BRIAN SANDOVAL Governor

BRUCE BRESLOW Director



STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY TAXICAB AUTHORITY

2090 E. Flamingo Road, Suite 200 Las Vegas Nevada 89119 Telephone (702) 668-4000 • Fax (702) 668-4001 http://taxi.state.nv.us RONALD GROGAN Administrator

> STAN OLSEN Chairman

Members
BRUCE AGUILERA, ESQ.
JAMES E. CAMPOS
ROGER C. THOMPSON, Ph.D
RICHARD DAVID GROOVER

MINUTES OF THE JUNE 22, 2017 BOARD MEETING AND HEARING

1. Call to Order

Chairman Stan Olsen called the meeting to order at 9:03 a.m. at the location of 2080 E. Flamingo Road, Suite 114, Las Vegas, Nevada 89119.

Present from the Nevada Taxicab Authority Board

Chairman Stan Olsen Member Bruce Aguilera Member James Campos Member Roger Thompson Member Richard David Groover

2. Pledge of Allegiance to the Flag

Member Campos led the Pledge of Allegiance to the Flag.

3. Compliance with Open Meeting Law

Administrator Ronald Grogan stated the meeting is in compliance with Open Meeting Law.

4. Public Comment

No comments.

5. Approval of the April 20, 2017 Board Meeting Minutes

All in favor - motion passes.

6. Discussion with Freddie Kirtley, Assistant Director, Landside Operations, McCarran International Airport, Regarding Recent Taxicab Service.

Freddie Kirtley stated taxicab rides originating from the airport have decreased 9.4% from last year. Chairman Olsen asked Ms. Kirtley to what does she attribute the decrease. Ms. Kirtley stated she believes the rides are now distributed between taxicabs and TNCs. Chairman Olsen asked if there are stats on the TNCs. Ms. Kirtley stated all the numbers are posted monthly on the website. Chairman Olsen asked Ms. Kirtley if she could provide the numbers for both taxicabs and TNCs at the next board meeting.

Member Thompson asked Ms. Kirtley to comment on the total number of rides. Ms. Kirtley stated this year for the month of May there were 186,871 taxicab rides versus 209,000 taxicab rides last year.

Member Aguilera asked Ms. Kirtley if the airport receives revenue from the TNCs. Ms. Kirtley answered that they do receive revenue from TNCs when they pick up and also when they drop off.

7. Discussion with a Representative from Nellis Air Force Base Regarding Interested Taxicab Companies Providing Taxicab Service on Nellis Air Force Base.

Master Sergeant Neil Lockart and Chief Jeff Porter were present on behalf of Nellis Air Force Base. Master Sergeant Lockart stated Nellis Air Force Base is interested in vetting a number of taxicab drivers and providing them with credentials to enter the air force base when they need to pick up or drop off a fare. Master Sergeant Lockart stated the current practice is to conduct a background check on the driver each time they come to the gate to drop off a fare. Taxicabs are not currently allowed to enter the installation to pick up a fare. Providing a limited credential will allow for easier access and convenience for the driver as well as for the passengers. The passengers will still be required to have credentials allowing them entry to the base. At this time there is no plan to allow for taxicab staging but it could be an option in the future.

Member Aguilera asked about the demand for taxicab service on the base. Chief Porter stated he sees a demand for this service. Member Thompson asked how many taxicab drivers are they looking to vet for credentials. Master Sergeant Lockart stated there is a committee, the Integrated Defense Working Group, that will meet to assess that number. Master Sergeant Lockart stated they would like to know how many companies are interested in getting the credentials for their drivers as the number of credentials will be split among the companies.

Member Aguilera asked if Uber and Lyft will also be vetted. Master Sergeant Lockart stated Uber and Lyft are not allowed access to the base. Chairman Olsen asked if Nellis Air Force Base would need access to any of the Taxicab Authority's records in regards to background checks. Master Sergeant Lockart stated they would run their own background check. Member Thompson asked who would pay for the background checks. Master Sergeant Lockart stated Nellis Air Force Base will pay for their independent background and vetting process. Chairman Olsen asked if the passengers will be assessed an extra fee for this service. Master Sergeant Lockart stated they will not, Member Groover asked how long does the vetting process take. Chief Porter stated they would like about five days to complete the process. Member Groover asked if their vetting process includes a criminal history inquiry. Chief Porter answered that it does.

