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DEPARTMENT OF BUSINESS AND INDUSTRY
TAXICAB AUTHORITY
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**BEFORE THE STATE OF NEVADA TAXICAB AUTHORITY
BOARD MEETING AND PUBLIC HEARING MINUTES**

January 29, 2013

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Tuesday, January 29, 2013. The meeting was held at the Taxicab Authority at 1785 E. Sahara Avenue, Suite 200, Las Vegas, Nevada 8910. The meeting began at 9:37 A.M.

Present were: Chairman Ileana Drobkin, Member Joe Hardy, Member Dennis Nolan and Member Dean Collins. Others present: Charles D. Harvey, Administrator, Legal Counsel, Ryan Sunga, Deputy Attorney General; Ruben Aquino, Chief Investigator; and Recording Secretary, Barbara A. Webb. Absent: Member Josh Miller.

1. *Call to Order.*

Meeting was called to order at 9:37 AM.

2. *Pledge of Allegiance to the Flag.*

The Pledge of Allegiance was lead by Member Joe Hardy.

3. *Compliance with Open Meeting Law.*

Administrator Charles D. Harvey said yes, we are in compliance with the Open Meeting Law.

Chair Drobkin paid tribute to the death of Richard Segerblom's Mother who had recently passed away.

The Chair also thanked everyone for service during CES.

4. *Public Comment.*

Sam Moffitt, Yellow Cab driver, spoke regarding the fuel surcharge, Agenda #9, stating that when the Order was written it stated if the price of fuel goes below \$3.25 a gallon for a period of 30 days, the Taxicab Authority Administrator has the authority to remove it. He feels that time has expired and suggested instead of removing it, reclassify it as a rate increase as was done in the past. He feels that last year's number of trips and revenue per shift are stagnate, therefore, the change should be made.

Alfredo Sardinias also commented on the fuel surcharge stating that his company takes 9-10% of their money, that companies always advance and would like the Board to reconsider and make it a rate increase.

Stephanie Edelman, A NLV driver, stated that, during CES, records were broken regarding how many cabs were loaded and people picked up at the airport – 17,000 cabs loaded. She commented that not only was the airport serviced well, so was the city. She stated that the SHOT also had tremendous service. She also stated that she felt the fuel surcharge should be made into a rate increase.

Sarah Hall, Frias driver, stated that adding more cabs does not help. She told the Board that the drivers can handle it and it help them make some money.

Elsa Kebebe, Ace driver, ask that no additional cabs be given for the upcoming events that the drivers can handle it and it would give them a chance to make money.

Aregai Gebrua, Frias driver, said that there are too many cabs on the road and there is no room to pick up people. He said drivers need more money to support their families.

Steve Lanett, Whittlesea driver, commented on Bill Shranko's recent surgery and wished him a speedy recovery. He said his only issue is long hauling and mentioned Rick Velotta's and Tim Reilley's articles on long hauling. He said with regard to Frias' presentation, he does not feel it would work and that the information can be retrieved by looking at trip sheets and comparing them – if one trip sheet is \$20 higher that means they are long hauling.

Tony Marzolla, riding public, spoke regarding the fuel surcharge stating that 3 years ago it was made into a permanent rate increase. He feels when the gas prices go down, take away the fuel surcharge. He thinks it is illegal to make it a rate increase and is going to look into that. He said it should be reviewed and taken off.

*5. Approval of the December 11, 2012 Board Meeting Minutes.

Vote: Approval of December 11, 2012 Board Meeting Minutes
By: Member Hardy
Seconded: Member Collins
Vote: Passed unanimously – Minutes were approved.

6. Discussion with Ray Suppe, Director off Security for LVCVA, regarding recent taxicab service.

Mr. Suppe introduced Maria Soto who has replaced Steve Patterson stating she would be attending the meetings in the future. He commented that during CES there was great service for all days but the first day when there were no cabs to be found. He said there were 150,000 people. He stated that NAB is their next big show which is in March. With regard to CES next year, he would like to meet with drivers, supervisors and anyone interested and who has ideas to discuss how to improve service.

Chair Drobkin asked if he would be in contact with the industry for help and he said he would.

