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DEPARTMENT OF BUSINESS AND INDUSTRY  
TAXICAB AUTHORITY  
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BRUCE AGUILERA, ESQ.

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

October 30, 2014

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Thursday, October 30<sup>th</sup>, 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 9:35 A.M.

Present were: Chairman Ileana Drobkin, Member Dennis Nolan, Member Dean Collins and Member Bruce Aguilera. Others present: Captain Tom Ely, Interim Administrator, 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.

1. Call to Order –

Chair Drobkin called the meeting to order at 9:35 A.M.

2. Pledge of Allegiance to the Flag

Pledge of Allegiance to the Flag was led by Member Bruce Aguilera.

3. Compliance with Open Meeting Law

Interim Administrator Captain Tom Ely stated that we are in compliance with the Open Meeting Law.

Chairman Drobkin: I'd like to introduce our Interim Administrator, Captain Tom Ely. He has a phenomenal history and he was appointed by the Director of Business and Industry to help us out for the next several months. So, welcome, and thank you.

Captain Ely: Thank you.

Chair Drobkin: We would like to swear in a new Compliance Investigator. Captain Ely?

Captain Ely: Greetings. Compliance Enforcement Investigator, Edward Mora, please come forward. I'd like to swear you in today. Please raise your hand and repeat after me. Captain Ely proceeded to swear in Investigator Edward Mora. Congratulations!

Investigator Edward Mora: Thanks.

Captain Ely: I'd like to also present you with your badge--badges, and again, thank you.

Investigator Mora: Thank you sir. Captain Ely: Thank you.

Chair Drobkin: Public comment? I don't think we have a list today. Just come up one at a time and try to keep it to 3 minutes.

Note: There was a list.

#### 4. Public Comment

Clarence Coakley: Thank you. Good morning. I'm from Las Vegas, Nevada. I'm here on behalf of International CES 2015 and our management company RPM's responsible for managing the traffic for the entire convention. We're here today to support your agenda item regarding the temporary allocation of medallions for taxicabs during the International 2015 show from January 6 through 9, 2015. We have a robust registration process going on right now. We have already sold 200,000 more square footage of exhibit space. We're up 10% on exhibitors right now, and we already have 40,000 international guests registered to attend this year's show. So, for us, the additional medallions are extremely important to our customer service, to all of these guests coming to our city. We want to be one of the best in the world at a destination for our guests and our attendees and exhibitors who will be coming to Las Vegas, so we hope this Board today will support the additional medallions for the CES show this year. Thank you very much.

Chair Drobkin: Thank you, sir, for coming. We look forward to your show every year. Jay Nady?

Jay Nady, owner A Cab, LLC. Good morning. Today, you're going to see a chance to vote on to relieve or change the restrictions for Deluxe. A Cab has some opinions on this and I want to let you know what they are. We have fought the same restrictions. The Interveners have always argued that I do not meet the statutory standards, and yet here comes Deluxe with no proof whatsoever of statutory standards. There has been no proof, no evidence, no testimony about why the restrictions should be removed. I hope that next month, when you listen to A Cab's, I'll be set by that same standard of proof, nothing. It's kind of ridiculous, I think. Deluxe has, instead, bowed to other restrictions set by a consensus of his competitors. Not by this Board, but by our competitors. Are there different standards of proof? Will there be different standards of proof when I'm here before them? I ask you to remember that next month. The same companies have relinquished their claim on what I call my territory. It's not profitable for them to pick up in the suburbs when they can make so much more money on the Strip. My revenue per medallion last month is about \$1344 less than the average, including mine within that average. That's about 8% less than every other company. My operating costs were about a third higher because my revenue, my paid miles percentage is about a third less than theirs. It just costs a little more money to go back across I-15 every time you cross it with a customer. Now, something worse has happened, if you can think of something worse. I'm facing the Uber dilemma. Already, they've cut in to me. They are publicly advertising that they're not picking up on the Strip or at McCarran. Gee, who are they coming after? Me. They're targeting residential areas. That's A Cab's only--we're the locals' company. They're beating me up. They're already hurting me. They're sitting at locations completely on the Westside locations at Red Rock, Sun Coast, Santa Fe, and Summerlin is toast. If we don't do something, this company will be out of business post haste. I cannot compete with my geographic restrictions as well as with Uber. It's just impossible. Their rates are less and people are using them. I spent about a million dollars trying to get this cab company up and running and I think the end is in sight.

Chair Drobkin: Mr. Nady, can you comment on the graphs being released?



Jay Nady: I have a TA inspector in my yard every day. He inspects my cars. He inspects my drivers. Uber doesn't have the same rules that I have. Thanks.

Alfredo Sardenas, YCS driver and a proud member of Local 4873. He commented about the allocations that are being requested stating that there are enough medallions on the road with extra medallions due conventions. Especially with Deluxe going county wide and if A Cab gets approved to go county wide that puts more cabs on the road. He stated that he worked yesterday at 6:00 in the morning and I traveled from Mandalay Bay all the way to Circus Circus as these are the only two locations that I could stage without staging outside on the street. Most hotels cabs stage to the street. So there's enough cabs on the street, we don't need any more. When it comes to Uber, I don't think we have a chance to challenge Uber. They don't have a \$3 overcharge on the credit card. They have technology. If the TA is sending an investigator, I hope the investigator goes out to the airport and see how many people are long hauling and go out there and stop the long hauling, thus killing the industry. Mr. Harvey resigned. In his resigning letter, he say, "This job has challenged my honesty and integrity," and I want to ask you, all of you members of the Board, has that challenged you, your honesty and your integrity as well? Thank you.

Sam Moffitt. I am Chief Shop Steward at Yellow Checker Star Cab Company. His comments are available on paper at the TA. He feels that there are enough cabs on the road with any allocations.

Public Comment was closed.

5. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the National Finals Rodeo and 2014 Cowboy Christmas Gift Show in Las Vegas from Thursday, December 4<sup>th</sup> through Saturday, December 13<sup>th</sup>, 2014 at the Thomas & Mack and LVCVA.

Kelly Kuzik, Management Analyst, made his presentation stating that there has not been an allocation since 2010. He said that December is slow, drivers take time off and extra board drivers have a chance to make money.

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

All the intervenors, Rick Flaven for Deluxe, Jamie Pino for Nellis, Marc Gordon for YCS, Cheryl Knapp for Whittlesea Blue/Henderson Taxi, Desiree Dante for Lucky, John Hickman for Frias, George Balaban for Desert and on behalf of Western did not ask for any additional medallions, except for Jay Nady, A Cab, who suggested to simply release all restricted medallions for this deal. That way, we won't have to put any more cabs on the road but they can go where they're supposed to be, or needed.

Motion: As per most intervenors, no increase in medallions for NRF/Cowboy Christmas  
By: Member Collins  
Seconded: Member Aguilera  
Vote: Passed unanimously

6. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for New Year's Eve 2014, which is on a Wednesday.

Kelly Kuzik made his presentation stating that the industry is requesting less than they did last year



as it is on a Wednesday night. It's simply because of the day of the week that New Year's falls this year, and based on the information that we have and the productivity data from last year, we don't see anything that would indicate that this will be an over-allocation.

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

*Most intervenors agreed on the following, except Jay Nady who again commented to lift the geo restrictions and Ruthie Jones, ITPE Union who feels 9 medallions - Wednesday, December 31<sup>st</sup>, 2014 - 7 AM to 7 PM or 8 AM to 8 PM; 10 medallions - Thursday, January 1<sup>st</sup>, 2015 - 4 PM to 6 AM.*

*Intervenors agreed on -  
Wednesday, December 31<sup>st</sup>, 2014 - 10 medallions - 8 AM - 8 PM and 12 medallions - 4 PM - 6 AM, any 12 hours  
Thursday, January 1<sup>st</sup>, 2015 through Saturday, January 3<sup>rd</sup>, 2015 - 5 medallions - 12 PM - 2 AM, any 12 hours.*

Jamie Pino, Nellis, stated that hotels are trying to keep people here for the whole weekend. Now we have to compete with Uber. He feels if there are cabs available, people will use them, if they don't see a cab, they'll seek other transportation.