John Marushok, Frias, stated Frias Transportation would like to further discuss the details and participate in this program.

8. Discussion Regarding Bills Pertaining to the Taxicab Industry in the 2017 Legislative Session, Including Assembly Bill 69 and Assembly Bill 487.

Janette Reyes-Speer appeared on behalf of the Taxicab Authority.

Ms. Reyes-Speer gave a brief overview of Assembly Bill 69 which allows certificate holders to use autonomous vehicles to provide taxicab service. Ms. Reyes-Speer stated Assembly Bill 69 explains the role of the Nevada Transportation Authority, the Department of Motor Vehicles, and Taxicab Authority, in regards to the use of autonomous vehicles.



Ms. Reyes-Speer gave an overview of Assembly Bill 487. Ms. Reyes-Speer explained that in Section 3 and Section 16.5 the TA is given limited enforcement jurisdiction to cite TNCs into the Nevada Transportation Authority court for providing rides off the app. However, the investigator must have probable cause.

Section 5 and Section 26 removes the real-time data system and allows the technology fee to be used for technological improvements in safety.

Section 6 requires that the color scheme and insigne for the taxicabs of each certificate holder be distinguishable from other certificate holders but no longer requires Taxicab Authority approval.

Section 7 allows taxicabs to be used for 120 months from the date of manufacture.

Section 8 removes the requirement to post fares on the outside of the taxicab. Requires credit card fees *be posted outside the taxicab.*

Section 9 allows a maximum of one taxicab inspection by the Taxicab Authority per year.

Section 10 allows an independent contractor to use a leased taxicab to provide TNC rides.

Section 11 removes the 30 day residency requirement for taxicab drivers. It also allows drivers to reside in a state that borders Clark County.

Section 12 allows electronic trip sheets.

Section 13 allows the passenger to agree to a longer route. It also adds the word intentionally -a driver shall not intentionally take a longer route to the passenger's destination than is necessary.

Section 24.5 prevents dynamic displays from changing when the vehicle is moving at speeds of 55 miles per hour or greater.

Chairman Olsen asked if section 9 prevents the Taxicab Authority from performing an inspection when the taxicab is in an accident or breaks down. Attorney Reyes-Speer stated it is her understanding the Taxicab Authority can perform inspections in those circumstances. Member Groover asked if the Taxicab Authority is still required to inspect taxicabs that have been involved in an accident. Attorney Reyes-Speer stated that requirement stands.

Member Aguilera asked if there is a requirement to post the fare amounts inside the taxicab. Attorney Reyes-Speer stated there is a regulation that requires fare notice inside the taxicab.

Member Aguilera asked if the change in section 13 regarding intent was discussed at the legislature. Attorney Reves-Speer answered that it was not. Chairman Olsen asked if there are currently any methods to verify the passenger requested or agreed to the long route outside of interviewing the passenger and driver. Attorney Reyes-Speer stated the current practice includes the driver bringing in proof in the form of a video from his taxicab or contact with the passenger where the passenger states they choose the route.



Member Campos asked Attorney Reyes-Speer to explain the procedure on traffic stops. Attorney Reyes-Speer stated traffic stops are generally made on reasonable suspicion. However, because the drivers are permitted through the Taxicab Authority the investigators can ask at any time to see the driver's trip sheet, permit, et cetera. Attorney Reyes-Speer stated if a traffic stop is made the investigators are held to the same standards as all other officers.

