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STATE OF NEVADA
NEVADA TAXICAB AUTHORITY
DEPARTMENT OF BUSINESS AND INDUSTRY

Thursday, September 26, 2019

OLSEN: We'll call the meeting to order. Agenda Item 1, Pledge of Allegiance. Because it's your birthday Mr. Groover, would you lead us, please?

GROOVER: I will.

OLSEN: Thank you.

[Pledge of Allegiance recited]

GROOVER: Thank you.

OLSEN: Okay, Mr. Administrator, are we in compliance with the Open Meeting Law?

WHITTEMORE: We are, sir. And Mr. Chairman, I'd like to note just if I can, on the Agenda it explains where the meeting was noticed and physical hard copy. I would also like to draw your attention, because it's a public hearing, we have to provide notice. We published notice in the Las Vegas Review Journal on September [inaudible] 2019, so in addition we emailed this Agenda to all the ownership groups. So, in different ways it was provided notice; I'm confident everybody was on the same page.

OLSEN: Okay, perfect. Thank you. All right, Item 2, Public Comment. We've got a little bit larger than

1 normal. Anybody want to come up now during public comment and
2 make any statements? Come on up and identify yourself and who
3 you're with.

4 LEPORE: Good morning, Members of the Board, Mr.
5 Chairman. My name is Ralph LePore. I'm with the Department
6 of Aviation, the Deputy Director for McCarran Airport. I'm
7 here to just speak on real quickly on the hearing you have
8 today regarding the creation zones for flat fee.

9 And I just wanted you to know that based on [inaudible]
10 at McCarran Airport that we are in support of this measure
11 here today as we see this will be a great opportunity to
12 enhance the guest experience for our community as well as for
13 our resort patrons. So, I just wanted to be here to comment
14 on that and that we are in support of that.

15 OLSEN: Thank you very much.

16 LAPORE: Thank you, sir.

17 OLSEN: Anybody else? Come on up.

18 SOTO: Maria Soto, LVCVA, Traffic. I just wanted
19 to give a quick update on service for the Convention Center.
20 For the last month of September, we saw a great service during
21 Lowrider, Mr. Olympia, which brought in about 45,000
22 attendees, was extremely busy, for our transportation industry
23 there.

24 And then the last show that just wrapped up which was
25 Pack Expo with 45,000 people who received excellent service

1 during that as well. We do have several shows coming up for
2 the month of October with Mecum Auto, 15,000 people, which is
3 a huge draw for people with transportation needs as well as
4 MBAA with 25,000 people coming October 22nd to the 24th.

5 Right around the corner is SEMA, which will be coming in
6 with approximately 180,000 people. Once again, all our
7 outdoor space which is used for parking will not be available
8 so we'll be looking to the industry to provide service in our
9 transportation center for that. And we will be scheduling a
10 neighborhood meeting in the next couple of weeks and we'll be
11 inviting all the transportation industry in so that we can
12 give them our transportation and traffic plan for that event,
13 so they know exactly where to go and how to access property.

14 As many of you know that have been around the Convention
15 Center lately, we have a lot of projects going on, so we have
16 the McCarran project which is happening on McCarran Avenue
17 between Paradise and Maryland Parkway which is affecting
18 traffic down on Joe Brown and McCarran. We're down to limited
19 lanes of one-way in each direction over there. We will
20 continue to send updates out on that. Right now, I'm offering
21 suggestions to use Desert Inn or to come in off of Swenson to
22 access property and use Paradise.

23 We also have several projects going on. Convention
24 Center Drive [inaudible] gas working on Las Vegas Boulevard
25 toward Kishner, and then our expansion project, which is

1 working off of Paradise and Convention Center Drive as well as
2 Elvis Presley.

3 There will be a water district project which will be
4 starting on Paradise running from Convention Center Drive all
5 the way down to Twain starting in late spring 2020, so we'll
6 be sending that information out as well to provide options for
7 the industry on how to access our property as we move forward.

8 Then in the future we're looking at the NFL draft coming
9 in April, so we'll be assisting with transportation
10 information in regards to that. Some of you attended the
11 meeting so you have information on that. And just gearing up
12 for CON EXPO coming up. We'll have no parking again as all
13 our parking will be used for exhibit space.

14 So, again, we'll be reaching out to the transportation
15 industry for assistance in providing transportation and
16 meeting our attendee needs. That's about all I have.

17 OLSEN: Okay. Thank you very much.

18 SOTO: Questions? No.

19 OLSEN: It's public comment, no discussion.

20 Thank you though. Somebody - oh, come on up. Identify
21 yourself and who you're with, please.

22 REBELOS: Good morning, Athan Rebelos with Curb
23 Mobility. We're a vendor for several taxi companies in Las
24 Vegas and I believe we didn't sign up as an intervener so my
25 understanding is this is the only point where I can make a

1 comment before the Agenda Item that I'm interested in comes
2 up. So, I just wanted to touch on a few points.

3 I actually just flew in last night from the Regulator's
4 Conference up in Calgary, and you'll probably feel or be
5 assured to know that the industry is moving towards
6 transparency as a whole and sort of the consensus of
7 regulators around North America and globally, actually.

8 I also want to make it clear that we support the taxi
9 industry. That's what we do. That's our business, and in
10 doing so, we comply with all regulations as needed to support
11 the taxi fees. We do have our systems in about 65,000 taxis
12 in North America. Several of those markets have flat rates in
13 some form or another and we are capable of doing that and we
14 look forward to seeing how this plays out and what you're
15 going to expect from the fleets.

16 So, but having all this experience, we've been doing this
17 for just about 25 years, I'd like to just highlight what we
18 think are important points that you need to make sure are
19 covered before doing anything.

20 The flight I took from Calgary to Las Vegas had a lot of
21 non-English speakers on it. About 20 percent of the people on
22 the plane didn't speak English. Some of them spoke French,
23 and as most of you probably know, in Canada any time they make
24 an announcement they make it in English and French. There's a

1 large Asian population, so there were a lot of Asian folks who
2 don't speak English.

3 So, any solution you come up with needs to be something
4 that can work for non-English speakers who are visiting Las
5 Vegas who may not be able to identify the name of their hotel
6 or communicate well with the driver. You also need to
7 consider ADA, so our machines in the cabs in Las Vegas are ADA
8 compliant. They work well for people who have sight issues,
9 blind folks and people with disabilities.

10 You need to consider driver manipulation because people
11 with disabilities may not be able to see or interact with the
12 device or with the software, so you have to make sure that
13 that can be done. Finally, one more thing, it needs to be
14 simple, and you need to keep the taxi line moving. Obviously,
15 when you're busy, if a taxi line, anything is slowing you
16 down, if there's a communication issue in the cab that's going
17 to slow down your taxi line.

18 So those are just some points I wanted to touch on.
19 Again, I'm glad to see that this dialogue is happening. I'm
20 actually [inaudible] because a year ago the taxi industry was
21 not looking very good, but there's a lot happening, a lot of
22 activity, there's new regulations all across North America,
23 and new ideas from all the taxi companies as well.

24 So, having said that, you know, that's pretty much all I
25 have to say, and I'll be here for the entire meeting.

1 OLSEN: Thank you.

2 REBELOS: Thank you.

3 OLSEN: Anybody else? Okay, seeing none, move on
4 to Agenda Item 3, Approval of the Minutes from the July 25th
5 Board Meeting. Everybody get a chance to look them over? Is
6 there a motion to accept the Minutes as written?

7 GROOVER: I'll make a motion to accept the Minutes.

8 OLSEN: We have a motion by Member Groover. Is
9 there a second?

10 HOLMES: I second.

11 OLSEN: And a second by Vicki - I'm sorry.

12 HOLMES: Holmes. [laughs]

13 OLSEN: All in favor, aye.

14 [ayes around]

15 OLSEN: Opposed? Passes. Thank you. Agenda Item
16 4, Hearing on the rates, charges or fares to and from McCarran
17 to include creation of zones or flat fee to certain resort
18 hotel properties within the adjacent - excuse me, within or
19 adjacent to the Las Vegas Strip corridor. This is for
20 discussion and for possible action. Intervenors are A CAB
21 ITPEU, Liberty Operators Association, Lucky, Nellis, Western
22 and Yellow Trucker Star Cab Companies. Mr. Administrator.

23 WHITTEMORE: Thank you. Good morning, Mr. Chair,
24 Members of the Board. This is a culmination of several months

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1 of informal workshops with the agency and industry to arrive
2 here today at what I believe is close to universal consensus.

3 I want to start off with we've had an opportunity to work
4 on this several times. It's important that the Board
5 understands this is your opportunity to ask questions, make
6 statements, and stop me at any point. This is not my show;
7 this is your show. So, I do want to put that out there. At
8 any time, please interrupt.

9 As we begin, two rules of PowerPoint keep it short, keep
10 it simple. I will do my best to do both, but this is about 50
11 years of regulatory experience that we're trying to cram into
12 a PowerPoint, but hopefully it gives you an idea of what we
13 talked about and where we're going.

14 So, today you have three options before you. Maintain
15 the status quo, one flat fee which would cover the entire Las
16 Vegas Strip corridor, and then zones. So, here are the
17 important Nevada Revised Statutes and Regulations. Always
18 best to start with the law. I will be brief.

19 A taxicab, how we define it, it uses a taximeter or some
20 other device, method of system to indicate and determine the
21 passenger fare charge. So, this is important. Historically
22 we've operated on a meter, but the law does provide for a
23 method or system to indicate the passenger fare. Your
24 authority here today is to adjust, alter or change the rates,

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1 charges or fares for taxicab service. Looking at a taximeter
2 again it's defined to include a method or system.

3 Over at the top there, NRS 706, The Taxicab Authority may
4 attach to the exercise of the rights granted by the
5 certificate any terms and conditions which in its judgment the
6 public interest may require. Please keep those two words in
7 mind, "public interest."

8 NAC 706, one of our regulations, states that, a hearing
9 concerning charges or fares may be initiated by the Authority,
10 which that's this case here today. There's not an application
11 from the industry. It is the Authority taking this matter up.
12 Except upon a showing that the public interest requires
13 otherwise, the rates, charges or fares of all holders of a
14 certificate in a county will be uniform. So this is
15 important, too, to consider again. What does the public
16 interest require?

17 So, here are the arguments. Let's start at the beginning
18 and kind of frame it. Provide taxi customers certainty and
19 transparency to and from airport and the Las Vegas Strip
20 resort corridor. They reinforce the regulatory model, uniform
21 rates and it's a level playing field. It eliminates long
22 hauling to and from the airport. That is certainly the goal.

23 It allows drivers to use the most efficient route
24 possible, reducing congestion and idle times. And of course,
25 improving customer satisfaction and experience and restoring

1 customer trust. So those are my five arguments as to why
2 either a flat fare or zones is appropriate for you all to
3 consider.

4 So if I can, just starting at the beginning, why are
5 taxis regulated? What's wrong with the free market? Well
6 taxi regulations exist to prevent every single person with a
7 phone and car from offering taxi service. Back in the day if
8 everybody rushed out in their car and had somebody on the
9 telephone telling them where to go there would be no taxi
10 market. There would be economic collapse. There would be too
11 many taxis on the road.

12 It prevents unvetted drivers and cars. You got to know
13 who's driving the car; you got to know the condition of the
14 car. It prevents congestion. That was certainly part of it.
15 And again, these regulations are as we've heard, around the
16 world, around North American, around the U.S. This is not
17 unique to Las Vegas, but this model - this is the reason
18 behind it.

19 To provide uniform rates, fees and charges to the public.
20 This prevents a race to the bottom. This is a super important
21 point. If one certificate holder found out that you were
22 going to charge X on a given day and they had deeper pockets
23 than you, they could charge less on the next day and next day
24 you both posted the same number; on the next day deeper

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1 pockets posted a lower number. That race to the bottom would
2 kill the market.

3 So, regulatory environment exists to say no, there's one
4 rate we all have to charge. So what does that do? It insures
5 safety, certainly and a sustainable service.

6 Here's our mission, mission the taxicab authorities
7 provide for the safety, comfort and convenience of the taxi
8 riding public through the regulation of the taxicab industry.
9 There's 16 certificated companies. We currently have 3,530
10 medallions approved maximum taxi vehicles. Uniform rates,
11 fees and charges to the public, annual inspection of every
12 vehicle. And here are 6,734 vetted drivers who must pass an
13 FBI fingerprint background check.