Member Aguilera stated that hotels are reducing their room rates for Thursday, Friday and Saturday and stated that he did not ask for medallions on Sunday. Mr. Pino stated it was a mistake and he agrees that medallions will be needed for Sunday.

Regarding New Year's Eve medallions for Laughlin which only includes Desert Cab and Lucky Cab. Desiree Dante of Lucky Cab and George Balaban of Desert Cab agreed that 2 medallions to run straight through from Noon on Tuesday, December 30, 2014 through Noon on Thursday, January 1<sup>st</sup>, 2015 would be sufficient.

Member Aguilera commented that with CES starting on January 6<sup>th</sup> and feels a lot of people will come in on Saturday and Sunday. Ms. Soto said the LVCVA closes early on New Year's Eve but people do come in prior to the actual show to set up. The CES people will be off on New Year's Eve and that Sunday, but they will be in town. They have already started their planning two weeks ago for the show. Show management was already in town to start planning for CES. There will have a lot of outside labor coming into the city. International may extend their week and include New Year's. I can't speak to that, but we do have 40,000 international attendees already registered. And international attendees tend to stay longer because of the travel time to get here and the expense to get here. That's just the norm.

Rick Flaven, Deluxe, spoke for the industry stating that the whole Industry supports Nellis.

Motion: Tuesday, 12/30/14 - 10 medallions from 12 PM to 2 AM - any 12-hours;  
Wednesday, 12/31/14 - New Year's Eve - 10 medallions - 6 AM to 8 PM  
and 20 medallions - 4 PM to 6 AM;  
Thursday, 01/01/15 - New Year's Day - 5 medallions - 4 AM to 8 PM and  
10 medallions - 12 PM to 2 AM;  
Friday, 01/02/15 - 10 medallions - 12 PM to 2 AM - any 12 hours;  
Saturday - 10 medallions - 12 PM to 2 AM, any 12 hours and  
Sunday - 5 medallions - 4 AM - 8 PM.



Laughlin – 2 medallions to run straight through from Noon on Tuesday –  
12/30/14 through Noon on Thursday - 01/01/15  
By: Member Collins  
Seconded: Chair Drobkin  
Vote: Passed unanimously

7. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the International CES 2015 and Photo Marketing scheduled from Tuesday, January 6<sup>th</sup> through Friday, January 9<sup>th</sup>, 2015 with an anticipated attendance of 170,000 attendees.

Kelly Kuzik made his presentation stating that there will be a total of 170,000 attendees and agrees with the industry's request for 20 and 20 overlapping. The Industry requests the same as last year, 20 and then 20 and 20 overlapping and I have attached the productivity data from last year's CES show, and based on the productivity data, it does not appear that there was an over-allocation or an under-allocation.

Intervenors were Boulder Cab d/b/a Deluxe Taxicab Service, Nellis Cab Company, Yellow/Checker/Star Cab Companies, Whittlesea Blue/Henderson Taxi, Frias Transportation, Western Cab Company and Desert Cab Company. A Cab, LLC, again asked to raise the restrictions.

*The following is what was proposed by Jamie Pino, Nellis Cab, and the industry agreed –*

*Monday, 01/05/2015 – 20 medallions – 12 PM – 2 AM – any 12 hours  
Tuesday, 01/06/2015 and Wednesday, 01/07/2015 – 20 medallions – 7 AM – 7 PM and  
20 medallions – 12 PM – 2 AM – any 12 hours  
Thursday, 01/08/2015 – 20 medallions – 7 AM – 7 PM*

*Jamie Pino commented that there are a lot of out-of-state buses at the convention so they need to have enough cabs to accommodate as many people as possible. Ruthie Jones, ITEP Union - We support CES allocation of temporary medallions from last year and we support them for Thursday, January 8<sup>th</sup>. January 9<sup>th</sup> - extra medallion.*

The Chair asked Ms. Soto to speak about last year's CES.

Maria Soto said that last year there was a 35-40 minute wait for cab service due to a lot of road construction. LVCVA always works to be sure there is cab access to the convention center. They want the cabs there as limos are also there if cabs cannot get enough service. On the closing day, the wait is also 35-40 minutes for a cab. She said that people will wait because they prefer a cab for the privacy.

Motion: Medallions per the request of the industry -  
Monday, 01/05/2015 – 20 medallions – 12 PM – 2 AM – any 12 hours  
Tuesday, 01/06/2015 and Wednesday, 01/07/2015 – 20 medallions –  
7 AM – 7 PM and 20 medallions – 12 PM – 2 AM – any 12 hours  
Thursday, 01/08/2015 – 20 medallions – 7 AM – 7 PM  
By: Member Aguilera  
Seconded: Chair Drobkin  
Vote: Passed unanimously

Cheryl Knapp for Whittlesea Blue Cab and Henderson Taxi. There is a point that I would like to make. Several years ago, prior to this Board, whenever we had an event such as CES, the allocations that were granted were all available cabs. We found out that that actually was in violation of statute. So we had to pick a number and the number 20 has worked. There are times, however, when not all of the cab



companies are able to operate all of the cabs allocated. Because you're thinking of 20 cabs, but the shifts overlap. So, you're adding an additional 40 cabs. Plus at times the additional 17 that we have that run Thursday through Sunday, and at times we have difficulty, cabs break down, and we don't necessarily have enough vehicles to fulfill that allocation. So, while some people in the audience may believe that we are over-allocating and that we're flooding the market, in fact we're not. If I had the ability to run 30 additional cabs for CES, I still believe that would be an under-allocation because simply of the infrastructure of Las Vegas trying to get these people from Point A to Point B. I just thought it was a valid point and needed to be brought up. Thank you.

8. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the Las Vegas World Market Show scheduled from Sunday, January 18<sup>th</sup> through Thursday, January 22<sup>nd</sup>, 2015 with an anticipated attendance of 50,000 attendees.

Chair Drobkin: We're going to take Items 8 through 13 together so we can shorten our day and they all overlap.

See comments regarding these conventions after Agenda Item 13.

9. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the Kitchen and Bath Industry Show 2015 scheduled for Tuesday, January 20<sup>th</sup> through Thursday, January 22<sup>nd</sup>, 2015 at LVCVA with an anticipated attendance of 30,000 attendees.
10. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the Shooting, Hunting and Outdoor Trade Show 2015 (SHOT Show) scheduled from Tuesday, January 20<sup>th</sup> through Friday, January 23<sup>rd</sup>, 2015 at the Sands Expo with an anticipated attendance of 61,000 attendees.
11. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the International Builders Show 2015 scheduled from Tuesday, January 20<sup>th</sup> through Thursday, January 22<sup>nd</sup>, 2015 at the LVCVA with an anticipated attendance of 55,000 attendees.
12. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the Surfaces 2015 Show scheduled for Wednesday, January 21<sup>st</sup> through Friday, January 23<sup>rd</sup>, 2015 at the Mandalay Bay Resort with an anticipated attendance of 25,000 attendees.
13. Discussion and Possible Decision regarding the issue of possible temporary allocation of medallions for the Adult Entertainment Expo 2015 scheduled from Wednesday, January 21<sup>st</sup> through Saturday, January 24<sup>th</sup>, 2015 at the Hard Rock Hotel with an anticipated attendance of 25,000 attendees.

