEMA, this convention will be all over town.

Richard Segerblom, ITPE Union, stated that there is no objective evidence that more than last year's allocation of 7 medallions overlapping is needed.

Member Collins agreed with Cheryl Knapp that it is the second largest show and an increase is needed.

Chair Drobkin stated that last year a lot of shuttles were used due to lack of cabs.

Motion:	Approve Desert Cab's Request
By:	Member Collins
Seconded:	Member Aguilera
Vote:	Passed unanimously

12. Discussion and Possible Decision regarding the Search for the Taxicab Authority Administrator Position.

Chair Drobkin presented the following as to how she wants the recruitment for the Administrator Position to be handled.



The Department of Administration, Human Resource Management, shall conduct the recruitment to fill the position of Administrator, as follows: 1) draft the position announcement and solicit resumes, 2) review resumes for minimum qualifications set forth in the position announcement, 3) compile resumes of individuals who meet the minimum qualifications in books for the Taxicab Authority Board, 4) distribute or send resume books directly to the Taxicab Authority Board members, 5) the Taxicab Authority Board will have thirty (30) days to review the resumes prior to the open meeting where they will be discussed, 6) the Taxicab Authority Board will conduct interviews in accordance with the Open Meeting Law.

The minimum qualifications for the position of Administrator shall be as follows: 1) Bachelor's Degree in Business Administration (or related field) from an accredited university, 2) minimum of five (5) years of management experience related to the transportation industry, 3) experience with governmental agencies, 4) live or work for three or more years in a county with more than 500,000 residents and 5) familiarity with transportation technology systems (desired).

The announcement of the vacant position of Administrator shall be posted in the following locations: 1) International Association of Transportation Regulators (IATR), 2) Taxicab, Limousine, and Paratransit Association (TLPA), 3) Review Journal, 4) Los Angeles Times and 5) the usual posting places for such announcements.

The TA Point of Contact would be the Deputy Administrator.

Motion: Start the recruitment for the Taxicab Authority Administrator Position and to adopt the qualifications and post and process as agreed upon by the Board
By: Chair Drobkin
Seconded: Member Nolan
Vote: Passed unanimously

13. Discussion and Possible Decision regarding the Annual Review of Rates, Charges (including any Fuel Surcharge) and Fares.

Kelly Kuzik stated that he wanted to point out to the Board that one of the things, if you entertain any kind of a meter change or a rate change, you need to make sure that the meters can actually accommodate any of the changes. He felt that Inspector Haskins, supervisor of Vehicle Inspectors, will better address that. Kelly explained that we have not budgeted for a meter change.

Chair Drobkin asked why it wasn't budgeted ahead of time and Kelly stated that we don't do our budgeting. It's done up north and the budget was submitted over the summer. He stated that a work program for funds would need to be done.

Kelly went on to state that the last rate change was July of 2008. He went on to explain his information that was in their packets. He said that his colleague, Annette Watson, did a lot of exhaustive research to ensure this information was as current as possible. We've created a formula, algorithm, where you can plug in any part of the rate or different variables and come up with what the rate would be for however many miles. This morning in Las Vegas, gas is \$2.99 per gallon which is what the operators are paying. There are many different components and parts to the rate. We will take any specific question that you have or any concerns and try to answer them without putting out any confidential information.

Please note that any information Kelly gave the Board with regard to companies' profit or income is Confidential Information.



George Balaban, Desert Cab, stated that Desert, as well as other companies belong to the Livery Operators Association. He said they would wait until after the presentation of Jeremy Aguero, Analyst.

Cheryl Knapp, Whittlesea Blue/Henderson Taxi stated that they, as well as, Desert and YCS belong to Livery Operators Association. She stated that these companies' combined represent 76% of the industry's drivers. She then introduced Jeremy Aguero, Principal Analyst at Applied Analysis. He made his presentation regarding Las Vegas Taxicab Rate Analysis.