14 So, let's just dive right in, long hauling. Famous
15 phrase, getting taken for a ride. So, a driver shall not
16 intentionally take a longer route to the passenger's
17 destination than is necessary. If a driver intends to take a
18 longer route, they must first get permission from the
19 customer.

20 And again, Members of the Board, I tend to speak fast,
21 I've thought about this stuff for the last 15 months. We've
22 workshopped this, but if at any point you want to stop and
23 slow down, please let me know.

24 Here's our current long-haul penalty schedule. It
25 provides discretion to me. The Administrator may impose the

1 following sanctions for violations. Also note at the bottom
2 there it lets you know the last time the NRS was amended, in
3 1977. So that's the current fine schedule. What it's
4 suggesting is for a first offense [audio cut] [inaudible] okay
5 [inaudible] may impose the following sanctions. But again, it
6 hasn't been amended since 1977.

7 Here we are today. The TA has adjudicated over 3,300
8 long-haul citations since 2013. I promise you our staff is
9 busy. My staff does a great job. I'm proud of them. But
10 here are some of the articles that the press has written,
11 right? I think the Board has been very clear. Mr. Chairman,
12 you've been very clear in your approach that we will address
13 long hauling.

14 Time Magazine wrote this headline, "There's Just No
15 Stopping Las Vegas Taxi Drivers from Overcharging Tourists."
16 Well, let's find out. So, again, 1977 Las Vegas, Stardust,
17 the Frontier, I wasn't even born yet. [laughter] \$100 in
18 1977 in today's dollars is \$423, okay? So, this is another
19 NRS granted by the Legislature.

20 The Administrator may at any time for good cause shown
21 penalize the grantee of a driver's permit to a maximum amount
22 of \$500 or suspend or revoke the certificate or driver's
23 permit granted by the Taxicab Authority or Administrator. So,
24 for good cause shown.

1 What does long-hauling look like? This is just
2 September; these are just some highlights or lowlights
3 depending on your perspective. McCarran Airport to the
4 Westgate up there, that's just off of Joe Brown or in that
5 are, \$48. Airport to Marriott Residence Inn just south of
6 there, \$45. Airport to Caesars, \$41. Airport to Wynn, \$38,
7 Treasure Island, Mirage Paris, ARIA, LINQ, Venetian, all above
8 \$30.

9 These are complaints that were either emailed, called in
10 or my staff was able to uncover through routine patrol. I'm
11 going to highlight this. I apologize. It's not very easy to
12 see, but the column, Mr. Chairman and Members of the Board is
13 that pay column that I want you to look at. This is an
14 electronic trip sheet. This is one driver. The fares are
15 \$44, \$44, \$43, \$43, \$43, \$33, \$29, \$38, \$32, \$40, \$49, and
16 \$22.

17 When we pull the trip data on this, the majority of these
18 are from McCarran to the Strip. We got a complaint on one of
19 these which means the other one of these in fairness to the
20 driver or the industry, the passenger may have agreed to go
21 the longer route, but the reality is people are paying \$40 in
22 some instances to go to the Las Vegas Strip.

23 This is a problem. I think the industry recognizes it's
24 a problem. This is why we have workshops. I want to be on
25 the record and be very clear about this. There are bad apples

1 in this industry. It is not an industry-wide problem. 3,300
2 citations out of the 100 million plus rides given in that
3 seven-year period gives you an idea, but it's a problem, and
4 this is not unique to Las Vegas. Long hauling exists all
5 around the world.

6 But this is one driver on one day acting in his mind or
7 her mind with impunity and that this Board and I will sanction
8 it. And that's why we're here today to say we don't sanction
9 it. We will put an end to this.

10 So, as part of this I'm announcing a Zero Tolerance
11 Policy assuming we move forward with the status quo which
12 would be under that good cause shown up to \$500. I want to be
13 very clear about this. It's not an automatic \$500. If it's
14 for egregious long hauling which we can identify, first
15 offense, \$500 up to. Second offense, suspension or
16 revocation. Third offense, revocation.

17 Again, this is discretionary and it's up to, but the
18 point is we're sending a signal. Well, how do we know this is
19 fair, right? We have to deliver due process.

20 So, step one is a citation is adjudicated in front of an
21 impartial administrative law judge. It's prosecuted by the
22 Deputy Attorney General. I don't set what the fine amount is
23 being sought. I take no part in that. I make a recommendation
24 to the Deputy Attorney General. They then prosecute the case,

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1 evidence is presented, witnesses or complaints can be cross-
2 examined by the respondent.

3 Step two, assuming they don't like that outcome they can
4 appeal that case to you all. In the 15 months that I've been
5 here, we've seen one appeal.

6 Step three, any decision of the Board can be the subject
7 of a Petition for Judicial Review in District Court. This is
8 super important because it means that if they come before my
9 hearing officer and a hearing officer - they don't like that
10 decision and they come before the Board and they don't like
11 that decision, they can always go to court and appear in front
12 of a judge. In my experience this has not happened.

13 Okay, that's long hauling. I think we can move on to
14 what we're here to really try and not talk about the past but
15 let's talk about the future. So, here's the market snapshot
16 today. 84.3 percent of the trips that originate at the
17 airport go to the Strip.

18 And again, let me just clarify, down there at the bottom.
19 This is a July/August snapshot. This data was provided by
20 Kaptyn, a subsidiary of Kaptyn, Triad TransTech. I want to
21 thank Kaptyn's efforts. They have worked with us every step
22 of the way. They participated in the workshops. They have
23 worked many hours on this to provide this data.

24 Kaptyn is a third-party vendor, right? They are a
25 technology company that has fleet asset management tools, so

1 they're collecting data based on the GPS, that's how we can
2 see this market snapshot. So, 84.3 percent of the trips that
3 originate at the airport go to the Strip. 41 percent of those
4 trips use the tunnel. We cannot assume that just because they
5 use the tunnel it's a long haul. The passenger may request
6 the fastest route.

7 42.8 percent of those trips were more \$25. 23 percent,
8 almost a quarter, of those trips were more than \$30. So, keep
9 that number in mind. A quarter of those trips were more than
10 \$30.

11 So, let's talk about traffic. This doesn't just affect
12 our tourists. It affects all of us. Every minute a visitor
13 spends stuck in congested traffic is a minute they are spent
14 unhappy. They are uncertain about their final fare if that
15 meter keep clicking up and it's costing our resorts money.
16 These are real pictures of the Las Vegas Strip. That's the
17 Strip at night, probably on a weekend. That's the Strip
18 during the day, again, probably on a weekend.

19 But this is reality. We are seeing more and more - it is
20 not crowded. The Las Vegas Strip is now congested. I would
21 say that's a problem with the Nevada Resort Association for
22 every single one of those resorts. Why aren't we moving
23 people around better?

24 Again, congestion is real. What are some of the tools we
25 can do? Well, we can open the tunnel and give drivers

1 options. Not just Paradise/Swenson to Tropicana and Flamingo,
2 but now use the tunnel connector to 215 and I-15. This allows
3 drivers to use whichever route is faster. Customers arrive at
4 their destination more quickly without hassle. It's better
5 customer service. After all it is a business.

6 Drivers are incentivized to take as many trips as
7 possible, more money for them. This is a win/win and it's
8 good business. If drivers are making decisions in real time
9 based on a real time knowledge of congestion, they will
10 deliver the passenger to their destination using the most
11 efficient route.

12 Let's talk about that for a minute. Our traffic grid is
13 designed for maximum efficiency, no sarcasm, operating in
14 multiple directions, right? Allowing taxi drivers to move to
15 and from the airport with maximum freedom for most customer
16 satisfaction and helps to alleviate congestion for drivers.
17 So let's stay here for just a minute if I can. Mr. Chairman,
18 Members of the Board, I'm going to walk behind you.

19 So, at this time, this is a snapshot off of my phone,
20 right? You can see there's congestion on the 15 here, but you
21 can also see there's congestion here on this Swenson
22 connector, right? So, at any time of day, traffic is
23 changing. There's accidents. There's congestion. There's
24 construction. There's [audio cut][inaudible] in this area,
25 right?

1 And so, to say to every single driver, when you exit T1
2 you must make a left turn down Paradise or Swenson and a left
3 turn down Tropicana, we all know what those roads look like in
4 the morning, the morning commute for us locals trying to cross
5 those arterials. Many times I go straight down Flamingo all
6 the way from Summerlin cause it's faster, and having to cross
7 down Flamingo or Tropicana in the morning, and we're telling
8 every driver you have to go that route?

9 Now, the point is it's going to change. Any time of day
10 the different activities that are going on, we need to give
11 drivers who are in real time the ability to make these
12 decisions. This is my recommendation. So, let's talk about
13 Rideshare in Nevada. Authorized in 2015, TNC Transportation
14 Network, aka rideshare or ride hailing.

15 Here are the latest numbers from the NTA, 39,651
16 permitted TNC drivers. Assume 75 percent operate in Clark
17 County. That's about the ratio of Clark County population to
18 the rest of the state. So that means Clark County TNC's
19 alone, 29,738. Assume for a moment, let's give the benefit of
20 the doubt, every single one of those TNC drivers drives for
21 both companies. That's 14,869 unique cars.

22 So, what do we have? 3,530 approved taxis versus 14,869
23 rideshare cars operating. This is my estimate. So, you have
24 your three little taxis, and for every three little taxis you
25 see what happens. This was the market before TNC. Before

1 2015 there was actually less taxis at that time. There was I
2 think 2,800-ish.

3 Now, the response can be well just match rideshare. Put
4 14,000 taxis out there. Would that help the market? Would
5 that help the drivers? Would that help congestion? I think
6 the answer is no. Here's the impact. These are calendar year
7 numbers, 27 million trips in 2015 down to 17 million trips.
8 That's a large decline. Focus on the decline.

9 I'll tell you this. 17 million trips were given by this
10 industry. The way this town thrives and survives is off of
11 our tourism, and people have to move around. Industry needs
12 to be stable. This industry needs to be here. They move
13 millions of people every single year up and down the Strip and
14 from the airport into the surrounding areas.

15 So, what are the benefits to the arrival of rideshare? I
16 know in this room the viewpoint is maybe none. But in my
17 view, it has spurred investment, competition and the drive
18 towards modernization. The industry deserves huge credit that
19 never gets talked about. They spent millions of dollars
20 developing hailing apps. They moved towards a more
21 centralized dispatch.

22 There are smart meters with GPS. Some of those smart
23 meters have a scarcity model. You can actually click a button
24 and it will tell you where there are no taxis. They should go
25

1 there, right? It tells you go here, and you'll get a ride.
2 It's got audio and visual communication.

3 So, they've improved driver simulating or drive training.
4 Take a trip to YCS. They have a beautiful simulator. They
5 deserve being called out there. They're training their
6 drivers on an actual driving course. They are more focused on
7 customer service. I think you'll hear them talk about that
8 more than they ever have.

9 And this word cooperation, right, collaboration between
10 business competitors. They've come to the table to bring you
11 these proposals. They've sat around and they talked about
12 these things more than they've ever talked to each other I
13 would be willing to say.

14 So, here are some of the apps, Kabit operating here, Curb
15 operating here. Picture of the DT5. There are other meters,
16 there are other apps. But the point is this industry is
17 modernizing and this idea that they are still operating in a
18 1980 or a 1970 model just isn't true.

19 So, let's address the two 600-pound gorillas in the room,
20 okay? So, the rideshare is cheaper. Like we hear this all
21 the time. Okay, so using a website called Rideguru. This is
22 not my data. So, Rideguru, all I did is I put in T1 and I
23 said I wanted to go to Mandalay Bay. At this time of day it
24 said take this route. This is what Rideguru is saying. Don't

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1 go down the Paradise connector and Tropicana, what are you a
2 fool? It's congested. Take the tunnel.

3 So, this is what a third-party app is saying is the
4 fastest way to arrive at this destination. And there is Lyft
5 and there is Uber and there's the taxi, and it's \$10 more.
6 So, let's talk about that for a second. Uber and Lyft are
7 cheaper. At this time this is what the rate would be. We
8 know Uber and Lyft, rideshare, they do price surging.

9 Just an interesting anecdote. I was sent a text
10 yesterday in fact of a rideshare ride. It was \$120 in Las
11 Vegas from Life is Beautiful to their home in Summerlin, \$120.

12 So, we talked about a race to the bottom. Should taxis
13 race rideshare on price? Well there are some headlines to
14 peruse. So again, back to arguments for a flat fare or zones.
15 They provide taxi customers with certainty and transparency to
16 and from the airport. It reinforces the regulatory model
17 which is uniform rates and a level playing field. That's an
18 important point.