Kelly Kuzik made his presentation stating these six events are all occurring within the same week. If any one of them were in its own, we wouldn't be looking at an allocation for temporary medallions. But with all of them coming within that same week, there will be 250,000 people here. They're going to be at the World Market, Convention Center, The Sands, Mandalay Bay, and The Hard Rock Hotel. It's a very diverse group from construction to the Adult Entertainment folks. We only received a recommendation from one of the companies, and that was for 15 and then 15 of 15 overlapping. We haven't seen or were provided with any empirical data that would demonstrate that there shouldn't be an allocation.

Intervenors are Boulder Cab d/b/a Deluxe Taxicab Service, Nellis Cab, YCS, A Cab, LLC, Whittlesea Blue/Henderson Taxi, Lucky Cab, Frias Transportation, Western Cab and Desert Cab.



Jamie Pino, Nellis Cab proposed the following allocation to which all intervenors agreed, except ITPE Union – the drivers do not support it.

- Monday, January 19<sup>th</sup>, 2015 - 20 medallions – 12 PM to 2 AM*
- Tuesday, January 20<sup>th</sup>, 2015 – 20 medallions – 7 AM to 7 PM and 20 medallions -12 PM to 2 AM*
- Wednesday, January 21<sup>st</sup>, 2015 - 20 medallions - 7 AM to 7 PM and 20 medallions -12 PM to 2 AM*
- Thursday, January 22<sup>nd</sup>, 2015 - 20 medallions - 7 AM to 7 PM and 20 medallions -12 PM to 2 AM*
- Friday, January 23<sup>rd</sup>, 2015 - 20 medallions - 7 AM to 7 PM and 20 medallions -12 PM to 2 AM*

The Board agrees with the request stating that there has never been this many in town for multiple conventions in the past.

Motion: Monday, January 19<sup>th</sup>, 2015 - 20 medallions – 12 PM to 2 AM - any 12-hour shift  
Tuesday, January 20<sup>th</sup>, 2015 – 20 medallions – 7 AM to 7 PM and 20 medallions -12 PM to 2 AM  
Wednesday, January 21<sup>st</sup>, 2015 - 20 medallions - 7 AM to 7 PM and 20 medallions -12 PM to 2 AM - any 12-hour shift  
Thursday, January 22<sup>nd</sup>, 2015 – 20 medallions - 7 AM to 7 PM and 20 medallions -12 PM to 2 AM - any 12-hour shift  
Friday, January 23<sup>rd</sup>, 2015 - 20 medallions - 7 AM to 7 PM and 10 medallions – 12 PM to 2 AM - any 12-hour shift  
Saturday, the 24th, 10 medallions from 12:00 p.m. to 2:00 a.m., any 12-hour shift  
By: Member Collins  
Seconded: Member Aguilera  
Vote: Passed unanimously

14. Hearing and Possible Decision regarding the Application for Modification of the Language of the Geographic Scope of the Certificate of Public Convenience and Necessity of Boulder Cab d/b/a Deluxe Cab to reflect the authority to transport passengers and their luggage between points and places within Clark County, Nevada.

Bob Winner and Rick Flaven, owner of Deluxe. I have copies of the Stipulation, essentially with the Industry. This should be part of the record already as it was attached to the Motion for Expedited Hearing.

Chair Drobkin: Can you read the Stipulation in to record?

DAG Christine Guerci-Nyhus: You will need to read it into the record so that all the Board members--

Mr. Winner gave the Board a copy of the Stipulation.

Chair Drobkin: Have all the certificate holders signed on to the stipulation?

Atty. Winner: Either yes formally in the attached stipulation although at the prior prehearings, for example, I don't believe Western did, but Marilyn stipulated to it orally and I believe that Jason Awad did. They weren't signed on there.

Atty. Winner: The one I think who didn't sign is A Cab but at the prior hearings, naturally they support the expansion--or don't oppose it.



Chair Drobkin: Okay. Well, let's look at it before we get to the stipulation. On my copy, we don't have a signature from A Cab. So, is A Cab agreeing to the stipulation?

Esther Rodriguez, Attorney for A Cab: No, we're not. We'd like to be heard, we're not signing the stipulation.

Chair Drobkin: And ITPE? Ruthie Jones, ITPEU: And they are not signing. They oppose it

Chair Drobkin: Can you go ahead and read the stipulation into record for me, please?

Atty. Winner: The applicants, Interveners, in an effort to amicably resolve Boulder Cab dba Deluxe Taxi Cab's application to modify its certificate, hereby stipulate and agree to the following: 1) That Boulder Cab will be entitled to an amended certificate granting authority to operate throughout Clark County with the exception of Mesquite, like the other cab companies. 2) That Boulder Deluxe or Deluxe Boulder shall be entitled to put 11 24/7 medallions immediately into service throughout Clark County unless specifically exempted. 3) That Deluxe Boulder shall immediately move the northern end of its limited certificated area from Sunset to Russell Road, to include service to properties that abut the north side of Russell Road. 4) That all of the other medallions Deluxe Boulder currently has (except for the 11 that would immediately go countywide), shall be limited to the restricted Boulder Deluxe certificated area for pickup. 5) That those medallions that are restricted to pick up in Boulder's limited area (as amended by the expansion to Russell Road), shall stay in Boulder's geographically limited area for 15 years and Boulder agrees not to apply to expand authority for the limited medallions (except as otherwise noted in the agreement), to pick up in the resort corridor commonly known in the taxicab industry as the Global Triangle. 6) That Boulder Deluxe shall be entitled to share equally in all future allocations countywide both temporary and permanent and for special events. In consideration and exchange for the above concessions by all the parties, the parties agree to waive discovery and request an expedited hearing as soon as practicable. Signed by me, Mark Trafton, Marc Gordon, Michelle Langille for Nellis Cab, George Balaban for Desert Cab and John Moran for Western and Neal Tomlinson for Frias Transportation.

DAG Guerci-Nyhus: I'm going to jump in with just a little procedural before we get started. So, what the Board has before it is a stipulation that not all of the interveners have agreed to. So it puts us in a little quandary because we do need to have a hearing because we have some protests that now will change the application. We have certain parties have agreed to certain terms. So what the Board should do at the outset is determine if these terms would be something that you would be acceptable to after the hearing, so that you would have a hearing to determine if you would agree to these terms. If you don't like these terms then we're going to need to sort of toss out the stipulation and have a full-blown hearing, but then we need to put all of the people who have intervened and signed onto the stipulation on notice that they are going to--that this is not going to be the potential outcome and that they would need to participate in any kind of hearing. So, the first discussion we need to have, is just whether these terms are something that you would think is an acceptable outcome.

Chair Drobkin: I'm good with the terms. A Member stated I am, too, and there's nothing on here that I would be opposed to at this point, so. Member Aguilera asked for an explanation of 24/7 medallions as he is new to the Board and did not understand what that meant. Atty. Winner explained what they meant.

Chair Drobkin: So, the motion would be for us to have a hearing limited to this--to determine the terms of the stipulation.

Atty. Winner: Yes.



Motion: We have the hearing limited to the terms of the stipulation.  
By: Chair Drobkin  
Seconded: Member Collins:  
Vote: Passed unanimously

Chair Drobkin: Mr. Winner, please call your first witness.

Atty. Winner: We can address the existing business, entertain questions if you like, or do audit, whatever you want to do, if any but I'm glad you accepted the stipulation. So, we did do that, and it may not be perfect for everybody, but it is an agreement and it's binding on all of the parties here. Rick would agree--not everyone in this room would agree with it, but it's good for the industry and it's good for Rick and his territory and continuing to serve that.

DAG Guerci-Nyhus: Mr. Flaven, you want to raise your right hand? Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth in the testimony you give during these proceedings?  
Rick Flaven: I do.

Atty. Bob Winner proceeded to ask Mr. Flaven questions regarding the Statutes and Regulations of 706.8827. Mr. Flaven answered yes to all the questions.