Chairman Olsen stated it is his understanding that under section 3 and section 16.5 regarding TNCs the Taxicab Authority will issue citations into Nevada Transportation Authority Court where it will be adjudicated and the NTA will receive any fines. Attorney Reyes-Speer stated that is correct. Chairman Olsen asked about traffic stops with TNCs. Attorney Reves-Speer stated with TNCs the requirement is probable cause, meaning you know that crime has been committed. Attorney Reyes-Speer stated in this case the Taxicab Authority has limited enforcement jurisdiction specific to NRS 706A.280 – working off app. Chairman Olsen asked if the investigator heard the driver say to the passenger they can do the ride for cash would that satisfy the probable cause requirement. Attorney Reves-Speer stated that other things can happen such as the driver telling the passenger to get on the app once they are in the vehicle. Chairman Olsen stated from his previous experience that scenario would satisfy probable cause to further investigate. If you find out the passenger went through the app then the investigation is over. Chairman Olsen asked Attorney Reyes-Speer if that is accurate. Attorney Reyes-Speer stated she disagrees because by the time you reach probable cause you are ready to write a citation or take the person to jail. Attorney Reyes-Speer stated it does not fulfill the probable cause requirement unless you know the TNC driver is working off the app and you are ready to issue a citation. Chairman Olsen stated he respectfully disagrees.

Member Thompson asked if it were possible to get access to databases showing who is working on the app. Chairman Olsen stated that is proprietary information for a company and you would likely need a warrant to obtain that information.

Administrator Grogan stated the bill, in regards to TNC enforcement, only allows the Taxicab Authority to issue a citation into administrative court. Administrator Grogan stated there is not much that can be done if the person ignores the citation. Chairman Olsen asked what the NTA can do when a person ignores a citation. Attorney Reyes-Speer stated whatever NRS 706A outlines is the limitation of NTA Court. Administrator Grogan stated the Taxicab Authority has an impound statute that allows for impounding a vehicle providing passenger transportation without a CPCN and that case will be adjudicated in the Taxicab Authority Court. Administrator Grogan stated the Taxicab Authority has impounded 59 vehicles over the last year. Administrator Grogan stated this statute is the better option when dealing with TNC vehicles working off the app as it eliminates the discussion over probable cause and carries a greater penalty. Chairman Olsen and Member Groover stated they agree the impound statute offers a greater deterrent for this offense.

Member Groover asked if section 11 allows a resident from Arizona to work in Clark County as a taxicab driver. Attorney Reyes-Speer stated that it does. Chairman Olsen clarified that the driver must still be permitted by the Taxicab Authority.

John Mowbray commented on the issue of probable cause and how it has led to Uber using the program Greyball to block out numbers known to be used by law enforcement, Member Groover stated he is aware of Greyball and its use to circumvent regulatory authority. Administrator Grogan stated in 2015 Taxicab Authority Investigators encountered Greyball when they would see cars on the app that would never show up. The investigators would use a phone for about three cycles before Greyball would block the phone from the app.

9. Staff Report

a. Administrator's Report

Administrator Grogan stated 379 long route citations have been issued this year. The taxicab industry has provided 8.8 million rides. Administrator Grogan stated he has been told by industry members that long route enforcement is driving the taxicab drivers away from the industry. Administrator Grogan stated the numbers belie that statement.

Administrator Grogan stated the reduction in industry revenue has a direct impact on the TA. The budget for TA was passed in May and it reflects a 1.1 to 1.2 million dollar reduction for the TA. Administrator Grogan stated 14 positions were eliminated to keep in line with the budget. Administrator Grogan explained that a number of those positions were vacant however, five people were laid off. Administrator Grogan stated four of the five have been placed in other positions in the State.

Administrator Grogan stated the agency was given money by the State for an office automation project. At this time they have five proposals and they hope to award the contract by fall. Administrator Grogan stated this program will allow the TA to be more efficient and tie together the process from licensing, issuing citations, and through to adjudication.

Administrator Grogan thanked the TA staff for their hard work and support during the legislative session and this first part of the year.

b. Chief Investigator's Report

Chief Aquino was not present for the meeting. Sergeant Chris Rivers reported on the Electric Daisy Carnival. Sergeant Rivers stated EDC was held on June 16th, 17th, and 18th at the Las Vegas Motor Speedway. There were approximately 135,000 attendees each night. The taxicab stand was moved to the far northeast part of the property. Chief Aquino and Sergeant Rivers recommend that the taxicab industry meet with EDC event planners earlier in the process so they can improve the experience for the riding public and address challenges faced at this year's event.