19 How many times have we heard drivers say it's not a level
20 playing field? That guy is long hauling and it's costing me
21 my business. We've heard an argument that some certificate
22 owners are telling them to long haul or allowing them to long
23 haul. It's a level playing field under rates.

24 And I'll tell you just to stop on that point, at any
25 point in time I will take that complaint and we will run with

1 it and we will bring it in front of this Board. I do not
2 believe it's happening. I do not believe there is a
3 certificate owner in this room who says it's in their long-
4 term interest to continue to long haul and watch customers
5 walk away.

6 It eliminates long hauling to and from the airport. That
7 is certainly the goal. It allows drivers to use the most
8 efficient route possible, reducing congesting and idle times.
9 We know transportation is the number one contributor to
10 greenhouse gases around the world, number one. So, maybe we
11 should look at reducing congestion and idle times. Improve
12 customer satisfaction and experience, restore customer trust
13 equals the public interest requires action.

14 So in my view, that leaves us with two options, one flat
15 fee is a proposal or zones. I think the status quo does not
16 work. I think the status quo, as I've shown, presents
17 problems. For me, these are sunny options. I use that image
18 for a reason. Either way you go I think you're making a vast
19 improvement.

20 Again, a reminder just to keep these numbers fresh, \$48,
21 \$45, okay, that's important to remember. So, one option is a
22 flat fee. These are the resort corridor properties that are
23 within this one large zone. Orleans is that little box out
24 there. It includes the Rio. It includes the Palms. It

1 includes the Hard Rock. It includes Palace Station, all the
2 way to the Stratosphere. So, resort corridor properties.

3 It also includes - there are a number of hotels - and if
4 I can, excuse me, sir, a number of hotels, they're not gaming
5 properties in that quadrant. That's why it juts out that way.
6 So that we're trying to account for all of the hotels as
7 possible within this range, okay? This is the map.

8 So, what are the pros of this? Well it's a flat fee.
9 There's no - there's no confusion. You can market it \$24,
10 24/7, 24-hour town, \$24 to and from the airport. To the
11 industry's credit, they do not like this idea because they are
12 concerned about overcharging customers to the southern end of
13 the Strip. They've been very clear about that.

14 Their concern is that they have regular customers that
15 they want to charge their regular customers an honest fare.
16 And they are concerned that at \$24 it would be too high for
17 that southern zone.

18 Another option, so again, one option is a flat fare. The
19 other option are zones. So, this is a two-zone model. It
20 makes a break at Harmon, so it includes the Harmon abutting
21 properties. You go down to northern zone at \$26 and southern
22 zone at \$20. It starts to account for a closer approximation
23 of that distance and time, right? That's two zone options.

24 Three-zone option. This was goal line audible by myself.
25 I got word from some industry folks who were concerned. That

1 northern peak zone right there where it was going to be four
2 zones. It was going to be a dollar more, and why are we
3 creating a dollar more zone when in reality, these three zones
4 would make it simpler? And I think we're all trying to drive
5 towards that, work towards that, what is simpler for the
6 customer, for the driver, provide more certainly is less zones
7 I think is beneficial.

8 So, looking at this, what are we talking about? From
9 Flamingo north to the Stratosphere would be one zone at \$27.
10 Tropicana north to Flamingo would be \$23, and there's an
11 important point I want to make here, if I can again, excuse
12 me, sir.

13 MGM is right here and OYO, I think that's the old
14 Hooters, but this carve out right here for MGM, there's a
15 significant reason why the industry and I came to an agreement
16 on this was that when you come down Paradise and make this
17 left turn onto Tropicana, that right into MGM is a very easy
18 versus going to this light. This light, this intersection, at
19 the Boulevard, right, that's going to take more time.

20 And so, making this right-hand turn into MGM, it really
21 gets the benefit of this lower zone. Any of these other
22 properties you have to wait at the light. Hard Rock is
23 straight down Paradise, so Hard Rock gets the benefit of this
24 lower zone. Then you have, again, so Tropicana north to
25 Flamingo, zone two, it includes the Orleans.

1 Then zone 3, again, there's no distinction between that
2 orange and the pink, is zone 3. So, Flamingo north to the
3 Stratosphere. So, this will include the Palms, it will
4 include the Rio, it will include all of those resort
5 properties, excuse me, up north, okay? So, again, questions
6 or issues yet you want to - I'll just pause for a second.

7 SPEAKER: I just have one question.

8 WHITTEMORE: Yes, sir.

9 SPEAKER: On your concern about the south strip fare
10 being much higher if you put it into a zone, so have you
11 considered looking at either the zone fee or the meter fee and
12 taking it lower or do you just want to eliminate that option?

13 WHITTEMORE: So, that's why we came up with this \$19
14 number to the lower zone. It is [audio cut][inaudible]. It
15 is not always the case that it's going to be cheaper or faster
16 for somebody to go down Paradise and go down Trop. In fact,
17 it would tell you to go the 215 and get off. Now most
18 drivers, they will not do that. It has just been trained out
19 of their mind. No, I'm going to go down Paradise and I'm
20 going to go down Trop and then maybe over Reno, that little
21 street right there.

22 But the issue with that is it's not taking into account
23 realistic road time conditions. And so, going the tunnel and
24 just for clarity, the tunnel is longer, right? The tunnel is

1 more gas, it's more mileage on the car, but it's shorter
2 typically in time, not always because traffic changes.

3 But to answer your question, it's still important in my
4 view to have that as part of the zone because then it provides
5 clarity that any Strip resort corridor property is subject to
6 a zone. It eliminates the idea that well I can still long
7 haul to the south. \$19, it's a cap. It's a cap. Did that
8 answer your question, sir?

9 SPEAKER: Just one last one.

10 WHITTEMORE: Yes, sir.

11 SPEAKER: So, there won't be an option. It will be
12 just strictly zones.

13 WHITTEMORE: That is correct.

14 SPEAKER: You won't have a meter option.

15 WHITTEMORE: The meter will be on. This is an
16 important distinction. The meter will be on, and this is
17 important. If the meter is not on, the passenger does not
18 know what's happening. Right? The passenger has been trained
19 to "why isn't the meter on?" right? Nobody gets in a cab and
20 says oh charge me whatever you want. No, we want a meter.

21 So, the meter has to be on, but it also signals that
22 they're accounting for that trip, and that's an important
23 point. If they turned the meter off and if we just said
24 collect whatever you want, the state under the excise tax, we
25 are not collecting a trip charge and the industry may not be

1 getting the [inaudible] owed on that trip, depending on the
2 setup. So, the meter has to be on to account for every single
3 trip.

4 Now, it's going to be very, very difficult for them to
5 cheap with an AVI counter at McCarran. Additionally, that's
6 what our enforcement staff does. We're looking at what's
7 called the cheater light or the meter light. The industry
8 calls it the cheater light. Okay, we're always looking at
9 that, right? The meter should be on and engaged. If it's
10 not, it's a violation.

11 And so, additionally, if you direct your driver somewhere
12 different than one of an area within the zone, you're paying
13 the meter, and so that's really important. Because this
14 happens all of the time, okay? People choose different routes
15 to go and want different stops. So what we are suggesting,
16 and I am recommending to you is that you use these direct
17 trips, and if a passenger requests a stop, they're on the
18 meter.

19 That's the only way I believe to account for the fairness
20 of the driver's time, the company's time, the passenger's
21 time, and that's the model we have which is you want to take
22 an hour stop at CVS, I'll pause for dispensary, et cetera.
23 There's a convenience there, okay? And so how do we account
24 for that time?

25

1 So, this is one of those issues, Mr. Groover, that I
2 would submit to you we are going to workshop to make sure that
3 it is crystal clear. I think the intent here today is to
4 create a broad direction, and if I can, I'm going to explain
5 my recommendation here.

6 So, my recommendation is a three-zone approach. Okay,
7 it's better for customers; it's easy to understand flat rates.
8 It's better for drivers with an approximation of actual cost
9 of the trip. It accounts for driver's time, gas, mileage, et
10 cetera. It's better for the industry to operate on a level
11 playing field. You know what your competitor is charging,
12 right?

13 We don't want a competitor that says oh, well Joe over
14 there, that guy always long hauls, so we need to long haul.
15 It's the steroid and the baseball problem. We want to
16 eliminate that. It's a level playing field.

17 So, I would recommend to the Board a January 1
18 implementation. There's a lot of technology that needs to be
19 updated. Now, I've heard from the technology experts at the
20 various companies, and they're telling me their meters can do
21 this. They are not concerned. The smart meters with GPS can
22 do this, but they need to program it, and so we have to
23 prepare and adapt that technology.

24 We need to educate the drivers and we need to create
25 signage. This gives us time, either formal workshops to iron

1 some of these wrinkles out. I submit to you this is not
2 perfect yet. It is not a panacea. It is a first step, right?

3 As to that point, six-month pilot program. So, this is a
4 large shift. We all recognize that. So, we need to see what
5 we learn without destabilizing the market further. So, I
6 would recommend to the Board that we take a measured approach,
7 a stepped approach on this which is give this a six-month
8 pilot program. It may work. It may work exactly as we
9 designed. It may not work, and we may need to reassess. But
10 I think we need to be nimble enough to account for that.

11 This last point here, I want to be very clear about this.
12 This has been discussed among certain members of the industry
13 that a potential fund of \$.10 of every airport trip going to
14 and from the airport would go towards an industry-marketing
15 fund to be used at the airport. This is proposed. This is
16 not something that I'm suggesting we charge or that we set a
17 collection. Frankly, I don't think we have that authority
18 under the law. I'd like to look into that more.

19 But this is something - again, the industry deserves
20 kudos on. They're saying how do we tell our story better?
21 And if we took \$.10 of every trip and put it toward a
22 marketing fund, now we can advertise at the airport. So,
23 every person coming down the escalator, right, understands
24 what they're trying to do.

1 So, you know, what is the value that the riding public
2 gets for a flat fare? I think we should always be concerned
3 about the riding public. It's a simple rate, it's certain,
4 it's transparent, and it's uniform. What we know about taxi
5 drivers is they're professional drivers. This is not a gig
6 economy. This is what they do. This is how they're trying to
7 provide for their family.

8 Enhanced safety, FBI background check on every driver,
9 local and state SCOPE background check on every driver, we
10 inspect every vehicle. There's no surge pricing. Okay, and
11 then last and perhaps as important as anything else, it's a
12 sustainable - we're trying to create a sustainable market.
13 Taxis provide millions of trips. This is an important
14 economic transportation option in this county. We need to try
15 and make it sustainable.

16 So, I think this was just kind of last cheeky point,
17 don't gamble with your ride...flat fares to and from the
18 Strip. The point is is there is - we want to dispel
19 uncertainty about what that little black box in the front, now
20 it's a smart meter, is going to say when they arrive. We want
21 the customer to feel very comfortable.

22 They don't care which route the driver takes. The
23 drivers by definition are going to be most efficient with
24 their time. They're going to get them there as soon as they
25 can and get another passenger going back or somewhere else.

1 Let the drivers drive; let the passenger sit in the back and
2 relax knowing they have one flat fare and it's certain.

3 So, with that, I know there's a lot there. I went - I
4 hope I didn't go too fast. I was trying to be judicious with
5 everyone's time. But that gives you an idea of what the
6 industry has come forward with in the last few months or I
7 think it is. My recommendations to you are a reasonable - I
8 think the industry has put a lot of time into it.

9 Again, we always reach out to the union. The union is
10 here today. I hope you hear from them. But we always want to
11 know what the driver thinks. So far, my understanding is that
12 the driver feedback has been positive. I think they don't
13 want to worry about this. They want their passengers to be
14 happy. They want a bigger tip. So, one flat fare, right?
15 So with that, I will end and then I'm available for questions
16 obviously.

17 OLSEN: Board, any questions of the Administrator
18 of the presentation?

19 HOLMES: I have a question.

20 OLSEN: [inaudible]

21 HOLMES: This is very [inaudible] and the way you
22 presented it is smooth and digestible, very easy to
23 understand. The only question I have is do you have any sense
24 of how often the meter might be lower than the flat fare?

25

1 WHITTEMORE: So, this is a great question as to price.
2 And so, when I put up the pricing recommendations, I knew in
3 the back of my mind, KAPTYN, the individuals that provided
4 this data for us, have looked at every trip that's on the DT5
5 meter. They can talk about how many in the industry are using
6 it. It is a huge percentage of the industry, and again, this
7 is not to denigrate the other systems. The other systems we
8 are told can do exactly what that can't.