Atty. Winner: We have some other things, but that's all the questions I have. I'm making sure I protect the record under the statute.

Chair Drobkin: ITPE. Do you have any questions for this witness?

Richard Segerblom: No.

Chair Drobkin: Okay. A Cab?

Atty. Rodriguez: I don't have any questions for Mr. Flaven.

Chair Drobkin: Okay. Thank you. DAG Guerci-Nyhus: If the Board doesn't have any questions for Mr. Flaven, Mr. Winner can call his next witness.

Atty. Winner: I don't have any further witnesses. We have some points to make which you may or may not take (inaudible), so—

Chair Drobkin: I'm fine. Can we go ahead and hear your points?

Atty. Winner: The gist of the stipulated agreement--and I'll go through the history of Boulder's efforts to expand before. But, Rick has done his time. The 5-year limitation in the certificate, you can't expand, means just that. You can't expand. But doesn't it also mean that after 5 years you can? It was really a test. Rick couldn't have got this on without Ray Chenoweth's help. He really couldn't have, from Nellis Cab. And it was a 5-year--originally it was a temporary certificate, but legally you couldn't do that. And can you make a go? Can you make a business? It wouldn't have been granted. The certificate wouldn't have been issued if there wasn't an unmet need there. The stipulation to come out of there and the limited number, the 11, it was actually a guy who I respect a lot, a client of mine who's very good with numbers, came with that number, but it ensured, 1) there's at least a sufficient or over-allocation--which you might appreciate, Mr. Collins--for this area. Rick knows, and most in the industry know, if you give a cab to a cab driver, he's going to go where there's business, as best he can, all things considered. The reason we have geographically restricted medallions is because we know this and



we're trying to get service out to the outlying areas. If Rick were allowed to run everything, which Rick wouldn't mind doing, part of Rick doesn't like--he's been there for a long time and the people in Green Valley and Henderson like him. He is responsive and it's good. So, taking out a part of the fleet while ensuring the majority stay in Green Valley, Henderson, is a good thing for the industry. It also ensures there's not somebody else coming in the vacuum that might be left, if there were a complete surrender of the area. Which Rick doesn't want to do. He really doesn't. And he knows, he has cab drivers. He knows it's hard to hit them over the head sometimes. They don't always follow the rules. The ability to expand in the future, you know, in future allocations, which is actually the statute--they have to do that--and on the temporaries, is good, and that will help the industry. The two things I've heard today--well, one of the things, but it's the second thing that's a concern. I heard Mr. Nady say--he gave some numbers on Deadhead Miles. Nobody knows Deadhead Miles better than Rick. It's a cost. His margin is nowhere what the rest of the industry is. But, that's the deal he made when he went to the Boulder area. He said, "I'm going to serve this area. I know it's not as good. I'm going to do it and I'm going to make it work." And he did and he should be commended. The Uber issue, I don't know what's going to happen. Nobody here does. What we know is, it's this new wave, you know, American thing, free competition, "I got an idea, let me make a buck." I don't think Uber's going to make much of an effect in the resort corridor because there's cabs there always. If anywhere, as I believe Mr. Nady said, it's going to affect--it's the outlying areas. Now, I don't know if they'll make a go. I don't think they should. Yesterday, there was a hearing with Judge Herndon, where he said, "Cab drivers and the Uber drivers, they're one in the same. They're both bad." Well, they can be, sure. But if a cab driver steals, you know who pays? Rick does. Uber ain't paying. There's a big difference and I don't know how bad it's going to be, but if there's an effect measurable, it's going to be on Rick more so than the rest of the industry. The second issue, and this is the one that Rick and I have been, you know, picking our noses on, for lack of a better term, is the Haring case. Rick got sued by Haring by a lawyer who does minimum wage lawsuits and the Supreme Court heard it and sent it back saying, "No. Constitution's been amended, live with it." The industry I know is concerned about it, but Rick is even more so, because I've looked at some of the trip sheets. When you guys, and when I say you guys it wasn't you, it was the Board, said to Rick, "Serve this area," he had to do it. A reasonable response time is what, within 30 minutes, sometimes 20 minutes, sometimes 40, but you shoot for that. And Rick has done that. He puts out cabs, let's say Tuesday night, in Green Valley. It's a lot quieter there than it is in the Strip--or on the Strip. But he has to put them out there in a sufficient number to provide adequate service when people call. The minimum wage deal is something that's affecting that. You got these trip sheets where guys are out but they're not making a lot of money. They're just there. So, should he reduce that, I'm going to pull numbers out of the air. You put out 10, they're not making the money, you know, weekday nights, you go back to 5, now your service goes down and now the Board is saying, "What's wrong with you?"

DAG Guerci-Nyhus: Mr. Winner, I need to interrupt you because, at this point, this is your opportunity to put on evidence for the record. So, you'll have an opportunity to do a closing statement at the end of all of this.

Atty. Winner: I've already done half of it. With no further evidence, he rests. But, if there's any challenge to our evidence, I want the opportunity to respond. DAG Guerci-Nyhus said he would have an opportunity and would need to respond to an 8827, your number of findings that the Board needs to make to A through E. Winner: Yes.

DAG Guerci-Nyhus: So I'm going to want you to tie all of those to the evidence that you've presented today so that the Board has evidence for each of those findings. Winner: Understood. DAG Guerci-Nyhus: All right. Good. Winner: Okay. I rest.

Chair Drobkin: Thank you. A Cab?



Atty. Rodriguez: Good morning or late morning. Esther Rodriguez and Jay Nady for A Cab. I'm not going to call any witnesses or produce any documents. I basically just want to give you an idea of why we have an issue with this particular stipulation, and I'll be short because it's very straightforward. I'd ask the Board to bear in mind Mr. Nady's comments from earlier today. I think on a number of items he's asked you--he's pointed out to you that he feels that a big solution to these additional allocations would just be simply lifting some of these geographic restrictions. We obviously don't oppose the lifting of geographic restrictions. A Cab has been fighting for this since 2007. We actually found out about Deluxe's application the actual day of A Cab's settlement conference. And I think that's important and relevant today because we were sitting there in the middle of our settlement conference and the Industry, the Interveners came in with a deal with was dictated already. We didn't even know Deluxe had applied but they walked in with this deal of 11 unrestricted medallions for both Deluxe and A Cab, but with an important provision in there, which is in No. 5 of the Stipulation, which says that Boulder/Deluxe and the same deal was offered to A Cab in terms of you cannot reapply for 15 years. That's why we cannot sign this stipulation with that because A Cab is not agreeing to not reapplying for expansion should the need come up, and if by signing this stipulation I think that A Cab would be representing that they're agreeing that that is reasonable. If Deluxe is willing to accept that, that's fine for them, but that's the main reason that A Cab cannot sign this. But we do think that it is important that this Board get behind the licensed companies such as Deluxe and A Cab, and helping them to survive against unlicensed companies. So we do appreciate Member Collins' comments this morning as well as some of the other Board member who have indicated that's their intention to get behind the appropriately licensed companies as opposed to the unlicensed people that are coming in and poaching the rides, particularly in the outlining areas--outlying area for such Deluxe or A Cab. Do you want to add anything to that, Mr. Nady?

DAG Guerci-Nyhus: Are you going to testify about your business? Then I want to swear you in.

Jay Nady: Swear me in. DAG Guerci-Nyhus: Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth in the testimony you give in these proceedings? Jay Nady: I do.