Mr. Aguero gave the Board a handout of his presentation which is available at the Taxicab Authority offices.

Chair Drobkin thanked him for his excellent presentation. Mr. Aguero thanked the Board for having him.

The Chair allowed intervenors at this time. Intervenors were Western Cab Company, Desert Cab Company, Yellow/Checker/Star Cab Companies, A Cab, LLC, Whittlesea Blue/Henderson Taxi, Lucky Cab Company, Boulder Cab, d/b/a Deluxe Taxicab Service, Frias Companies, ITPE Union and Nellis Cab Company.

Jay Nady, A Cab – no comment. Lucky Cab, Western Cab support presentation. Deluxe is neutral, ITPEU – Richard Segerblom supports a rate increase, but feels the fuel surcharge should be taken away and put into the rate increase as it would be better for drivers. Nellis – no one attended.

Member Nolan asked Kelly Kuzik if more historical information regarding the fuel surcharge was available to give him more perspective and Las Vegas rates compared to other cities and where does Las Vegas compare. Kelly said he did not receive any information from the companies. Member Aguero asked if over \$3.25 per gallon is when it's taken off and Chair said that amount for 30 consecutive days. Kelly said \$3.25 to put it back on. Member Collins asked if other cities have fuel surcharge and Kelly said yes. Kelly said that our fuel surcharge is based on what NTA uses to keep it consistent.

Jonathan Schwartz, Yellow/Checker/Star Transportation. I just want to reiterate with Mr. Aguero's presentation, which was based on leaving the fuel surcharge policy as it is. He spoke of how less expensive Las Vegas is compared to other major cities and we are the cheapest, by far.

Bill Shranko, COO, YCS, stated that because you have a 1, 2 or 3-mile trip all the idling on the stands of every cab in the city takes up fuel. That doesn't include the time that costs in fuel to go back and forth. That doesn't take care of the no-shows and no-gos. There are millions of miles annually that are not being charged to the public that are the daily costs of fuel. In all the 33 years he's been in the business, never heard anyone ever complain about an increase in taxi rates.

Chair Drobkin stated that she wants continuity with NTA and was supportive 3 years ago of a rate increase and is today.

Member Collins: I think first and foremost what I'm looking to make it a little bit simpler. I'm all for a rate increase. I'm not sure if 15% is enough as we are the lowest compared to so many other cities. He supports a rate increase as does Member Aguero.

Member Nolan: Would like to go on record that I'm not opposed to an increase. He questions the impact on tourists and their destinations.

Chair Drobkin asked if everyone agrees with the industry. She is in favor of leaving the fuel surcharge.



Motion: To accept the industry's 8% increase for the rates, that brings it to \$3.84 and leave fuel surcharge as is.
By: Chair Drobkin
Seconded: Member Nolan
Vote: Passed unanimously

Vehicle Inspector Haskins and Kelly Kuzik went on to explain what it entails with changing the meters and she said to do what is needed.

The Chair allowed intervenors at this time. Intervenors were Western Cab Company, Desert Cab Company, Yellow/Checker/Star Cab Companies, A Cab, LLC, Whittlesea Blue/Henderson Taxi, Lucky Cab Company, Boulder Cab, d/b/a Deluxe Taxicab Service, Frias Companies, ITPE Union and Nellis Cab Company.

Jay Nady, A Cab: No. Thank you.

Desiree Dante, Lucky: Although we are not part of the LOA, we do support the presentation.

Rick Flaven, Deluxe: Supports presentation.

John Moran, Western: We support that presentation.

Richard Segerblom, ITPE Union: We support a rate increase. We would just like to see that recharacterized so the drivers could get part of the profits.

Nellis: No one was here.

Member Nolan: Asked Kelly about the rate and fuel surcharge. Kelly said the answer to his questions were highlighted in the report that is in the packets.