Mr. Suppe had given a handout to the Board that they felt was very informative regarding the traffic flow and cab availability during CES at the South Hall throughout the time they were here showing the lines of people waiting for cabs. Mr. Suppe stated that a 20-minute wait time is not bad even a 40 minute wait time if there are a lot of people. He did say that the first night of CES there we no cabs at all, but it picked up the other nights and service was very good. Member Collins commented that in some photos there were a lot of people and no cars. Mr. Suppe commented that buses were blocking a lot of the lanes that cabs use and there were complaints about the traffic being backed up on Paradise Road. Mr. Suppe stated that more photos will be



taken in the future around the LVCVA. The Chair commented she understands the difficulties drivers have with the ingress and egress into LVCVA and stated everyone needs to work together for a solution. Driver Alfredo Sardinias stated that LVCVA needs staging areas for cabs only.

7. Discussion with Harry Waters, Assistant Director of Aviation for Landside Operations at McCarran Airport.

Mr. Waters gave a handout showing Terminal 3 and the shortest route to Tropicana. He commented that a lot of the drivers take Russell which has 3 different signal lights which increases the fares. He went on to state that during CES McCarran loaded 17,000 cabs which is 300 more than usual. They loaded 14,000 to 15,000 cabs at a single terminal. He stated that if people see a long line, they go to other means of transportation. He stated that more than 30,000 cabs have been loaded this year; 3.3 million last year and 2013 is up 5%. He stated that he had spoken with Administrator Harvey regarding the best route to load at Terminal 3 for the drivers which is what his handout shows. The Board commented how helpful his handout was. He was asked about the wait time and commented it was less than ½ hour. He stated that 6,000 cabs are now loaded at T3 which runs a 20-hour operation loading 14 cabs a minute. He thanked the companies and drivers for such good service. The Board felt that this was very good information for them. Chair Nolan commented that maybe TA enforcement staff could check on the issue that Mr. Waters spoke about on Russell Road.

8. Discussion with Jeff Zamaria, Director of Events, regarding recent taxicab service.

Mr. Zamaria commented service was good for the SHOT Show with record numbers for that Tuesday through Thursday and cab service was phenomenal. He said everyone was helping out including Metro. He said if you were the 50th person in line, your wait was 11 minutes. Unfortunately, that Friday there was no cab service. He thanked Cheryl for her help. He is still wondering what happened with the show breaking at 4:00 and there were still no cabs. The Chair asked if any cab company managers were on site and he said no he was alone. When he called, cabs came but no explanation was given as to why they did come prior to his call. He said he only has Whittlesea's and YCS' phone numbers.

*9. Discussion and Possible Decision regarding Fuel Prices and the Fuel Surcharge which has been requested by Frias Transportation Management.

The Chair stated to leave it on the agenda until next month, but the Administrator said he had received an email from Frias asking to remove it from automatic inclusion.

*10. Frias Transportation Infrastructure (FTI) will present its RideIntegrity system for Taxicab Authority Board discussion. FTI has developed the system as a cloud-based resource that would assist regulators such as the Taxicab Authority in enforcing industry regulations, such as long-hauling. FTI is requesting Taxicab Authority approval to conduct a pilot program, for a timeframe to be determined, wherein the Frias family of taxicab companies, will employ the RideIntegrity system on its own vehicles. FTI would like to invite certificate holders to participate in the pilot program, on a voluntary basis. (for possible action)

Chair Drobkin stated that this item will not be voted on. She also stated that her meeting with Frias regarding this will not affect her decision. Member Collins also stated that he had a meeting with Frias and that his decision will not be affected.

Mark James, CEO, Frias Management, made his presentation regarding the RideIntegrity System. There was a handout for the Board outlining what this system is about and how it works which contained confidential information, therefore, cannot be obtained through the Taxicab Authority. If further



information is requested by the public, they are to contact the offices of Mark James at Frias Transportation Infrastructure, LLC, or Attorney Neal Tomlinson. Also present for the presentation were Leo Sampson, Chief Engineer, who designed the system and Neal Tomlinson, Attorney for Frias.