Jay Nady: Sour grapes. That's what I have here. I have sour grapes. We applied 8 months before him, but because we wouldn't stipulate to my competitors, here we sit. We've spent so much money. I mean, more money than I could afford, to go after this. We've had depositions. We've had testimony. We've had experts. Well, we had--just money. It's money. It's time. It's consideration. It's heartache. The day we walk in for a settlement--that day--

Chair Drobkin: Mr. Nady? Can you go back on testifying about your business and--

DAG Guerci-Nyhus: Actually, this is the point where you talk about Deluxe's application. So, you are here now in your opposition to Deluxe's--

Atty. Rodriguez: No, we're-- Jay Nady: No, we're not here in their opposition. Atty. Rodriguez: I was very clear that we're not opposing--

Chair Drobkin: But they're not going to sign on.

Atty. Rodriguez: However, this evidence is relevant because it directly affects what's going to happen next month and it directly affects why Deluxe is sitting in this position. They only came in in this particular position, I know Mr. Winner's already represented--we worked months and months and months to get to this point. Hell, this was a deal that was dictated the day of A Cab's settlement conference. So they are hand in hand. We are intertwined and at this point, you know, to come in with



a stipulation and say we're not--you know, A Cab is not relevant to Deluxe, according to the Interveners, they are. That's why it's important.

Jay Nady: Let me have a second here. As a comment regarding them, I think that the Board is allowing competition, the competitors of this company, and my company and his company, to dictate policy about where he can compete, and I don't think you want to relinquish that authority that the governor has given you and responsibility. I think it's a mistake. Other than that, nothing else.

Chair Drobkin: ITPE?

Richard Segerblom: Good morning. Richard Segerblom for ITPE and I know the morning hours late, so I'll make it real brief. But just a couple points. First, it's our position that the applicant Deluxe has the obligation to prove to you there's a need for this additional service. That's their obligation and they can't just stipulate with half the Industry and say there's a need. If this application is approved and 11 cabs are given full-time service, that's equivalent to 5 new medallions. That is an impact in this area and it means every time you go ahead and give 10 to me, you give 20 and 20 sometimes, so 40 medallions, this 5 is going to give you another 40, so you're talking about a huge impact over time on special events particularly. But if you do the 5 today, just keep in mind that A Cab is going to be back in the next month. They're going to want at least 11, so that's another 5, and then probably in December or January you're going to be asked to give additional medallions to everybody in the industry. So, this is not just 5 medallions. This is a start of a process and I think you should focus on is there a need in the industry for medallions, how many medallions is that going to mean, and I don't hear the evidence for that. Finally, we talked about Uber. The reality is if Uber does make it, it's going to make it in the neighborhoods. This company, as with A Cab, is a neighborhood company. If you take these companies out of the neighborhoods, that just basically tells Uber come in. So, the places being underserved you're just opening up for Uber to come in and no one's thought about that. So I think that's another issue that you guys should focus on. So, based on those three issues, we oppose this application.

Atty. Marc Gordon: Yes, good morning. Mark Gordon on behalf of Yellow Checker Star. We did sign the stipulation. It was our intent at the time that it was a settlement of litigation, that there was a cost and a risk and a certainty in the litigation that was for the best of the Industry and the litigants that (inaudible) settle on these terms. We supported that. We also supported offering the same settlement to A Cab, which they declined to do. But we remain steadfast in our support of the stipulation.

Atty. Mark Trafton: Good morning. Mark Trafton, Vice President and General Counsel of Whittlesea Blue Cab and Henderson Taxi. I just want to make a couple of comments regarding the settlement agreement. We entered the settlement agreement on behalf of Whittlesea and Henderson Taxi, with Deluxe, and the essence of the agreement was that Deluxe would agree to proceed with its application that would contain certain conditions to it, and the conditions had been outlined in the settlement letter that you have. In exchange, Whittlesea and Henderson said and still agree that we would not contest their application from going forward. It's very similar to a settlement in a civil case where you have multiple parties in a civil case. A lot of times, some of the parties settle out and some of the parties don't, and those that don't have to go forward with the litigation. In this case, when those of us agreed to the stipulated settlement, we were not--and this is very important for the record--we were not agreeing--we were not admitting anything. That's part of everyday civil settlements. We were to--when you settle a case, you don't admit to any liability. We were not admitting when we agreed to this stipulated settlement, that the terms, the specifics of NRS 706.8827 were going to be met. That's a very important point. All we agreed to is that we would not contest the evidence in that regard, and we're not contesting that here today. That's obviously up for the Board to decide, whether Deluxe has satisfied those elements or not. A comment was just made that I believe it was by the Union's representative, that the



parties to this stipulated settlement were not concerned or did not think about the service in the outlying areas relative to the impact that Uber is supposedly going to have. I can tell you that in our negotiations, without going in too much detail, that was a significant consideration and the primary reason we were able to strike an agreement with Deluxe Cab, because part of the stipulated settlement is that Deluxe Cab will keep a large portion of its cabs in their outlying area. So that was very important to us, because we foresaw this as an issue. We didn't want to leave the outlying areas with not enough cabs. So that was why we were able to reach an agreement. Otherwise, we remain in agreement with the basic terms of the stipulated settlement. And so, if anybody has any questions, or--okay. Thank you.

Jason Awad: Good morning. My name is Jason Awad. I'm the owner of Lucky Cab Company. I was told that I was a party to the stipulation. I'm not. However, I made it clear from the outset that we support this application. I want to caution the Board of a few important facts. One, the stipulation should be used only as a piece of evidence and understanding between some of the members in the industry and the applicant. Two, that they cannot stipulate on behalf of this Board. You still need to look at the facts. You still need to look at the requirements of the statutes and have a finding that this application has merit and should be approved. I'm against you approving the application only based on the stipulation. Without a doubt, this application has merit, and it should be approved. He has served his community over there in Boulder. As long as you keep in mind that there's a huge need to keep the rest of the fleet operating in that area. Because that was the first purpose and the reason the certificate was granted. He needs to continue to provide service to that area. He promised to do that. And we need some facts. We need to ask for some facts to support that position. I'm against anybody in the industry to come in and put restrictions that is convenient for the industry as a whole, and not convenient to the public. Number 1, we must serve the public. Service. Forcing someone not to apply again for the 15 years, that is ludicrous, improper, inappropriate. We need to look at the facts. If there's a need for him to come back, he should come back. If it is a failure by him in serving the public over there, you should bring him for a show-cause. Come over here, we modified your certificate, and you are not really providing service to the public. You need to have that authority. That's why I did not sign the stipulation. He needs to come before you, put a case that justifies him modifying the certificate. Again, we support it. Again, he proved to be a very good character. He has served the community very well, lived up to all the conditions, and a person or a company that has really suffered and experienced what he has and what Jay Nady is experiencing, and Laughlin. He needs to have another source of income that will help him give better service for the community and for his drivers. So he needs to be on the Strip and in the Golden Triangle to provide a better service, because that will help this company without a doubt. Now I do realize that the big, white elephant in this room, you know, has brought into this Board a positive impact and you know who I'm talking about, Uber. I was happy to hear you guys during the temporary allocation, that we have a new day with respect to allocation, and to providing the public with the proper service. I always was and continue to be against micromanagement. You cannot micromanage the industry. You cannot allocate cabs 12:00 to 12:00, 6:00 to 6:00, 7:00 to 7:00. We are not the demanding public. When Mrs. Smith needs a car, she needs a car. We need to be able to provide that service to that person. Not because it's convenient for the industry as a whole and more profitable for the industry or more profitable for the drivers. We got in this business knowing that sometimes you're not going to make money. And--however, service is necessary. That's part of the job. So, I hope that new day has come, whereby we stop micromanaging, including his application. Give us the cars, give us the medallions, and let each company run its business the way they're supposed to run their business, on supply and demand. If there's a need outside and I agree with Mr. Collins, have more cars. Serve the public. Don't tell me, "Well, we're going to be busy 10:00 to 10:00, we're not going to be busy 12:00 to 12:00." That is inappropriate. So, to go back to his application, I hope, personally I never oppose any applicant. We should have due process. We should have a giving everybody the opportunity to come before you or any agency and ask for, you know, certificate of convenience, public necessity, to go and serve the public. And they have to meet their burden. If they fail to meet the burden, at that point in time you make a decision, yes, approved or disapproved. And that's why I was



against the stipulation. The industry cannot get together and just agree. I think what I like to see from the stipulation as a positive, you know, indication of it is this: That the industry as a whole conduct the discovery, agree that there is a need. That should be in the stipulation. That all of them agree that there is a need to go ahead and serve that area. At that point in time I believe they'll be in compliance with the statute. Not just we agree for you to do the following things. Therefore, again, I vouch for his character. He's a good man, and he is a proven commodity, and I think we should help him, you know, and try to expand his certificate. At the same time I will ask you to make a finding of facts that really support the application and the stipulation's only one piece of evidence you guys need to consider, and that's all. Thank you.