9 But what we have is price data for every trip, and what
10 they're going to talk about is how did they arrive at the
11 [inaudible] number so that the Board is very comfortable with
12 those pricing assumptions.

13 I will tell you this. The bigger point for me is
14 eliminating the driver's ability on that electronic trip sheet
15 [inaudible] to charge \$40 with impunity because he's either
16 looking over his shoulder to wait to get pulled over by one of
17 my guys or rolling the dice that the customer is not going to
18 complain. But in the meantime, that short view of I'm going
19 to get \$40 on every one of these trips is not the long view,
20 right?

21 HOLMES: No, I don't think you are addressing the
22 question that I have. I get in the cab and I'm going to zone
23 1, \$19. And there's a little number sitting there that I can
24 see, and the meter says \$12 when I arrive at the property.

25

1 How often is that going to occur if the flat fee or the zone
2 fee goes into - this is my question.

3 WHITTEMORE: Okay, great question. And it's an
4 important question. If we are giving drivers the flexibility
5 - if they're taking the tunnel, zones will be under that
6 almost by definition but we already know that 40 percent of
7 the time they're taking the tunnel, and again, that's not -
8 you cannot look at that and say that's a long-haul. That's
9 just not the case.

10 HOLMES: Right.

11 WHITTEMORE: We don't get that many complaints. As it
12 relates to surface streets, I think it's an issue we need to
13 be sensitive to. How exactly that price is displayed so that
14 the customer has confidence.

15 I think the bigger issue here is that transparency, so if
16 I can, when you look at a rideshare, a ride hailing app, it's
17 giving you a price, and I believe I can say that most people
18 look at that and all they want to know is it a transparent
19 price. I don't believe they are price shopping, i.e., oh,
20 it's a surge right now; let's just wait another hour. I've
21 never bought that. I think the passenger needs a ride, and
22 whatever it says they're going to hit accept because they need
23 transportation at that moment in time.

24 And so, for me, telling the customer in advance this is
25 what the trip is going to cost puts them at ease. How we

1 wrestle with ultimately what that meter says and at what point
2 does it flip to a zone, I think it's a great workshop issue.
3 The bigger issue for me is eliminating the high end.

4 HOLMES: Okay. I just wouldn't want a passenger to
5 arrive at say Tropicana Hotel and the meter says \$12 and the
6 taxi -

7 WHITTEMORE: Well I understand your point.

8 HOLMES: I'm just saying perception; it's all about
9 perception.

10 WHITTEMORE: Understood. Understood.

11 HOLMES: And the flat fees is a good idea, but
12 there can't be too much difference between what the meter
13 says.

14 WHITTEMORE: So, let's go back if I can. By
15 definition, with the zone, whether you're in Dallas, whether
16 you're in Denver, wherever you are, the short end of the zone
17 is - you're always going to be overcharging that customer to
18 some degree to the short end of the zone. But to the long end
19 of the zone, you're not. You might be undercharging the
20 customer. And so that's really the point cause these zones
21 were designed to arrive at an average.

22 And I'm comfortable with the idea you're going to hear
23 from the folks at KAPTYN when you look at the data, these were
24 the average amounts, right, that we're looking at here to
25 these destinations. And so, this is not just numbers thrown

1 against a dart board, that each of these represents millions
2 of trips and these millions of trips are telling us this is
3 what it costs to get to these areas. But it eliminates the
4 overcharging, right? It eliminates the long haul.

5 HOLMES: Okay, that's great, but can the meter say
6 Zone 1 when the passenger gets in the car instead of a number?

7 WHITTEMORE: I think - okay, so you're raising a good
8 point. And I think this is something the industry and the
9 technology over the next 90 days we are going to want to be
10 crystal clear before January 1 when does that zone amount pop
11 up so that the customer knows exactly what they're doing. The
12 issue again that I suggested was when somebody wants to go
13 somewhere else before, right? How do we account for that if
14 there's not a meter?

15 GROOVER: So, I agree with a lot of what she says on
16 this issue, and one area that I see a problem in is that if
17 somebody goes up into the Strip and the meter says \$14 and the
18 zone says \$19.

19 BELL: You don't mind if I clear something up?
20 The meter will be running -

21 OLSEN: Come up to the table and identify
22 yourself, please.

23 BELL: For the record, Brent Bell [phonetic],
24 President of [inaudible] Blue Cab, Henderson Taxi and managing
25 member of Virgin Valley. And the folks from Kaptyn will

1 elaborate on this more, but just to save some time here, the
2 meter will be running in the background. It won't be shown.
3 The rate won't be shown. The only thing that the customer
4 will see is the flat rate.

5 Now if the customer now decides that they want to take
6 another trip, then that meter will then - I'm sorry, not
7 another trip, go someplace else than the flat rate
8 destination, then the meter will show up and give them the
9 fare.

10 HOLMES: Got it.

11 BELL: So, they won't see that potential \$14
12 ride.

13 OLSEN: That will be communicated to the rider.

14 BELL: Exactly.

15 SPEAKER: I think that's the answer to her question.

16 HOLMES: Yeah.

17 OLSEN: Appreciate it. Does that answer your
18 question, Mr. Groover? Anybody else have any more questions
19 of the Administrator?

20 WHITTEMORE: If I can just to hit this point, in an
21 ideal world, okay, and I think we might hear some of this
22 today from some industry members, it is just a meter, and I
23 will submit to you, long-hauling exists everywhere, and part
24 of the problem is that we are forcing drivers down specific
25 routes in cities all over America instead of allowing the

1 driver to take a route that's going to get the passenger there
2 quickest.

3 It is within their - by definition, in their own self
4 interest to get them there quicker. But if it's a longer
5 route like it is in Las Vegas on the 215 to the 15, it is
6 clipped more distance. And so, by definition zones are not
7 perfect. Zones do not answer that question 100 percent.

8 What they do is they eliminate the long-haul, and this
9 has been the experience in every city that's moving toward
10 zones or has moved toward zones is that the closer end of that
11 zone is not as good of an approximation as the middle, just
12 like the back end of that zone is not as good an approximation
13 as the middle. It's designed to encapsulate an area, right?

14 GROOVER: Let me say something here. You seem to be
15 continuing to defend this. I think that the status quo is
16 unacceptable.

17 WHITTEMORE: Uh-huh.

18 GROOVER: I have talked to many acquaintances,
19 people I meet, who don't know I'm a Board member, and I ask
20 them, what are your experiences with the taxis in Las Vegas? A
21 surprising number say they were long-hauled or used in some
22 way or another.

23 My wife insists on using Uber. Well actually, she took a
24 taxi once. They tried to long haul her, which you can't
25 safety do with my wife, but the reputation of the taxi

1 industry is not good in Las Vegas. I'm sad to say this, but
2 you have a bad reputation. We need to change that.

3 In fact, the thing that I like that you had at the bottom
4 of your last page, your bullet, is you wanted some sort of tax
5 for advertising at McCarran. Great. We need to tell the
6 public that we have changed, that we are a new taxi industry
7 and that things will be better.

8 WHITTEMORE: Absolutely.

9 OLSEN: Any other questions of the Administrator
10 at this point? Okay, I'm going to suggest a little bit of a
11 break. When we come back -

12 WHITTEMORE: Oh, Mr. Chairman, I apologize.

13 OLSEN: No, that's okay.

14 WHITTEMORE: I will - my attorney will kick me in the
15 shin. Sir, may I please admit this as Exhibit 1 into the
16 evidence?

17 OLSEN: Yes, please.

18 WHITTEMORE: Thank you very much.

19 OLSEN: So admitted. When we come back, we have a
20 list of interveners, and this is the order in which I'm going
21 to call them up, and I expect everybody who signed up as an
22 intervener at a minimum to be up at this table and give us
23 your position and your understanding of this, everybody.

24 So, the order will be first up will be the LOA, Liberty
25 Owners Association. Next will be A Cab, then Lucky Western,

1 then Nellis, then Yellow Checker Star and then also ITPEU.
2 Now I repeat this. Everybody that signed up as an intervener
3 will come up to the table and will speak. It's not going to
4 be from the audience of okay, I have nothing else to add. You
5 come up here and you put it on the record. Okay?

6 And another thing, we're going to limit you to three
7 minutes, if you can. Now if you have a - if you can. Now if
8 you can speed up - if you need more time let us know, we may
9 have to if you have a presentation or whatever, just let us
10 know, but I don't want everybody coming up here and trying to
11 repeat and repeat and repeat.

12 I want to hear what you have to say for or against. I
13 want to hear it succinctly and I want you to - you signed in
14 as an intervener. You must come to the table and speak.
15 That's what I want clear and understood by everybody. Let's
16 take about a 10-minute break. Thank you.

17 [Off the record]

18 [On the record]

19 OLSEN: We'll call this meeting back to order. I
20 want to clarify something I said before. If - I know there's
21 a couple of presentations and I know you can't do it in three
22 minutes. Okay, I got beat up all the way out and all the way
23 in. Okay, what I'm talking about is particularly during
24 public comment, you know, don't be repetitive. I'm just
25 trying to get it moving along so everybody has their chance to

1 say something, okay? So, with that said, Ms. Rushton
2 [phonetic], you're up.

3 RUSHTON: Thank you. Good morning, Chair, members
4 of the Board, Administrator Whittemore and Chief Aquino
5 [phonetic]. For the record, I'm Kimberly [inaudible] Rushton
6 with the law firm Cooper Levinson [phonetic], appearing on
7 behalf of Delivery Operators Association.

8 Members of the LOA are specifically Little [inaudible]
9 Blue Cab [phonetic], Henderson Taxi, Virgin Valley [phonetic],
10 Desert Cab and Yellow Checker Star Cab Companies as well as
11 New Cab Co. [phonetic]. Joining me today are two of our board
12 members, our President, Mr. Brent Bell and Mr. George Balaban
13 [phonetic], both of which, Chairman, with your permission,
14 following the presentation by Kaptyn, they'd like to address
15 the Commission.

16 OLSEN: That's fine.

17 RUSHTON: Thank you. As noted, we filed a timely
18 petition for [inaudible] intervene, and the objective was to
19 participate in the Board's consideration of the proposed/flat
20 rate. To be succinct, the LOA supports the idea, believes it
21 is the right time to look at alternative methods or systems
22 for determining a passenger's fare.

23 And for those reasons, we submit that it falls squarely
24 within the parameters of your judicial authority under 706 and
25 we support the Administrator's recommendation with respect to

1 the proposal to use a three-zone approach. Recognizing that
2 the devil is in the details, there's still multiple facets
3 that we need to go through and to sort out prior to the actual
4 implementation.

5 But I would submit that this is overall a good thing for
6 the traveling public, both in terms of the scope as well as
7 the intent. The scope is narrowly defined to a very limited
8 geographic area. It is intended specifically to provide
9 members of the traveling public with the exact knowledge of
10 what their fare will be.

11 And that's good for two reasons as articulated by
12 Administrator Whittemore. It's good for consumer confidence
13 and it's good for consumer protection. And most of all, I
14 believe it will address some of the issues that have been
15 ongoing with respect to the use of the tunnel.

16 And so for those reasons, we encourage you to move
17 forward with the proposal, we encourage you to look at the
18 specifics of how it will continue to benefit the traveling
19 public and then thereafter go forward with the six-month pilot
20 program and then if it demonstrates the success that we
21 anticipate that it will, move forward with the actual
22 implementation and adoption.

23 In addition to the points that I just raised, we've also,
24 the LOA, did retain Kaptyn to analyze the data and the

1 analytics specific to transportation in and around McCarran
2 Airport and through the Strip corridor.

3 With your permission, Chairman, what I'd like to do is
4 introduce Chris Bordonaro and ask him to do the presentation
5 on behalf of Kaptyn. Afterwards, Mr. Balaban and Mr. Bell
6 will come up and address you, and as always, if you have any
7 questions, we're happy to be responsive.

8 OLSEN: Okay, that's fine.

9 RUSHTON: Chris.

10 BORDONARO: For the record, Chris Bordonaro with
11 Kaptyn. Thank you, Mr. Administrator, Board Members, for
12 allowing us to be here today, and we'll now give a
13 presentation for you.

14 What we'd like to share with you are three different
15 studies that we've done. One was for the entire Las Vegas
16 Strip as Scott showed. One was for two zones, south and the
17 north split at Harmon. And the third, at the time we had
18 considered four zones. So we're going to show you some data,
19 some average statistics, to those different destinations.