Challenges included poor staffing and management at the taxicab loading area, poor lighting, inadequate restroom facilities, no shade for passengers waiting for a taxicab, lack of watering stations, no ADA loading area, inadequate signage indicating where the taxicab stands were located, and the distance from the event to the taxicab stands.

Sergeant Rivers stated during the week of EDC the Taxicab Authority impounded seven vehicles involved in illegal passenger transportation. Sergeant Rivers stated the individuals were additionally given a citation to Justice Court for operating without a business license.



In one instance the individual rented five minivans from a local dealership to provide a temporary taxi business for the EDC event. One of the minivans was caught and impounded. The impound hearing was held, the impound was found to be proper, and a \$10,000 fine was imposed. Three of the seven impounds involved a TNC driver. One of the impounds involved a taxicab driver. Administrator Grogan mentioned that some of the TNC drivers are former drivers and not currently operating as a permitted TNC driver.

Sergeant Rivers stated prior to the event investigators had learned that a TNC company had made an exclusive deal with Insomniac to provide passenger transportation for the event. Investigators learned that the operational plans were not compliant with current laws and forwarded the information to the Nevada Transportation Authority. The NTA contacted the TNC company and the plans were changed to be compliant with the law. Investigators at the event noted passengers waiting several hours for TNC rides and complained of not being able to connect to the app, having poor cellular phone service, or the network being shut down. There were instances where drivers had cancelled rides because they could not find their passengers. In these instances passengers were directed to the taxicab stands.

Member Campos asked if there are any suggestions on how to fix these problems for next year. Sergeant Rivers stated it is up to the transportation company organizing the event to incorporate the suggestions made by the Taxicab Authority. Administrator Grogan stated it was a deliberate effort to advantage Uber over the taxicab industry. Administrator Grogan stated the industry needs to be more proactive in these events. Administrator Grogan stated the Taxicab Authority went out the day before the event and they were shown a lot with a cover over it that was said to be for the taxicabs. They were told there would be water stations and staff directing people to the taxicab stands. Administrator Grogan stated none of that turned out to be true. Chairman Olsen asked if the Clark County Commission was the primary overseer of this event. Administrator Grogan stated they permitted the event. Chairman Olsen stated Chief Aquino should sit down with the commission and provide them an overview of the event. Chairman Olsen stated it would be a good idea for the industry and the union to do the same.

Member Thompson stated Uber failed in that the app couldn't accommodate all the requests and he believes the taxicab industry can do it better. Administrator Grogan stated Uber's plan for this event was to operate more like a taxicab in that the driver would get a pin that would allow them into the event and they would take the next passenger rather than be matched with a specific passenger. Administrator Grogan stated it was over 100 degrees and people were waiting hours for a ride. It was not a good situation for the safety, comfort, and convenience of the riding public. Administrator Grogan stated he believes Uber will try to advantage themselves at every large event and he suggests the industry be more proactive to get a seat at that table. Chairman Olsen suggested appointing a representative for the taxicab industry to attend meetings for future events.

Sergeant Rivers stated LVMPD Special Events reaches out to everyone involved in major events with attendees over 100,000 people. Sergeant Rivers stated for EDC they started planning in December of 2016. Sergeant Rivers stated there will be a post action meeting next month. Chairman Olsen asked if Sergeant Rivers will report at the post action meeting. Sergeant Rivers stated he will and he has already reached out to the officer in charge of the EDC event. Member Aguilera asked if BWG Transportation is licensed. Sergeant Rivers stated they were in charge of transportation and the outside of the event only.