Chair Drobkin: Thank you. I want to make a quick comment. This Board has not micromanaged anybody. We do our job and that's what we've been doing, especially since I got here four years ago. I can't speak to what other Boards did before, but I can during my tenure, and we have made it our mission--I can say I spend more time on behalf of this Board doing stuff than actually making a living. So, for you to come in--and I get it, you're not here much and I have great respect for you. But for you to come in and insinuate that somehow this Board is micromanaging anyone--and the fact is, is that they signed on to it, they agreed to it. So, with that, I'm going to call Frias up.

Jason Awad: Well, let me respond, if I may. If I may, Madam Chair. Chair Drobkin: Go ahead.

Jason Awad: When I say that I have a great respect for all of you guys and I'm not saying that you micromanaged it. You inherited a policy that has been micromanaged before and let me just elaborate on that one. It is important in the past that this Board used to look at how many trips per shift and how much what is the income per shift. That was the basis for the Board and the previous Board to make allocations. That's what I'm talking about micromanagement.

Chair Drobkin: Oh, yeah, well, we obviously look at a lot of other factors. So with that, thank you. Frias.

Jason Awad: Yes. You're welcome.

Atty. John Mowbray: Good morning, Madam Chair. John Mowbray on behalf of Frias Companies. I have a signed stipulation by Co-Counsel, Neal Tomlinson, that I will provide Mr. Winner. Unfortunately, I only have one copy. I want to make it clear that Frias reaffirms the terms contained in the stipulation but nothing more. We're not stipulating that the applicant has met its burden under the statute. That's your prerogative. That's all I have to say. The shortest delivery I've ever made.

George Balaban: George Balaban on behalf of Desert Cab Company. I think the attorneys that were representing the other companies have stated pretty much what I wanted to state as well, which was this was a settlement when we made this settlement. The only--so we're not trying to do your job. We were just trying to not litigate. The idea of the number of taxicabs or the number of medallions that were coming into the Strip, it was kind of touched on, but what we had done was that we looked at the number of--we call the medallion equivalents that we have, so a 12:00 to 12:00 medallion is a half of a medallion, because it only works half of the day. So Deluxe has a certain number of medallion equivalents. We took the number of trips that Deluxe's area does, that Deluxe does, average in a month, and we looked at that divided by the number of medallion equivalents they have and compared that to the industry, the Strip. So, we figured that if he was able to do the same number of trips per medallion as we were doing on the Strip, that he would be doing just fine. And through our calculations, we figured out he could do that with 11 less medallions in his area. So it wasn't about the number that needed to be on the Strip. It was about the number that we thought he didn't necessarily need where he was at. So that's how we came up with the 11, was that we just did the math and basically said he had



11 more medallions than he needed in order to do the service for the trips that he currently had. So, that was my only point.

Jamie Pino: We did not intervene on this. Chair Drobkin: Would you like to-- DAG Guerci-Nyhus: They did not intervene. Jamie Pino: No, we don't have nothing to say.

Chair Drobkin: Okay. Well, we've allowed everybody else. We have to be fair. Okay. Okay. All right. I'll allow you to go ahead and respond. All right.

DAG Guerci-Nyhus: You're going to make your closing, so we need you to address now how you have provided evidence of all of those into A, B, C, D, and E and 706.8827. That's-- Atty. Winner: I will-- DAG Guerci-Nyhus: --your burden. Atty. Winner: --I will do that as-- DAG Guerci-Nyhus: Okay.

Atty. Winner: --soon as I address the issues brought up. Okay. The overriding concern of this Board is the convenience of the traveling public first, not any party, not anybody, not a driver. The 15 years in there, could you strike it? I'd rather you didn't. I understand people just don't like it. We didn't like it, but does it really make a difference to us? Suppose things change. Gosh, in Vegas, things change? Really? Five years down the road, we can always apply for more medallions. This is about those that are committed there now and they're going to stay committed there and we hope Green Valley continues to grow and that demand grows, but the concern and the way we divided it out, actually, George articulated well, was to ensure that we've got the service we're doing there, which I think has been good. And are you saying we can't move those out of there? That's okay. It doesn't matter that much. If there's really a demand, something happens and we need more medallions, we can come in and ask for them. So, if it means you're going to throw the whole baby out, don't do it, just leave the 15 years. It isn't that big a deal. Maybe it looks kind of heavy-handed, but it really isn't. Something happens down the road, we can apply for more medallions, just not those. It's okay. Competitors. Competitors. We are competitive somewhat as to getting to the passengers. We can't change our rates. We can't change a lot of things. You guys do that. That's what our being regulated is. We compete with limos and buses and Ubers. The ITP mentioned the need for more medallions and that would be, I think, a factor later when you're thinking about general allocations, whether you just allocated some now, you really didn't, but you freed up some medallions. You haven't allocated any new medallions. You're allowing service beyond, which I think's a good deal. So it's really not more medallions coming out. They are already out. I was in the middle of the minimum wage comment and what this allows Rick to do is continue with your directive, serve your area, even though that driver or these two drivers during the week aren't making minimum wage some shifts. He can roll them into one of these 24/7 anywhere in the county, because I think they look at the week average, not just one day, and that helps him do this, and this is something that helps meet the need. It really does. I want to address the--for lack of a better term--direction I got. How many lawyers up there? We have something called the summary judgment where I come from and where most lawyers come from, and if you put forth sufficient evidence, you're entitled to summary judgment if the other side cannot put forth any evidence or does not put forth any evidence in opposition. I didn't know what to expect. I can talk about the expansions of many other cab companies and have judicial notice, but I didn't think it was necessary if we have a stipulated agreement and if I put in evidence to satisfy the statute. I'm not the village idiot when it comes to being a lawyer. I know what you need to put in so the record's protected, and I did that. Aside from asking Rick how long he's been here and what he's doing, I asked the five questions from 8827 and there is no evidence opposing it. Any of the interveners that came up, there wasn't any evidence. I guess Mr. Nady got under oath, but he wasn't talking about the lack of evidence or challenging it. There has been no evidence in opposition to our satisfaction of 8827. If you want me to read the questions again and the answers, I'll do it. I think I'm just being patronizing at the time. The reason I asked those questions is to have evidence in the record that supports the statute and satisfies the statute. And I remind you, there is no evidence in opposition, none. What we have is a stipulation that you may think



is, "Eh, I don't know." Nobody loves this, but it's good for the industry and Rick agrees with that and he's here and he wants to say thank you as soon as you vote and approve. If you have any other questions, you want to talk about other applications, I can do that, but I don't want to waste your time. We've met with the stipulation and something we can agree with. We've offered evidence unrefuted complying with 8827. I don't think you can make any other ruling based on the evidence.