20 To start off, just to give you some statistics, and
21 again, this study is just for [inaudible] and taxicab equipped
22 companies, so that's going to be A Cab, Desert, Henderson,
23 [inaudible] Valley, Yellow Checker Star and New Cab.

24 So, what we went ahead and did was pulled the total
25 number of trips in any one period. So, this is from January

1 1st, 2019, through the end of August 2019. We saw a total of
2 1.2M tickets from McCarran Airport regardless of the
3 destination and 902,000 drop offs to McCarran regardless of
4 the origin.

5 And then also some numbers from the McCarran website as
6 far as the TMC rides. There were 2.2M pickups in the same
7 time period, 2.7M drop offs to the airport. So, Lyft and
8 Uber, TNC [phonetic] Rides account for only 44 percent of the
9 pickups at the airport, whereas the taxis accounted for 57
10 percent of the pickups at the airport.

11 So, our first study here, and a couple things, when we
12 talk about the monetary values of a fare for the total
13 amounts, what we mean by that is the cash amount due by the
14 passenger. So, we're talking a drop rate of 350, time,
15 distance, the airport charge of \$2 currently.

16 We're also going to look at it when it goes into effect
17 January 1st of 2020, the \$2.40. There's no credit card fee in
18 that, and excise tax is also included in that amount. So,
19 when we say fare, when I'm talking about fare will actually be
20 the total amount for the purpose of these studies.

21 So, this is the entire Strip, so of all these of one
22 million trips, that accounts for 85 percent of all the trips
23 that we picked up at McCarran ended up in this zone, and this
24 zone is defined - this is what we saw - by Scott earlier all
25 the way up to the Stratosphere, as far south as Sunset. It

1 does include the Hard Rock. It includes the Orleans, the
2 Palms, Rio, Gold Coast and then also Convention Center and
3 West Gate.

4 So, we're seeing an average of \$24.38 total fare, cash
5 due by the customer, to the zone as a destination. When the
6 [inaudible] goes up to \$2.40 that comes out to \$24.79. That's
7 an average. There's also some other stats up here. The
8 average distance is 5.7 miles. The average duration of the
9 entire trip is 14 minutes. We're seeing wait times that we're
10 charging on the meter as five minutes. Then 1.8 million
11 passengers that we serviced to this destination.

12 As far as the distance, going back to the airport from
13 the zone back to the airport, we were applying the same 25.15
14 percent variance between pick-ups and drop offs that we saw in
15 the initial numbers. So, we're estimating that, of people
16 going back from the zone to the airport would be about 768,000
17 trips with an average fare of \$22.32.

18 SPEAKER: Chris, if I may?

19 BORDONARO: Yes.

20 SPEAKER: To account for that difference, that's the
21 difference in the airport.

22 BORDONARO: Correct.

23 SPEAKER: Yeah, so the difference between the total
24 trip regardless of the destination. And we're just applying
25 that same factor.

1 BORDONARO: I'm saying that second column doesn't have
2 the \$2 posted.

3 SPEAKER: Oh, no, no, it does not, no.

4 BORDONARO: That does not apply.

5 SPEAKER: Yeah, it doesn't apply right so it's not
6 in the [inaudible].

7 BORDONARO: Right. You can interrupt at any time.

8 SPEAKER: Most of the time. Just interject that.

9 BORDONARO: We also went ahead and broke it down in \$5
10 increments. So, in the \$10 to \$14.99 range, we've got 38,000
11 trips in there. In the \$15 to \$19 range, there's 275,000, so
12 you can just kind of from these numbers you can kind of get an
13 idea where most of our trips are taking place.

14 If no one else has any further questions on this, we'll
15 move on to the next study. So, this is looking at the Strip
16 broken out into two zones. So, this is the north Strip
17 [inaudible] down to Harmon and the adjoining abutting of
18 Harmon Properties. So, out of all the McCarron trips, we're
19 seeing 47 percent of the rides to this zone, actually could
20 you just go back one second?

21 I just kind of want to convey why we chose to split the
22 Strip. So, here's a larger view. So, if the pink is our
23 north, green is our south, of all the daily trips that we see
24 in these two zones, 55 percent we're seeing to the north and
25 44 percent we're seeing to the south. So, when we talk about

1 splitting the Strip and where to split it, that's essentially
2 why we chose to split it at that point, so it's evenly
3 distributed.

4 So, that's our study. So, 47 percent of all the McCarran
5 pick ups came to the north zone. That's 564,000 trips, an
6 average of \$26.89 with the airport fee the way it is now. And
7 the projected average total is \$27.30. But and also when it
8 comes to factoring - well I guess we'll get into that. We'll
9 just keep going. Then again, this is broken down by \$5
10 increments, so the majority of the rides are going to be in
11 that \$20 to \$24 range, 160,000 trips.

12 And then moving on to the south, so we're seeing 38
13 percent of all the McCarran pickups are happening in this
14 zone. You can see most of those are more to the north part of
15 the zone. So, this heat map is indicating where we drop
16 passengers off just to kind of get a sense of where we're
17 taking people.

18 SPEAKER: Chris.

19 BORDONARO: Yeah.

20 SPEAKER: If you want to go back up and show just
21 some of those columns to the right and just can we take a
22 deeper dive in the north so total it by range, right down
23 there where you were on the bar graphs.

24 BORDONARO: Oh yeah.

25

1 SPEAKER: Right here. So, the price point is
2 important here. How many of those trips were over \$25?
3 Right, the \$25 to \$29 range, 117,000 trips. In the \$30 range,
4 142,000. So, that's important to keep in mind when you're
5 looking at what is the point of these numbers, right? Cause
6 the higher end is being eliminated.

7 SPEAKER: Scott, so this number is based on the
8 McCarran fee being added in. I know the credit card fees are
9 not added here.

10 BORDONARO: Yes. Yeah, the \$2 is -

11 SPEAKER: Is added into this?

12 BORDONARO: Is in there, yes.

13 SPEAKER: And then when it becomes \$2.40 our average
14 trop would be \$27.30 as opposed to \$26.89. Then in the south
15 Strip we have 461,000 trips to the south with an average of
16 \$21.31 with a \$2 fee with the \$2.40 fee, we're at \$21.72. And
17 then assuming the 25 percent difference between pick up and
18 drop off, we should see a \$19.25 rate from that zone back to
19 the airport.

20 And then here's the breakdown in \$5 increments. So, \$10
21 to \$15 we've got 38,000. 195,000 in the \$15 to \$20 range,
22 118,000 in the \$20 to \$25 range, over \$25, 77,000. Any more
23 questions?

24 SPEAKER: No. These - this money is based on
25 theoretical things, not on actual metered trips.

1 BORDONARO: No, sir. So, the origin, so all the trips
2 that come from the airport to this zone, this is the actual
3 statistical average. The only thing that we are assuming is
4 that because in our very first slide we saw 25 percent of the
5 trip that came from the airport go back to the airport. We're
6 making an assumption on the destination of the call. But the
7 origin trip, that \$21.31 you're seeing right here, those are -
8 that is the actual statistical average.

9 SPEAKER: And so, it's coming from the meters in
10 actual trips.

11 BORDONARO: Yes, yes.

12 SPEAKER: So, this includes long-hauling as well.

13 BORDONARO: So, we did - George, did you want to make
14 a point about that?

15 BALABAN: When we commissioned this study -

16 OLSEN: Step up to the table, George, please, and
17 identify yourself.

18 BALABAN: George Balaban, Desert Cab and a member of
19 the LOA. When we commissioned the study, we realized that in
20 any of the zones, anything off the airport, could be a natural
21 egregious long-haul or a charter or somebody which we saw a
22 lot of these where people are going to multiple dispensaries,
23 and we'll have rides that are \$80, \$90, \$100. Those are - we
24 have no intention of those applying as flat rates if someone's
25 going to go on a \$100 ride.

1 So, everything under \$10 and everything over \$50 we just
2 eliminated all of those rides in this study. So, there's no
3 charters or egregious. We would consider that [inaudible].

4 SPEAKER: Thank you.

5 BORDONARO: Then on to our last study, this is where
6 we're breaking the Strip out into the four different zones.
7 Here is our north Strip. So, the very north Strip and we're
8 cutting it off by - is it Spring Mountain?

9 SPEAKER: Desert Inn.

10 BORDONARO: Or Desert Inn, sorry. Desert Inn to the
11 Stratosphere, including Palace Station, West Gate and the
12 Convention Center, we're seeing 6 percent of all the trips
13 from the airport are coming up to the zone, so that's 70,000
14 trips with an average trip of \$1.41. And then we put that up
15 into \$5 increments. We've got \$15 to \$19, there's 11,000 of
16 those. The \$20 to \$24 range we've got 20,000, 21,000. Even
17 the \$25 range a few over \$30, \$30 to \$39, 17,000 trips.

18 And then the mid-north Strip. So that's going to be
19 Desert Inn down to Flamingo including the Palms, the Rio and
20 the Gold Coast. So, that accounts for 31 percent of all the
21 trips. That's 379,000 trips with an average of \$27.36. And
22 then when we break that out, we're seeing \$15 to \$19 and
23 there's 36,000 trips [inaudible], \$20 to \$24 we've got
24 117,000, \$26 to \$29 74,000 and then the \$30 to \$35 range,
25 117,000.

1 And then out mid-south strip we have 29 percent of our
2 rides are coming to the zone. I don't believe that includes
3 any other properties. Oh no, it does. So, this also includes
4 the Orleans. That's 353,000 trips with an average of \$23.16.
5 On the way back it should be about \$21.10. And then when we
6 look at that breakdown, we're seeing 137,000 trips in that \$15
7 to \$19 range and then far fewer in the \$20 to \$25 range.

8 And then last, on the very south part of the Strip, we've
9 got Hard Rock, the MGM property, and everything else down
10 toward Sunset. So, that's 19 percent of all the trips.
11 That's 223,000 with an average fare of \$19.98. And then the
12 breakdown. Is there anything anyone wants to go back and
13 review?

14 OLSEN: [inaudible]

15 SPEAKER: I just have a question. Did you consider
16 when the Raiders Stadium opens, the properties south of the
17 airport? Is that a consideration or not at this point?

18 SPEAKER: I'd like to answer that question.

19 SPEAKER: Okay.

20 SPEAKER: Absolutely. The Raider Stadium is
21 contemplated to be part of this.

22 SPEAKER: Okay.

23 SPEAKER: We will notice that at a future agenda.
24 We did make this agenda specific to resort properties, but
25 absolutely.

1 SPEAKER: All right.

2 OLSEN: Any questions?

3 SPEAKER: That's it unless anyone wants to see any
4 of the data again.

5 RUSHTON: Chairman, with your permission I'd like to
6 move to admit the deck into the public record. Thank you.
7 And again, I'd be happy to answer any questions. Otherwise,
8 I'd like to invite Mr. Bell and Mr. Baladon forward to answer
9 any questions that you may have.

10 OLSEN: Any questions of Ms. Rushton? Okay.
11 Welcome, gentlemen.

12 BELL: Thank you. Good morning, Mr. Chair,
13 members of the Board, Administrator, members of staff. For
14 the record, once again, Brent Bell, President of Liberty
15 Operators Association, Whittlesea Blue Cab [phonetic],
16 Henderson Taxi and managing partner Virgin Valley. To my
17 right, George Balaban, my partner in Virgin Valley, and also
18 President of Desert Cab.

19 First, I want to thank Chris for all of his work. It's
20 been a lot of work, especially in the last week as we've
21 constantly worked to provide you folks with the presentation
22 that you deserve to give you all the details that we've
23 provided. And Chris has been fantastic, so the rest of the
24 folks have been.

25

1 I also want to thank or actually compliment the
2 Administrator. He managed to take several workshops
3 literally, I don't know, several - gosh 53 phone calls,
4 several meetings and encapsulated it all into a very precise,
5 eloquent presentation for you all. I think he did a fabulous
6 job, so thank you for all your efforts there, Scott.

7 I have to admit when we started this, I think we started
8 in June, and the Work First workshop was in July. I was
9 pretty skeptical, I'm sure, just like several of the members
10 in the industry behind me were. And the more we talked, the
11 more that I became a believer in this transparency that we're
12 trying to achieve here.

13 And I think for quite a while I was probably in the
14 minority. I was even a minority in my own company. Our Vice
15 President and our long-time General Manager disagreed with me
16 at some point, but as we continued to work through this, we
17 continued to realize that this is - this is the time to make a
18 change. We cannot continue to lose the kind of trips that
19 we're losing to the TNC's as the Administrator mentioned.