Member Aguilera asked Kelly about the \$3.25 and he explained that it is the trigger to start watching the fuel surcharge. I've included in my packet the last order regarding the fuel surcharge. He said he checks the computer for the fuel prices which comes out every Monday. He said the price has to get down to \$3.25. Kelly explained that if that was the only change that if it was decided to either re-characterize it or remove it and we turned around and made a rate increase of the exact same amount, that would have no impact but, if there is an additional cost over that, now we're talking meter changes. Kelly was asked when the fuel surcharge instituted and he answered in 2011. He said it's checked every week from PIA. They actually separate California out from it. Member Collins asked if we know from a competitive standpoint if other cities have fuel surcharges? Kelly said yes. Discussion went on regarding the charges in other cities.

After further discussion a motion was made -

Motion: Accept the industry's 8% increase for the rate that brings it to \$3.84 including the surcharge and keeping the fuel surcharge as is
By: Chair Drobkin
Seconded: Member Nolan
Vote: Passed unanimously



14. Staff Report

Chair Drobkin gave a "shout out" to Chief Aquino and his staff stating the Board gives them a lot of support. She also complimented DAGs Ryan Sunga and Christine Guerci-Nyhus and Deputy Administrator Jennifer DeRose.

Chief Aquino gave his report regarding the investigative section –

August – 1300 events that came in through Dispatch – 351 citations written – 410 court citations
– 651 inspections – 1367 Vehicle Damage Reports written by investigators

September – over 1200 events – 284 citations - 384 court citations resolved– 655 inspections –
1308 Vehicle Damage Reports written by investigators

Chief explained that there are upcoming recruitments and backgrounds being done. Three Dispatchers resigned within 30 days. We are recruiting for a Public Safety Dispatcher 4 which is the supervisor position and 2 PSD 2s who were very experienced 911 dispatchers. We in the process of making an offer for the Compliance/Enforcement Investigator II, Internal Affairs, position and for the Compliance/Enforcement Investigator I position. Chief stated that training for everyone is on track and he will address at future meetings that LVMPD and Homeland Security would like to talk to the industry regarding the fight against terrorism. They want to address the industry and public in the transportation realm as they are concerned with ISIS or ISIL. He gave kudos to the A NLV driver who assisted in a special investigation which was led by Investigator Adam Teti to recover \$7,000 worth of Neiman Marcus property that was lost. Kudos also to Frias for their assistance.

Chief Aquino said they have been working very close with Homeland Security regarding some terrorist activities in Southern Nevada. One of the folks that they want to focus on, we think is a key member. They will give information to pass along. He cannot speak of the incident at this time, he will let them talk to everyone about it and it involves one of the cab companies. It's nothing major but it was an eye-opener for everyone. We are working on them coming either to the November or December Board Meeting to address the issues. The information needs to get out to the public as soon as possible.

15. Report of Legal Counsel - DAG Sunga stated that there was nothing to discuss at this time.

16. Public Comment

For the record, John Moran, Jr. I'm not official and I don't have an attorney representing. I just want to make a couple of real brief comments dealing with the selection process. First of all, as a senior citizen, I can't (inaudible). So I (inaudible) a little bit on the (inaudible). But what I wanted to talk about just briefly (inaudible) selection process and (inaudible) Mr. Hart and I wanted to make a comment about him and, basically, I always found in dealing with him that he was very professional, he was forthright, he was honest, he was candid, and he always had his heart in the right spot, and he had a tough job with regard to the drivers and the industry and my hat's off to him and I think he did as great a job as possibly a person could do and I wish him well. I was disappointed to see him leave and I think he brought a lot to the table while he was here and I wish him well when he goes out and seeks employment in some other area. Now, having said that, that brings me to the part that I want to talk about. As being part of boards, deference to the State of Nevada and the people that work in the industry in the State of Nevada, we got a lot of qualified people in the state, so I hope whatever headhunting firm you find or you're going to rely on, I hope that you can prioritize it back to that there's two