Chair Drobkin: Thank you. She asked the Board if they have any questions for Mr. Winner? No one did. All right. I kind of want to start it off and say that yeah, that whatever it is, you agreed to it. Right? So, obviously, I, at least from my position, am not here to say, "Well, you shouldn't have agreed to it," because you agreed to it and most of the industry agreed to it. So, I don't have a problem with this. As far as the need, everyone talks about the need. I can tell you at least from my perspective, dealing with the casinos and dealing with the LVCVA and knowing that, yeah, there is usually quite a bit of times recently, now that the economy's picking up and every casino it seems like has their own conventions that were not fully able to adequately move people around to the best of our ability and so I'm all about allowing people to do their jobs, and so that's kind of my take. You want to pipe in, please?

Member Collins: I'll make a few comments. I believe everyone who does their due diligence, that works hard, that spends the time--because you've been in the business for 16 years--that spends the time, does what they were supposed to do and have proven that to the industry, you deserve to have the ability to expand your business. I support this settlement agreement.

Rick Flaven: Thank you.

Member Aguilera: I echo what Board Member Collins indicated. The only thing I'll add is that I'm glad that you're going to continue to service the area that you have been servicing because I think that is a very, very definite need. I live out in--close to that area and it's good that you continue, you understand the need out there and you've got a good relationship with the community and I like to hear that you said you were going to continue with that and make sure, and based on that and the other comments that I shared with both the Chairman and Member Collins that I also support this--

Rick Flaven: Thank you for your support.

Chair Drobkin: And I want to go back and make a comment to everybody that you all should be serving the riding public, no matter if you're restricted or unrestricted. Like, you, everyone should be serving the riding public. So, I just found that kind of telling that it just harps on the two companies who are currently restricted that they should be servicing. Everyone should be servicing. You get a call--and I know this has been an issue, you get a call they need to go out there. So, I just wanted to kind of clarify that. I just found that a bit kind of interesting. Someone want to make a motion for approval?

DAG Guerci-Nyhus: Advised the Chair that with a motion, you need to do is that you have found he required--the findings as needed in 706.8827, subsection 2, and that you're agreeing to the modification in accordance with the stipulation.

Member Collins: So, we're actually agreeing with approving this settlement agreement, then, correct?

DAG Guerci-Nyhus: Well, not technically, because we don't have the settlement agreement of all the parties who are in here. So, what we're doing is we've done a limited hearing. If we have a limited hearing, 706.8827, subsection 2 says, there's certain findings you have to make. So, what your motion is, is that you have that the movement, that Mr. Winner and Deluxe, have provided the evidence that you needed under 8827, subsection 2, and that you are approving their application in accordance with the stipulation. So that those are the terms that you're approving it on. They have satisfied their burden



under 8827, Subsection 2 and then you're going to modify their certificate in accordance with the stipulation.

Member Collins: But we are proving all the terms of this stipulation?

DAG Guerci-Nyhus: That's your decision. If that's the motion you want to make. Well, that they satisfied the statute is just the initial kind of procedural hurdle. And then your determination is that these are what you want to see happen on the certificate.

Chair Drobkin: Let's do this. So, do you guys agree with the six points on the agreement?

Member Collins: On the stipulation and settlement agreement. Chair Drobkin: Is that your wishes?

Member Collins and Member Aguilera agreed with counsel who eloquently stated above. DAG commented they can make comments to it as well.

Motion: I will make the motion that the comments by counsel, read into the record, "that they satisfied the statute is just the initial kind of procedural hurdle. And then your determination is that these are what you want to see happen on the certificate and a motion that we accept that."  
By: Member Aguilera  
Seconded: Member Collins  
Vote: Passed unanimously

#### 15. Public Comment

DAG Ryan Sunga: We usually have on the agenda a report of legal counsel and there hasn't been much to say for about four months now, so we didn't put it on this agenda, but then, lo and behold, this is the month where there is something to say. So I'm going to do it during public comment. The report of legal counsel is that if you've been tuning into the local media, I'm not telling you anything new, but Uber rolled out its operation in Nevada last week. As soon as the operation rolled out, the Office of the Attorney General filed for an injunction here in Clark County to enjoin the operation here, and also filed with it an application for a temporary restraining order. The purpose of filing for the temporary restraining order was to enjoin the operation immediately until a hearing could be held on the injunction to enjoin the operation permanently. Now, as you all know, Judge Herndon heard our application on the temporary restraining order yesterday, and he denied it. And the effect of that is that the operation is not enjoined pending the hearing on the application on the injunction. So he's allowing the operation to continue and then he set a date. I believe it's the 14<sup>th</sup>, for the hearing on the actual injunction to enjoin the operation altogether. But until that hearing happens, the operation continues. And then, I can't speak, though, however, to--there was two more pleadings that were filed in Reno and in Carson City. Now, it's my belief that those TROs were granted, though. Male: They were.

Chair Drobkin: And I think Washington is having a hearing. Male: 12th.

Male: (Inaudible) were signed. DAG Sunga: Yes. Only ours was not. So, it continues here. I apologize.

Chair Drobkin: But in that, we were also, I understand, granted to still be able to impound vehicles, is that correct?



DAG Sunga: Correct. That the enforcement operations of the Taxicab Authority and the Transportation Authority will continue, however, despite the fact that the operation itself, the Death Star, if you will, is still allowed to exist in Nevada. And that's all.

Chair Drobkin: Chief Aquino, did you want to chime in on enforcement or wait 'til next month?

Chief Aquino: We'll just wait 'til next month.

Chair Drobkin: Public comment? Anyone?

Jay Nady: I just want to ask a question while you guys are here. How many people how many Ubers has the TA captured or detained or whatever you want to call it?

Chief Aquino: The NTA as well as the TA, 15 vehicles were impounded during Friday and Saturday.

Jay Nady: So, there were 15 Uber drivers that were captured or detained. Is that right, or is that all that you've just gotten cars or people or both? Is that 15 people who each have one car or 15 cars and you let the other 15 cars go and just held the people?

Chief Aquino: No, 15 vehicles-- Chair Drobkin: Were impounded. Chief Aquino: With one driver each.

Jay Nady: All right. So, there are 15 people who were cited.

Chief Aquino: Yes. Chair Drobkin: And vehicles impounded. Chief Aquino: And their vehicles impounded.

Jay Nady: And you probably read in yesterday's paper that Uber is boasting that they've had thousands of rides and why 15 over—

Chair Drobkin: Because we have limited resources and we've talked about that/. Jay Nady: 15. Chair Drobkin: We have limited resources. Jay Nady: You have half of one person, then, because 15 doesn't seem like a very big number. Chair Drobkin: It was over the course of two days. There are some complications with—

Chief Aquino: May I?

Chair Drobkin: Please. Because I'm going to get myself in trouble if I keep talking.

Jay Nady: So, 15.

Chief Aquino: As far as putting any sting operations together and prosecuting them before—

Jay Nady: Just the capture, not the prosecution.

Chief Aquino: And that's where the problem lies. You have to have probable cause. You have to have witnesses to be able to present to the prosecution, to have a successful prosecution. So, there's-- obviously I'm not going to share everything with you guys as far as tactics-wise, but certainly there's resource issues but as well as evidence issues and that's the main thing is evidence issues. So, we are--when we put cases together, the cases we put together are going to be 100%. Meaning that it's going to be looked at with scrutiny, obviously. However, these cases are going to win, because of the fact the



way we put these cases together. Again, it's important to have that evidence, to have those supporting witnesses that said that this ride occurred. So, I'll just leave it at that.

Jay Nady: How can we help you? Because up in the northwest, we see it all day, every day.

Chief Aquino: What are you seeing?

Jay Nady: I'm seeing cars pull up and pick up passengers and get in the back seat. Hell--I mean, I'm not just saying every 50--every hour. I'm saying you can go online and see where they're waiting, I mean, on their app. You can see it. We can see it. My drivers see it going, "My God, this guy just took my ride." All day.

Chair Drobkin: Mr. Nady, can you get with Chief Aquino after the meeting and maybe that--you can help?