20 One of the reasons why the industry hasn't done this in
21 the past is because we didn't have the technology in the past.
22 If my colleague, Jonathan Swartz [phonetic] from Yellow
23 Checker Star was in the country, I'm sure he would get up here
24 and he would tell you about how things went bad with zones in
25 Cleveland, which they did. He'd be absolutely right.

1 There was so much manipulation of the zones by the
2 drivers and any place that has tried it, those problems were
3 worse than the long-hauling problems that we have today. But
4 thanks to smart meters and the folks at Kaptyn and CURB, we
5 can now implement zones successfully without the zone
6 manipulation that has gone on in many different cities that
7 have given those cab industries a bad name.

8 So, the word of the day I think is transparency. And
9 George will speak for himself, but as far as Whittlesea goes
10 and Henderson Taxi, we're in support of the three-zone system
11 and in support of the Administrator's recommendation.

12 Just to give you a little bit of background, some of you
13 may or may not know, we looked really hard at the flat rate as
14 the Administrator talked about. There were several members in
15 the industry, including myself, that were very skeptical of
16 that. We liked the idea of how simple it was and easy to
17 advertise, but we didn't like the idea of how expensive it was
18 to the shorter zones and also on the flip side, the further
19 away destinations, we didn't feel that the \$24 rate was
20 appropriate either.

21 So, then we went to a two-zone system which we thought
22 would probably solve some of the problems, and then the more
23 we talked about it the more we realized that really the three-
24 zone system is going to be the best system for the consumer
25 and serve the resort corridor as well. So, that's our

1 position, and if you have any questions, we'd be happy to
2 answer them. I'll turn it over to George.

3 BALABAN: So, Chris, if you can go to that - just
4 the south zone all the way to the bottom. So, what I wanted
5 to show you was is that as we did this study, so the - again
6 I'm working on - we're proposing that this was not going to
7 take place until January, and in January the airport is going
8 to charge 40 more cents, the rate is going to go up.

9 So, if you look at the projected average total there,
10 it's \$20.39 which is just the actual total, which was \$19.98
11 above it, and we added .41 which is the .40 increase at the
12 airport plus the one cent excise tax. So, that, Board Member
13 Thompson, while that's not an actual number, it's using actual
14 data and adding 41 cents to it.

15 The return is basically an estimation of the drive we
16 believe to go back to the airport from our study which is like
17 75 percent, just hitting off the \$2.47 cause you won't get
18 charged that on the return ride. Then what we tried to do is
19 so again, as we're trying to set a rate into that zone, we got
20 \$20.39 for 200,000 of the rides and we've got a lower rate of
21 roughly \$18.00 for the return ride.

22 So, if you hit the little calculator button here, this is
23 what it does for us. It basically does a combined average
24 fare, and if you look at the projected which is the one to the
25 right, that is what our projected average is going to be

1 taking into account all the rides off the airport and the
2 return rides and it gives us a rate down there of \$19.03, so
3 that's where we got the \$19 zone rate.

4 We basically looked at, again it's an average of the
5 averages. The averages off, the averages back. So, it's
6 allowed us to lower the average off the airport because the
7 ride back is cheaper, so that's how we got \$19.

8 And if you were to look at his presentation and calculate
9 it in every zone, that's how we got the \$19, the \$23, and in
10 the two northern zones, because we did this study as a four-
11 zone study, the third and fourth zone, one of them was at \$27
12 and the other one was at \$28. We just decided to combine them
13 altogether and make that \$27.

14 BELL: And that was decided yesterday.

15 BALABAN: Decided yesterday. The \$28 zone we
16 thought having a one-dollar difference didn't make much sense,
17 and that most northerly zone in all reality is not that
18 heavily traveled of a zone. If we spin up and look, the north
19 zone had 70,000 rides in it and the zone below it, that was
20 the \$28 one, the one below it has 400,000 rides into it.

21 So, we basically said, let's just charge \$27 to all of
22 that. We also took into account that Resort World isn't open
23 yet, but Resort World would be in this zone, that \$27 zone, so
24 we kind of feel comfortable that this would be a fair number.

25

1 So, that's again where the numbers that Scott was presenting
2 are coming from.

3 There was an actual calculation done to come up with
4 those numbers, and I wanted you to understand that. And to
5 Mr. Thompson's question about the long-hauling and all that,
6 we tried to eliminate all of those outlier rides because we
7 don't think those have anything to do with the average,
8 obviously, so that was how the study was done.

9 OLSEN: Board, any questions?

10 SPEAKER: I have one question on the increase fee
11 from McCarran of .40 if I heard Mr. Balaban correct. We're
12 paying an additional excise fee of one cent on that? Is that
13 correct? Why are we -

14 SPEAKER: Three percent of whatever - three percent
15 of the increase fee will pay an excise tax on it, so the
16 excise tax is on the entire fare including the airport fee.

17 SPEAKER: So, we tax the tax.

18 SPEAKER: The state of Nevada, yes.

19 SPEAKER: Yes.

20 SPEAKER: Yes, we do.

21 SPEAKER: Yes, we do.

22 SPEAKER: 3 percent of .40 is 1.2 cents, so that's
23 the -

24 SPEAKER: Well to be clear, the \$2.40 is not a tax.
25 That's a fee that McCarran charges us.

1 [crosstalk]

2 SPEAKER: I was hoping that nobody would say that.

3 SPEAKER: It is a tax on a tax, yes.

4 SPEAKER: Thank you.

5 OLSEN: Thank you, gentlemen. Ms. Rushton, does
6 that complete it for LOA?

7 RUSHTON: Yes, sir, and as always, we're happy to
8 answer any questions.

9 OLSEN: Again, any questions of Ms. Rushton?

10 SPEAKER: Thank you very much.

11 OLSEN: Okay, thanks. Okay, next up is A Cab.
12 Step on down. Where you at? Oh, there you are.

13 MALLOY: Just me today. Morning, Board, Chair,
14 everybody. My name is Mike Malloy with A Cab Taxi and Mr.
15 Nadie [phonetic], the owner of A Cab Taxi is not here. I'm
16 sure he'd have some very interesting things to say today, but
17 I'll limit it to this. We're in support of a zone program to
18 end the long hauling. We're excited to see where this goes.
19 And we're just happy to be able to take part in this and we're
20 prepared to implement this plan on January 1.

21 OLSEN: Okay, any questions, Board? All right,
22 thank you for your time.

23 MALLOY: Thank you.

24 OLSEN: Okay, next up is Lucky Western. There she
25 is.

1 DANTE: Hello, Desiree Dante on behalf of Lucky
2 and Western Cab. We're just extremely happy that this issue
3 is being addressed today, as it's long overdue. Mr.
4 A[inaudible] apologizes that he couldn't be here today, but I
5 know that he had numerous long conversations with
6 Administrator about his concern which is having one zone north
7 to south, and how that one zone would affect those short
8 rides, Hard Rock, MGM, and he thought the one zone would
9 clearly be too expensive for those riders.

10 So, therefore, based upon the presentation today, we
11 recommend and support the Administrator and the rest of the
12 industry and the three zones. That's clearly best for the
13 riding public and our industry. We just ask for adequate time
14 to implement those zones into our system, and at the end of
15 the six-month pilot program, that there be a review of the
16 data collected by the TA so that any changes or adjustments
17 could be made accordingly.

18 SPEAKER: I have one question. And how long do you
19 think it would take you to adjust your program?

20 DANTE: Our vendor, CURB, is here today, I believe
21 that January 1st is a reasonable target, but once we figure out
22 exactly how you guys envision this process happening, they
23 could answer that probably more clearly than I.

24 OLSEN: Thank you. Next up is Nellis. Welcome.

25

1 PINO: Hello everybody. My name is Jaime Pino.
2 I'm the Director of Operations for Nellis Cab. I want to
3 thank you for all the work you did in the research. A couple
4 of things I just want to bring to your attention.

5 You're talking about transparency here and actually, I
6 was one that I was in favor of the two-zones and I realized
7 I've been in this business a little bit, and I realized the
8 more zones that you add is the more ways that you get drivers
9 to manipulate with the zones, and I know drivers very well. I
10 deal with them every day. I'm the type of guy that I'm in the
11 yard, in the shop, everywhere. I talk to them.

12 To me it will be - it's just my idea. It should be one.
13 Why? In other cities, and I did a little bit of research, to
14 have one zone from the airport, if you go from the airport in
15 San Francisco to the district it's one flat rate. Our Strip
16 is not even five and a half miles long from the Mandalay Bay
17 to the Stratosphere which does not even compare to the other
18 cities. It's much larger, the square miles, that they have in
19 other cities.

20 I think that we need to be very cautious about - I know
21 we're going to discuss this in workshops and stuff like that,
22 but if we really want to send a good message to the public, it
23 would be very easy for a driver with - I mean for the
24 passenger, whatever they came from to say I'm going to
25 Caesars, one flat rate. I'm going to the Stratosphere, one

1 flat rate. I heard discussions that they would say well, you
2 know, [audio cut][inaudible] from the airport to the MGM.

3 I'm here to tell you that you have three types of
4 different datas. You have KAPTYN, you have the TA data and
5 numbers, I'm talking about number of trips, fares, I have my
6 own data when I look at my trip sheets. The long haulers,
7 that's what they charge when they take the tunnel and go into
8 the airport, \$24, \$25. Some people complain, some people
9 don't complain.

10 Times are changing. Everybody want to do the same thing,
11 and I know that we are all on the same page here, we want
12 transparency, we want our industry to come up to become
13 successful. We lost so much in the past three years, and I
14 think transparency should be something that we should focus,
15 and how do we do this is by making things simple. You keep
16 making - you keep coming up with numbers and data and zones
17 and three zones and two zones, and I think it should be -
18 that's Nellis position one zone should be sufficient. Maybe
19 the most, two zones. But we can't compare Vegas with other
20 cities either because we are 24/7.

21 Now the technology, Mrs. Holmes asked about technology
22 and how it was going to work, my vision is, and this is an
23 idea that I am just throwing at you, that when a passenger
24 gets in a cab, he should be able to punch where he's going.
25 He's going to Caesar; it's not going to say Caesar. Where are

1 you going, to the Strip? Punch a simple button and the meter
2 will read whatever the number everybody agrees which is \$24.

3 Okay, let's say it's \$24, everybody agree. Well, you
4 know, you're ripping off people when you go the MGM for \$24
5 [inaudible] to the SLS, we're going to charge \$24 for people
6 that goes to the Stratosphere, so I think it's the first
7 workshop you had I think you explained it very well. You're
8 going to lose here, but you're going to gain here. So, it's a
9 give and take type of deal.

10 And I think a lot of this is getting more complicated as
11 we going by by throwing up numbers, data, we already know what
12 the prices are. We have a bad reputation. We need to do
13 something that we can send a message to the public in the
14 United States that we going to charge one flat rate. People
15 don't have to worry about anything. They get in the cab; they
16 know they're safe and they go wherever they're going and
17 somehow we're going to bring the industry back.

18 So, to me, I do agree with the one zone. If it has to be
19 two, I'll just caution you that the chances that you give the
20 driver to manipulate the system. You need to think about it.
21 Drivers will find a way to do it. And they will. You can ask
22 him. They will find anywhere. So, with this one zone I think
23 it will be better as far as for Nellis Cab, and everything
24 should be more simple. I'm only saying it should be simple.
25 We make it more difficult than what it is.

1 We are willing, for the flat rate, we support the flat
2 rate, Nellis Cab does. We want a change in our industry, we
3 support that this is also should be a pilot so we can try it
4 in case because we are not perfect, something might not work
5 out, we could fix it and technology - so far you have Kaptyn
6 technology, you seen - I don't know if you've seen our
7 technology.

8 We should work it among the industry to be in compliance
9 with you, whatever you want from our technology we will
10 provide it, we will be in compliance. And I think simplicity
11 is the answer to become what we used to be. That's it.

12 OLSEN: Anybody have any questions? Okay. I have
13 one, sir. What meter do you use? What type of meter?

14 PINO: We use the meter and we also use Verifone
15 [phonetic]. We use the old meter.

16 OLSEN: Okay, so -

17 PINO: The Centridyne [phonetic] meter.

18 OLSEN: Is the Centridyne meter capable of being
19 programmed to handle fares?

20 PINO: Yes, sir.

21 OLSEN: Excuse me, flat rates?

22 PINO: Yes, sir.

23 OLSEN: Whether zones, one zone or three zones or
24 whatever?

25

1 PINO: Yes, because they are combined with a
2 curve, they work together.

3 OLSEN: All right, very good.

4 PINO: And if it comes to the point that we have
5 to change our technology, there's plenty of technology out
6 there. What we have to do we have to do in order to survive
7 in this industry. So, it's not an issue. You give something
8 today and tomorrow you get it back. That's the way I was
9 taught by my ancestors. So, thank you very much.