John Marushok, Frias, stated BWG reached out to the Taxicab Authority believing all taxicab companies were represented by the TA. Mr. Marushok stated this is why invitations did not come out to industry members as they had in the past. Mr. Marushok stated they had meetings with BWG but they were late in the planning. Mr. Marushok agrees need to be more proactive next year. Mr. Marushok stated during the event there were TNC drivers loading for cash. Mr. Marushok stated the number of illegal acts at the event outweighed the abilities of TA enforcement. Chairman Olsen asked if NTA had enforcement at the event. Sergeant Rivers stated not to his knowledge.

Administrator Grogan stated there was an overwhelming amount of illegal transportation occurring at the event. Administrator Grogan agreed with Mr. Marushok and further commented that an army of investigators would not been able to stop it all. Administrator Grogan stated since July of 2016 the TA has impounded 59 vehicles providing illegal transportation. Administrator Grogan stated 17 of those had a TNC connection, 20 had credential issues - no license, no registration, no insurance, and 7 had warrants or were in possession of drugs or drug paraphernalia.

c. Stats for May 2017

Industry statistics are available on the Taxicab Authority website.

d. Future Agenda Items

Future agenda items will include composing a letter from the Taxicab Authority Board to the Clark County Commissioners regarding the EDC event.

10. Report of Legal Counsel

Deputy Attorney General Sophia had nothing to report.

11. Public Comment

John Mowbray, Frias, stated he asked during the last board meeting that the TA provide statistics on the amount of long route citations were issued while using the proposed parallel routes. Mr. Mowbray asked if the TA can provide statistics for March of 2017 that fall directly in the proposed parallel routes. Chairman Olsen stated he would like to see those numbers as well. Chairman Olsen stated he believes the industry overreached at the legislature and that caused them to leave with less than they could have had they used a more direct approach. Chairman Olsen stated that has put them behind another two years.



Kimberly Maxson-Rushton, Livery Operator's Association, expressed appreciation to the enforcement staff for their efforts during the EDC. Ms. Maxson-Rushton further commented that she hopes the NTA take appropriate action in regards to the TNCs business practices during the EDC. Ms. Maxson-Rushton commented on Sprinter vans and that currently they are required to be in the yard until they are chartered out. Ms. Maxson-Rushton stated there is discussion regarding allowing the Sprinter vans to stage for hire. Ms. Maxson-Rushton stated they are opposed to that and she will continue to report on this issue.

Dan Wade, Frias, stated the EDC is a great event for Las Vegas. He complemented Chief Aquino on reaching out to the industry and informing them of a meeting being held regarding the EDC and transportation. Chairman Olsen recommended that the industry take the initiative to reach out to the event coordinators in the future.

Member Groover stated he is concerned about the lack of shading and water for the taxicab stand while those things were furnished for the TNCs. It is a safety issue. Chairman Olsen agreed. Chairman Olsen asked who provided the tent for the TNC passengers. Sergeant Rivers stated it was provided by Insomniac. Sergeant Rivers stated they will build you a tent if you request it. Sergeant Rivers stated he made contact with a man building a tent who told Sergeant Rivers the tent was for the Taxicab Authority. Sergeant Rivers stated on the day of the event the area where the tent was built was designated for shuttle buses. Sergeant Rivers was directed to where the taxicab stands were located and there was nothing out there. Sergeant Rivers contacted Frias who contacted BWG and was told there are no more tents. Sergeant Rivers stated during the EDC 2016 event the taxicab stands were provided with a tent and water. Sergeant Rivers stated this year they were out in the middle of the desert with six porta potties and nothing else. Member Groover stated this is a major safety issue that needs to be addressed. Sergeant Rivers stated for ADA if someone arrived in a wheelchair there would be no way they could operate the wheelchair in the dirt. Sergeant Rivers also stated the event did not water down the dirt to control the dust so there were visibility issues as well.

Sam Moffitt, ITPEU, thanked the board and the staff for an informative meeting. Mr. Moffitt asked if any decisions have been made on the credit card fees and the fuel surcharges mentioned in the audit of 2015. Chairman Olsen stated they will remain the same for the time being and can be addressed in the future.

12. Adjournment

All in favor of adjournment – motion passes.



Approved by: Stan Olsen Chairman

Taxicab Authority Administrator