Mark Trafton: Yeah. I'll be fast. Mark Trafton on behalf of Whittlesea Blue Cab Company. I just wanted to inform this Board and the members that are listening that Whittlesea and Bell Trans, we feel the same frustration that Jay just articulated. Late on Tuesday night, we filed a civil complaint against Uber in a separate action, alleging unfair competition, deceptive trade practices. We are also seeking an injunction. We are in the midst of preparing a complaint to be filed in Carson City and we're contemplating also filing a complaint in Reno. Again, the two entities that are filing this are Whittlesea Blue Cab Company and Bell Trans. As everybody in this industry has been talking about this, we at our company have been trying to figure out the best way that us, as industry members, can combat this, and we feel it's by being extremely aggressive in the court system. So that's the approach we're taking. I just kind of wanted to let you guys know that that's what we're doing. So...

Chair Drobkin: We appreciate that. And I want to say, Chief Aquino and even poor Interim Captain Ely spent all weekend before even getting here dealing with this, and Chief Aquino and his guys have been working yeoman's hours on this and again, we go back to we're deficient in resources but they were out there working non-stop and trying to do the right thing. So I just want to make sure everyone understands that. Please,

Sam Moffitt: You know, I heard all these positive vibrations about how much money the drivers make during these conventions and stuff like that. Which actually is true. I'm not going to dispute that. But Mr. Pino brought up (inaudible) talk about numbers. If you go on the Taxicab Authority website, and see what the average earnings per shift are, they sure are not \$450 or \$500. They're much less. That's because it's taken over a month's time. In order for cab drivers to make a living, they have to work peak periods when they make a whole lot of money. Because there's other times when they don't hardly make anything. This is what has to be taken into consideration. Now, we can sit here and talk about Uber and all that stuff. There's a lot of things that they offer that the cab industry is going to have to deal with one way or another. And if you want to talk about that, you talk about the drivers now. They go work at Uber. They get 80% of what they book. They don't get that here. You can say, "Yeah, but look here at what the cab companies provide." Do you know what the turnover rate in the industry is each year? 50%. Now, where do you think those people who have lost their jobs are going to go? Do you think they're going to keep going back to cab companies? Which is what they have done in the past. They're not going to do that now because they don't have to. They have another alternative. So you can sit up here and I'm going to tell you right now, you can allocate 100 cabs during these conventions and stuff if you want to. But there's going to come a time when you're going to have a real problem filling the seats because these drivers are not going to keep tolerating where they can't make any



money. And you say, "Well, what do you mean they can't make any money?" Yellow Checker Star had to pay out minimum wage compensation here a few years ago. A large amount of money. As did some of the other cab companies. Why is that? Everybody's making money. Well, if that's the case, why are they having to pay out minimum wage compensation? Thank you.

Chair Drobkin: Thank you. Anybody else want to come up? Please.

Jason Awad: Since I don't show up here that often, I like to talk a lot-- when I show up. Anyway. Let me just say a couple things. I'm not surprised yesterday about the judge's decision. You can take an order, same order, and go around the courthouse and you have lot of judges making different rulings on it. But I want to also try to give you, the Taxicab Authority, and the Transportation Authority, honestly and truly this is the best organization in the country when it comes to transportation. Therefore, as far as I'm concerned, I think we need to get out a coherent message that the public does not have. We don't really have a face from the Taxicab Authority addressing these issues and making it a level playing field regarding the information that has been disseminated by Uber. Most of it is false. But we need to have a face from the Taxicab Authority to educate the public. What Uber is banking on is for us to be disorganized, to be reactive instead of proactive, and they take advantage of it. Do they have the money? Yes. They have the social media PR campaign that you cannot compete with. But we can compete with the rule of law and forcing them to play by the rules. As an industry, we have to give you all the support that you need. It's not easy for you, for Mr. Aquino to go ahead and start arresting people or just citing them and towing the cars and--that's difficult and they're banking on that. They feel they have the power, the money, the political power to really outplay us and to maneuver their way through in this community. If you look at their MO, they have done the same thing in the country in every city. This is nothing new. They do not abide by the law. They disregard the law and frankly, they disrespect each and every citizen in this state. These laws have been here for a long time and what they do after they disregard it, they're going to get the data to support their position and come back and force the Taxicab Authority or the NTA to sit down and negotiate with them. We have to be strong. We have to be vigilant, and we should continue to do what you're doing, nonstop, as far as, chasing them and then impounding their vehicles and citing their people as much as you can. I know it's not going to be easy but that's what we need to do. If they get the message that we are really backing off, they will prevail and they will change your Authority because indirectly, they are challenging you as much as the industry. The industry can survive. We love competition. I speak on my behalf, not behalf of the whole industry. We love competition, but it has to be a level playing field competition. So any support you need from us, please advise and I wish you the best of luck. We're going to win. I don't believe Uber is going to really win in this state. We're going to win as long as we have a coherent message to the public because the public is misinformed and (inaudible) we get (inaudible) tweets and then just the social media and talking about some stuff that the industry does that they don't do.

Chair Drobkin: Okay. Thank you so much. Do we have a motion for adjournment?

Member Collins: I'd like to make one comment. And I was sorry to see Mr. Moffitt leave so early because I wanted to kind of address that. One big point we've all talked about the competition. Mr. Awad eloquently, you know, mentioned, you know, that facet. We all know competition is always around us. It's always going to be there, quite frankly. We can control it somehow, and the Chief and his enforcement staff will do what's necessary to be able to provide legally the right type of services. But let's go above and beyond that. To me, it all starts with the point of contact. So when somebody comes into this city, whether it's a tourist, conventioner, or what have you, and they meet the first person, the first cab that they encounter, that's the first person of contact. Until the cab industry, and I mean mainly the members, the cab drivers, start to hone up and provide the excellent customer service that we need, each and every day, each and every passenger, they're going to continue to fall short. That's where it has to start. That's where it needs to end up. Otherwise, competition will come in, and if competitors



can give you a better rate, better service, talkative, engage their clients, they're going to win the business. It happens in every industry. It's all about customer service. So I'm hoping every cab company is teaching and preaching that with your forces, but to me, it's very crystal clear this is how we're going to win over the competition is by providing the best customer service, so it starts with the drivers. Thank you.

Chair Drobkin: Okay. And now do I have a motion for adjournment?

Member Aguilera: I'll just--can I just say another thing? Because that's how my properties, all of MGM, does better than anybody else. Because it's customer service. We spend a ton of money on training, retraining, giving the employees understanding that the customer is valuable to everybody. And like you said, the first person--when the customer gets out of the cab or a car at the valet, first contact, that valet is so important to make sure that the smiles say, "Welcome to Bellagio. Welcome to Aria. The MGM, et cetera. It's all of that and you're right, if we don't--if the cab companies don't motivate their employees to make sure that they understand that it's a different ballgame out there, because people in Uber are doing it, apparently, from what the press has said. So, it's important to--we're here to help and to make sure that, you know, everybody abides by the law. But we need the cab drivers, also, and the companies to make sure that they assist that and step it up a little bit. Thank you. I'll make a motion to adjourn.

Chair Drobkin: --the press has said a lot of things. I'll remind people, then, don't believe everything you read. Please make the motion.

16. Adjournment

Motion: For Adjournment  
By: Member Aguilera  
Seconded: Member Collins  
Vote: Passed unanimously.

Chair Drobkin: Motion passes. Thank you so much everybody for your work today.

Meeting adjourned at 12:13:05 PM.

Respectfully submitted by:

 11-20-14  
\_\_\_\_\_  
Barbara A. Webb, Recording Secretary Date

Approved by:

 \_\_\_\_\_  
Ileana Drobkin, Chairman Date

 12-3-14  
\_\_\_\_\_  
Tom Ely, Captain, Interim Administrator Date