10 OLSEN: Thank you, sir. Okay, next is Yellow
11 Checker Star.

12 GORDON: Good morning, [inaudible] Mark Gordon, on
13 behalf of Yellow Checker Star and New Cab. We are also a
14 member of the Livery Operators Association. And we are in
15 support of the three-zone approach. We are in support of the
16 recommendations made today by the Administrator, and my
17 comments are well within the three minutes.

18 OLSEN: I lift the three minutes on you. Now if
19 Jonathan was here, we'd still be going. [laughter]

20 GORDON: Maybe, maybe not. I talked to him, so he
21 said keep it short and it's okay.

22 OLSEN: Okay, any questions? Okay, thank you,
23 sir. Okay, last but not least, Ruthie, bring up the ITPEU.
24 Welcome.

25 JONES: Good morning.

1 OLSEN: Good morning to you.

2 JONES: It's the morning, right?

3 OLSEN: It is, yes.

4 JONES: Yeah, I'm Ruthie Jones [phonetic],
5 preferably Ruthie, ITPEU, Local 4873, Rep for the Yellow
6 Checker Star and Henderson Taxi Drivers, and this is Mike
7 Kilgo [phonetic], a 20-year driver, representative, the other
8 representative in the union office also, so we were talking
9 about the zones and everything else.

10 And we did a survey with many drivers to see. You have
11 some that feel it's a promotion of the TNC, but the majority
12 of them like it because the young man that I had with me was
13 my Chief Steward, Henry Zakowski [phonetic]. Anyway, 31 years
14 driving, never long-hauled, never, and he'd find cheaper
15 routes and then what exists and what it told is a cheaper way
16 to get from point A to point B. He finds cheaper routes to
17 take his customers. He is one that is professional all the
18 way.

19 So, we have some drivers that will naturally test the
20 system and not do the proper thing, but like Nellis was saying
21 that drivers will find a way, businesses will find a way, so
22 the drivers are not the only ones out there that are seeking
23 to find a way around the system because you got so many
24 businesses that trained them how to do it, so we can't just

25

1 make the drivers the villains without the company throwing in
2 businesses.

3 But the three zones we feel that with the pilot program
4 that you have in place that's going to be reviewed in six
5 months, we feel that is more of a fairness we think with the
6 drivers and with the low books and stuff that they [inaudible]
7 low books that they have to deal with, hopefully, this will
8 give a little bit of balance to, you know, everyone involved
9 and then it would diminish, won't eliminate it altogether, but
10 diminish the long-hauling to a significant point, you know.

11 So, we are willing to go ahead and support that and give
12 it a shot, and in six months we'll all know how well it worked
13 out. But because the [inaudible] that was here had an
14 emergency at home and he had to leave, but he appreciates the
15 fact and he really resents the fact when he hear everyone it
16 appears that all the drivers are just being lumped and taking
17 advantage of customers.

18 You have the older ones, the ones that got more
19 experience ones, they love their customers, you know, they are
20 considered the ambassadors of Las Vegas, and they take pride
21 in that, you know, so we can't lump them all in one category.

22 You got lease drivers, and many lease drivers have had an
23 impact on the employee driver because they feel the rules and
24 regulations don't apply to them, you know, and you have a
25 lease that you must pay. Then the following week you got to

1 pay that lease again, so where we haven't may have assumed
2 that we may have quite a bit of debt, so that's going to have
3 an impact on that hopefully, you know.

4 So, the TNC, we can forget it because, you know, you got
5 drivers saying when are you going to get rid of them. Like
6 ants and maggots, forget about it. It's not going to happen.
7 There's no - there are no cap on them. I mean they can just -
8 and in addition to that, due to them being a part of our
9 industry here, they have others coming in that will take their
10 vehicle, go on the Strip and get extra money, you know.

11 So, it's like, and then the drivers have to contend with
12 all of these unprofessional drivers out there, and that has
13 been created because they feel there's a free market to do it
14 thanks to the TNC, so they got everything out there, everybody
15 opening up their business, and I'm pretty sure no one in my
16 complex here that I don't believe have anything before the
17 NTA, but they got their own business going, picking up
18 customers, you know.

19 Probably have no license, no nothing, so it's quite a
20 bit, and the drivers have been impacted to no end. Many
21 drivers are being subsidized. We ourselves have places where
22 we send our guys to get food, and one of my chief people was
23 telling me that he is being subsidized by his sister. He's
24 not goofing off. He's out there working hard, you know. But
25

1 you got every - so we have plenty of transportation out here
2 to take care of the traveling public.

3 So, my thing is the traveling public we are concerned
4 about and we definitely are concerned about our drivers cause
5 8824 should have apply to the driver. It should say the
6 customers and the drivers. So, this seems that it may put a
7 little bit of balance here, you know, hopefully. Hopefully,
8 it makes us look better.

9 It makes drivers that want to be professional drivers and
10 do it the right way, but meanwhile you get gigged with a hook,
11 so hopefully this will put a little bit of balance in the
12 industry. We just have to see what happens. Six-month pilot
13 should give us some indication, you know.

14 Now, this is the thing too, Mike that we hit on when we
15 were talking to some of the drivers. What about the Boulder
16 Station and all of those - and downtown? Downtown is very
17 busy.

18 SPEAKER: If I may, Mr. Chairman.

19 OLSEN: Yes.

20 SPEAKER: So, this was a focused approach. While
21 it's focused, it's a very big step and it encompasses 85
22 percent of the trips originating at the airport. So, it is a
23 very big step. I think before we look at downtown, before we
24 get other areas, we need to view this very cautiously. We

25

1 need to be measured in our approach, and that's why we wanted
2 it to be focused on the Resort Corridor.

3 I think there's plenty here to talk about. I recognize
4 your comments. There is lots of room to talk about the rest
5 of the valley, absolutely.

6 JONES: Okay, well we understand that you want to
7 see how this is going to work out.

8 SPEAKER: Absolutely.

9 SPEAKER: Ruthie, I have a question. Mike, you've
10 been a driver for how long?

11 MIKE: 20 years.

12 SPEAKER: 20 years. And with the majority of these
13 trips originating from the airport and going to the Strip
14 Corridor, in your opinion do you think that will be
15 substantial to stop the long hauling?

16 MIKE: I think it will greatly reduce it. It
17 won't totally eliminate it, but also I've heard a lot about
18 transparency which I think is a great thing, but I think this
19 pilot program will also help in improving our image which I
20 think is very important as the Madam earlier said I think you
21 were trying to point out there may be some losers in the flat
22 fare. I still think there will be a great many more winners
23 than losers.

24 So, simply put, I fully support this and the majority of
25 the drivers I spoke with support this approach.

1 JONES: Yeah, and the zone, another comment that
2 you made which was a good one there we didn't even think about
3 that. What's going to be displayed to the customers? It
4 should be the zones only because, you know, unless they
5 deviate and go somewhere else then it's just the meter, but
6 otherwise, just like you said, the zone.

7 SPEAKER: And I believe that was clarified towards
8 the end of the presentation.

9 JONES: Yeah. So, anyway we are here to support
10 it and see how it works out and hopefully it benefits both
11 sides of this equation here, the drivers, definitely the
12 drivers as well as the customer.

13 SPEAKER: The customer, company and the drivers.

14 JONES: Yeah.

15 OLSEN: Anybody have any questions?

16 JONES: Oh, and by the way, one more thing.

17 OLSEN: Yes.

18 JONES: I can appreciate the effort of major
19 deterrent in long-hauling, but the sad part about the whole
20 thing is you have drivers that have been hit with long-hauling
21 where the customers have agreed to the manner and destination
22 and the route that the drivers take if it gets them there
23 quicker or whatever, but when they are stopped by the TA, many
24 times it's seeing that they're not going to have to pay
25 nothing, you know, they say they didn't agree.

1 So, it puts a damper, so if you guys can find a way to
2 100 percent know that this driver definitely has taken
3 advantage of his customer, I don't have an issue with it, but
4 it's the waivers that we have that a lot of times it's not as
5 it appears to be.

6 SPEAKER: I'd be happy to answer that, Mr. Chairman.
7 So, every side of the coin has got two sides, right?

8 JONES: Yeah.

9 SPEAKER: And to there's a driver's side and there's
10 the passenger's side. It is not adjudicated by me, it's not
11 adjudicated by the Chief, it's adjudicated by an independent
12 hearing service, and the idea is, right, that they can cross-
13 examine them, and they can present evidence and testimony.

14 And any time they feel that they didn't get a fair shake
15 and they believe their story was not adequately heard, they
16 have the right and I would encourage them to appeal that to
17 the Board so that it can be given another look. But I'll tell
18 you this, I want to get away from -

19 JONES: We don't condone all that.

20 SPEAKER: This is not what as a regulatory agency
21 the public safety issues that you've raised as I've stated at
22 several previous meetings, that's what I want to focus on.
23 There are imposter vehicles that are driving around this town
24 that are offering rides to people. Those drivers are unvetted
25 and the vehicle is unvetted. It is a public safety risk

1 across the country. It has had disastrous results around the
2 country.

3 My officers and officers in the NTA take those imposter
4 vehicles very seriously and we pull them off the road. So, if
5 you ask me what would I rather do and what would Chief rather
6 do and what would his officers rather do, they would rather
7 focus on the public safety aspects of pulling those unlicensed
8 vehicles off the road and keeping passengers safe. So, I
9 appreciate your comments. We will always try to do the
10 appropriate thing. And I hear you.

11 JONES: We got to find a way to let the guys know
12 that they - how they can find some way to protect themselves
13 because nine times out of 10 when they're challenged on a
14 long-haul citation, they don't have any proof, but just their
15 bosses and they don't feel that that's adequate.

16 SPEAKER: Thank you for your time.

17 JONES: Thank you for your time. We appreciate
18 it.

19 OLSEN: Thank you both.

20 JONES: Did I do my three minutes?

21 OLSEN: Oh, I think you were about a minute and a
22 quarter.

23 JONES: Thank you, guys.

24

25

1 OLSEN: Is there anybody else who would like to
2 step forward and speak on this issue? Just fill up three
3 chairs here, it's okay.

4 FLAVEN: Rich Flaven [phonetic], for the record,
5 Deluxe Taxicab Service, President.

6 LACASHA: Mario Lacasha [phonetic], Operation
7 Manager. There's been a lot of work done on these diagrams.
8 Thank you for Kaptyn for the work you've done. The
9 Administrator was sitting here and watching. I've been in the
10 meetings with you, myself, Deluxe Taxi and Total Support. As
11 far as my meters, my meters are smart meters. We're in the
12 process of looking at three other meters and we might make
13 some change on that. So, it's on the record, Deluxe is in
14 support of the three zones.

15 OLSEN: Wait, wait, wait, any questions, Board?
16 Okay. Mario, you want to add anything?

17 MARIO: No, I think it's a great idea. I'd like
18 to reiterate that earlier you said Tropicana \$12 and the zones
19 and the meters. These numbers are going to come in within 60
20 to 80 cents, give or take.

21 SPEAKER: Okay, that was a hypothetical. I just -

22 MARIO: No, no, I'm just saying that there is no
23 \$12 Trop, that I know you're just running numbers cause -

24 SPEAKER: Just I was.

25

1 MARIO: Right. Trop, MGM, MGM is a lot quicker is
2 it, but by the time you add ABI's fee and by the time you add
3 your county tax you're within 60 give or take. And it's going
4 to benefit everybody. Is it going to be an open and closed
5 case, and everything is going to be great? No, but it's going
6 to be a lot of winning, and I was a driver for 20 years, and I
7 could tell, Ruthie, they're going to be okay, better than what
8 they have now. And the public is going to be okay, better
9 than what we have today. That's all I want to say.

10 SPEAKER: One of the things that we discussed
11 amongst us is because it will be the flat rates, we actually
12 think it's going to, with the three zones, will bring more
13 ridership to the taxis. That's been our position.

14 SPEAKER: And the test pilot is always going to be
15 an option and a door open to get better or go this way or go
16 that way, so we tweak it better.

17 SPEAKER: So, we're just looking for the information
18 to work with the qualified people that we got to make this
19 transition as simple as possible.

20 OLSEN: Again, any questions, Board?

21 SPEAKER: No, Mr. [inaudible] but we had looked at
22 this, what two and a half years ago with the Administrator
23 Rogen [phonetic], however we had different fees set for every
24 hotel I believe, right? And I think the zone concept is much

25

1 better. It's easier to deal with, it's simpler, and I think
2 drivers, and everybody will have a much better understanding.

3 SPEAKER: I agree.

4 SPEAKER: And as I said I had met behind the scenes
5 with the other owners and I'm in total support of this.

6 OLSEN: Thank you. And for the record, we've been
7 working on this for several years.

8 SPEAKER: I've seen that. And to see all the charts
9 and all the things that Kaptyn has done.

10 SPEAKER: It's changed.

11 SPEAKER: Yes, we're in.

12 OLSEN: All right. Thank you, gentlemen. Anybody
13 else wish to step forward?

14 SPEAKER: Mr. Chairman?

15 OLSEN: Yes.

16 SPEAKER: I wanted to comment on one comment that
17 Rick Flaven made about hoping that it will increase ridership.
18 We need to make this public knowledge somehow. I don't know
19 how, but we need to advertise it and tell them that we have a
20 new dispensation for the cab industry.

21 OLSEN: Agreed. Okay, seeing nobody wanting to
22 step forward I'm going to pull it back to the Board for
23 discussion. What we're looking at here is, correct me if I'm
24 wrong, Mr. [inaudible], three options, status quo, three zone
25 or two zone, right?

1 SPEAKER: In addition, sir, the flat fee was an
2 option presented.

3 OLSEN: Oh yeah, so we got one zone, two zone,
4 three zone or don't change anything. Okay? So, let's start
5 at your end.

6 SPEAKER: Okay, about the flat fee, two zones, three
7 zones, to be honest I don't have or really care about these.
8 We need zones, no question about it. Three zones would be
9 fine. I understand Nellis Cab's concern and I would suggest
10 that if we do zones, which it looks like most people are for,
11 we need to watch carefully, and I don't quite know how you're
12 going to do that, but we need to examine carefully what
13 happens in that six-months trial period.

14 So, I support this wholeheartedly and I've said several
15 times we need to advertise this, we need to get it out to the
16 public. And we need to see how it works. We may change the
17 number of zones and it's the future.

18 OLSEN: Ms. Holmes.

19 HOLMES: I think the three-zone format seems to be
20 the most fair deal for the public and for the drivers, and I
21 think it's easier to market it because it looks fair on the
22 face, and I think - I agree with you. I think marketing is
23 the key and it should involve all the media and some kind of a
24 campaign like it's a new decade, a new era for the taxicab

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1 business. Somehow marketing experts could take over and
2 design a campaign. It needs to get out there big time.

3 OLSEN: Mr. Groover.

4 GROOVER: I like the fact that we're down to three
5 zones and not four zones. It makes it easier. Flat fee is a
6 consideration, but looking at time, distance traveled and
7 everything else, the congestion, I think it may not end up
8 being fair in the end. So, I'm pretty happy with what they've
9 come up to at this point.

10 OLSEN: From my perspective, the simplest way is a
11 one zone. There's no doubt about it, however, I agree with
12 you that it may not be the fairest way to do it. I think that
13 going to a zone system, and I'm leaning towards the three,
14 it's a simple charge. It's simple to educate the public when
15 they're coming in from out of town.

16 There are no surcharges, which to me surcharge is nothing
17 more than unregulated long hauling. It's a more fair and
18 level playing field from my perspective. I also believe and
19 it was brought up earlier that we need to look at expanding
20 these zones in the future should we task one of them today and
21 include downtown, I think that's important.

22 I think we need to have a real sit down with all these
23 lease drivers who do believe that they are not covered by the
24 regular rules and regulations. They are, every bit of them.
25 They have to abide by them. I think that this is the best way

1 to get a handle on the illegal long hauling which is nothing
2 less than criminal, and I like Mr. Administrator, your
3 proposal about how to discipline these drivers.

4 I'm fully in support of them being revoked if they do it
5 more than once, frankly. And the other advantage we have, the
6 taxi industry has, and I think it's important to get that out
7 in the advertising, is that these drivers are truly vetted
8 drivers, as opposed to any other vetting that goes on in other
9 driving venues. So based on that, I will entertain a motion
10 to accept the three-zone recommendation under a six-month
11 pilot.

12 HOLMES: So moved.

13 OLSEN: Okay, we have a motion for three zones.
14 Is there a second?

15 GROOVER: I'll second that motion.

16 OLSEN: The motion is seconded by Mr. Groover.

17 All in favor going to three zones under a six-month pilot, say
18 aye.

19 [ayes around]

20 OLSEN: Opposed? Passes. Thank you very much.

21 And we will now, unless we need to take a break, I think we
22 can go on to Agenda Item 5. Anybody need a break?

23 SPEAKER: No.

24 SPEAKER: I'm ready.

25 SPEAKER: No break.

1 OLSEN: No break? Okay.

2 SPEAKER: Mr. Chairman, if I can, on the record, I
3 think we need to clarify that it takes effect January 1.

4 OLSEN: Yes.

5 SPEAKER: I'm not sure that I heard that.

6 OLSEN: No, you did not. You're right, it is and
7 so that we know, do we need to make another motion?

8 SPEAKER: You may just want to do a second motion.

9 OLSEN: Okay, we need a motion then for three
10 zones, pilot program beginning January 1.

11 THOMPSON: I will so move.

12 OLSEN: Okay, thank you, Mr. Thompson.

13 GROOVER: I'll second.

14 OLSEN: And a second by Mr. Groover. All in
15 favor, aye.

16 [ayes around]

17 OLSEN: Opposed? Passes. Thank you for bringing
18 that up.

19 SPEAKER: Okay, I can breeze through your report and
20 the Chief's report, okay, if that pleases the Chairman.

21 OLSEN: Let's just breeze through it.

22 WHITTEMORE: Okay. I'll continue here if we can. My
23 Administrator's report is going to be very brief. I do want
24 to recognize an individual from the industry, Mr. Ray
25 Chenowith [phonetic] of Nellis Cab Company. I understand Mr.

1 Chenowith passed away and tragically his daughter, Natalie,
2 also passed away I believe on September 21st, so if the
3 Chairman would allow, I'd like to read his obituary into the
4 record.

5 OLSEN: Yes.

6 WHITTEMORE: Raymond Chenowith, a Las Vegas resident,
7 passed away at 85 years of age Monday, September 2nd, 2019. He
8 was born to Ray and Lucille Chenowith in St. Louis. Ray moved
9 to Las Vegas from southern California in 1960 and founded
10 Nellis Cab Company in 1962. He started with one taxicab and
11 grew the business to be one of the largest in Las Vegas.

12 In keeping with the entrepreneurial spirit, he also
13 founded several other businesses over the years including
14 Ambassador Limousine. Ray showed great generosity to his
15 friends, family and business associates. He was a passionate
16 collector of classic cars and a true lover of animals.

17 Ray's guidance, generosity and loyalty will be greatly
18 missed by his family, friends and the communities he served.
19 He will be remembered as a man with a great sense of humor and
20 a big heart. He was a kind and loving husband, father,
21 grandfather and great-grandfather, dearly loved by all who
22 knew him.

23 He is survived by his wife of 58 years, Elaine, daughters
24 Rebecca, Michelle, Lisa and Natalie who passed away on
25 September 21, including nine grandchildren, five great

1 grandchildren and a sister, Tina Silva. He was predeceased by
2 daughter, Candace. In accordance with Ray's wishes, there
3 will be no services or ceremony.

4 I just want to say on behalf of us collectively, our
5 hearts go out to his wife, Elaine, the Nellis family for what
6 they're going through. If you ever get a chance, this book,
7 John L. Smith, *Vegas Voices*, this was a gift from Mr. Groover
8 to me on his birthday. But there's a great chapter in here
9 about Ray Chenowith and talking about the old days of Las
10 Vegas and his experience in the industry.

11 But I imagine Michelle and the family would have loved to
12 have been here today, but they are going through immense
13 tragedy, so our thoughts and prayers are with them.

14 OLSEN: Condolences from the Board.

15 WITTEMORE: Thank you.

16 OLSEN: Okay, let's move on.

17 RUEBEN: Good afternoon, Mr. Chairman, members of
18 the Board, Rueben [inaudible], Chief Investigator for the
19 Nevada Taxicab Authority, just really quick, a couple things I
20 want to mention in regard to 2020, upcoming events. We have
21 the EDC Concert and the big news there is the fact that they
22 sold out within hours or at least 90 percent of the tickets
23 sold out for the 2020 event that's coming up.

24 OLSEN: Wow.

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1 RUEBEN: So, if those numbers stay last year, we
2 had 450,000 people in attendance, three-day event, which
3 consisted of approximately 150,000 people at the Raceway for
4 this particular event. So, here in the next few months we'll
5 be meeting with all the partners in the community,
6 specifically Las Vegas Metropolitan Police Department, in
7 regard to the special event planning of this extremely large
8 event. I've also been hearing rumors that 450 is going to get
9 topped, another record-breaking event.

10 The other thing I want to talk about and all of you have
11 heard about is the National Football League Draft, okay. The
12 dates on that is April 23rd through the 25th, so the town is
13 going to turn into one big party town.

14 The Administrator and I have met with representatives of
15 the NFL as well as the Raiders, and we assured them that we'll
16 share the information and any of the resources that we will be
17 able to provide to them and we will be happy to [inaudible]
18 slated for other scheduled meetings in regard to the
19 transportation, obviously in this case, taxis, and so we'll be
20 providing them with the information to assist in the NFL draft
21 for next spring as well as looking forward to the NFL season
22 that actually begins next season as well.

23 So, those are two important meetings that have just
24 occurred. So, stay tuned for that.

1 And then the last thing, anytime I get a chance to talk
2 about staff, specifically my important staff, they're just
3 doing a yeoman's job out there. We have our limited
4 resources, but we're working smarter and enforcing smarter,
5 utilizing our resources from the Las Vegas Metropolitan Police
6 Department, the Department of Public Safety, as well as our
7 partners, brother and sisters over at the Nevada Department of
8 Transportation.

9 So, we are continuing our efforts in locating and
10 apprehending, impounding uncertificated carriers which is
11 there is an uptick in that activity. I think it's going to
12 increase, and we continue our efforts to enforce so if you
13 have any very specific questions, I'd be willing to try to
14 answer them.

15 OLSEN: Any questions from the Board. Okay,
16 seeing none, thank you. Anything else, Mr. Administrator?

17 WHITTEMORE: No, sir.

18 OLSEN: All right, moving on to Agenda Item 6,
19 Report from Legal Counsel.

20 SPEAKER: Thank you, Mr. Chairman. There is some
21 pending litigation right now, but as far as the status
22 updates; there is really nothing new to report.

23 OLSEN: Any questions of the attorney? Okay,
24 Agenda Item 7, open up public comment again, anybody wish to
25 step forward? Please identify yourself.

1 BROWN: I'm Michael Brown and I'm the Director of
2 Business and Industry, and I want to welcome you here today,
3 thank you for your public service. I spent the last six
4 months since the Governor appointed me running this
5 Department, working with Scott and his team, and I have to
6 tell you they are some of the finest people we have in state
7 government and it's been a pleasure to work with them. And
8 welcome and look forward to working with you on issues going
9 forward.

10 OLSEN: Thank you very much.

11 BROWN: Thank you.

12 OLSEN: Any questions of Mr. Brown? Oh, that's
13 right, it's public comments. My attorney keeps me honest.
14 Anybody else for public comment? Ruthie, you coming up?

15 JONES: Yes.

16 OLSEN: Okay, come on down.

17 JONES: Ruthie Jones. I just wanted to say I
18 found that presentation very informative [inaudible] flat rate
19 it appears that that may be something in the industry that
20 will build a proper balance to the private and make sure and I
21 feel that this would even enhance their pride in what they're
22 doing [audio cut][inaudible]. So, I just wanted to say we'll
23 see how this works out and say something positive has to come
24 about.

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1 OLSEN: Thank you, Ruthie. Okay, anybody else?

2 Seeing none, Agenda Item 8, we'll move for adjournment.

3 Motion to adjourn?

4 SPEAKER: I'll make a motion to adjourn.

5 OLSEN: For a minute I thought everybody wanted to
6 stay here. All right, we have a motion.

7 SPEAKER: I will second that motion.

8 OLSEN: All in favor of adjournment. We are
9 adjourned. Thank you.

10 SPEAKER: Thank you, sir.

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