Member Nolan, after Mr. James' presentation, thanked him for all the information presented stating that it would improve the quality of the taxicab business, but felt there are many issues that have to be considered before going live with this system. Mr. James commented that he wants to start a pilot program in Nevada proposing that 150 vehicles be fitted with the system leaving it open to any of the companies who would like to be a part of the pilot program along with Frias. He stated that the devices are very expensive and the manufacturer needs enough time to make them, therefore, a commitment from companies would be needed within 90 days so they can be manufactured and installed, ready to test for a year. Member Nolan stated that the TA should be an integral part in setting this up and Mr. James agreed stating all issues will be discussed first. He said he needs input and the Board's direction. Member Hardy asked him if he received approved from the Nevada Transportation Authority where he also made a presentation, and also what is he asking for. Mr. James same the same as what was presented to the Ta, 150 vehicles statewide. He said he has a commitment from Bell up North stating how important it is to gather information from real vehicles in real time. Member Collins asked how long after testing would the TA receive the information and Mr. James said 30 days.

Chair Drobkin allowed intervenors.

Prior to Intervenor speaking, Administrator Harvey stated that he has had several discussions with FTI representatives about their system. I have also received several demonstrations, and attended the presentation at the Nevada Transportation Authority. Over the last two years the Taxicab Authority has looked for creative ways of addressing the issues we face. I support this request for a pilot project, and look forward to evaluating any technology that might assist us in regulating the industry.

A board member commented that discussions should be held with regard to the time and cost of TA staff. Mr. James said there would be no cost to the TA because his company would be doing it and he is waiting for the Board's ok to start collecting data.

Intervenor are Yellow/Checker/Star Cab Companies, Lucky Cab Company, Desert Cab Company, Nellis Cab Company, Whittlesea Blue/Henderson Taxi, A Cab, LLC, Ace Cab, Inc., Union Cab Co., A NLV Cab Co., Vegas-Western Cab, Inc., and Virgin Valley Cab Company, Inc., Western Cab Company and ITPE Union.

Marc Gordon, General Counsel for YCS and Jonathan Schwartz, Director, YCS, represented YCS. Atty. Gordon said he had submittals he wanted read on record, one being Bill Shranko's response, who was not able to attend the meeting, but wanted his comments heard. Bill's comments were submitted on the record, a copy of which is available at the TA offices. The other was regarding the Ride Integrity idea. He said YCS applauds them for the innovations, but they feel it's too soon.

Part of Mr. Shranko's comments are as follows:

"Through trial and error and the expenditure of tens of millions of dollars to develop new technologies, my board and I have learned to take cautious, measured steps when it comes to permitting new technology in taxis. The mobile environment of a 24 hour a day vehicle that operates in the extreme heat of the desert makes matters far more challenging".

"While YCS supports Frias' efforts and intentions, YCS' long term experience with technology dictates that it opposes Ride Integrity's public testing at this time". These statements are only a small part of Mr. Shranko's letter that was read into the record.



Mr. Gordon asked if NTA is already doing it, why does our industry have to do it. He commented that after the demonstration at Frias and a ride along demonstrating the use of a SmartPhone by the “customer” to determine the fare, it did not show the same amount of money on the meter which would be an discrepancy issue, another reason that it needs to be tested longer before being put into any cabs. He feels more study is needed.

Mr. Schwartz stated that he has a lot of experience with multiple jurisdictions and his Board feels it is too soon; that it should be reviewed for a year in all climates and feels it cannot happen in 2 months. He agrees with the concept, but they want it tabled, put together a work group before putting it into vehicles.

Member Hardy asked if he interpreted their comments right – YCS would not be against more information being given to the companies, the drivers, unions and board – and Mr. Gordon agreed.

The Chair commented that how can you not have a pilot program stating that it is a huge proponent (sp) to bring this up now as the Board sees it as a relief. She feels that real data is needed and then come back and fix the problems. Mr. Schwartz stated that a lot of things have to be tested and not on the public and agrees that it is frustrating that things cannot go quicker. Member Collins wanted to know what he meant by not ready and he said things are not calibrated properly. Member Collins said he didn’t see anything that would hold up the testing phase when he saw the demonstration; there is no cost to the TA and he’d rather get valuable information with collected data to help the Board regulate. He feels negative feedback is also helpful to them.

The Chair asked the Administrator for his comments and Mr. Harvey said that the TA wants parameters for a pilot program before any further discussions.

Mr. Schwartz stated his company has spent 30 years testing different technologies and all have failed.

Desiree Dante, Lucky Cab, said that she commends Mark James for his vision and feels technology is the future. She stated that Lucky Cab wants to be a part of the work group.

Jamie Pino, Nellis Cab, agrees with YCS stating they already have TaxiPass which does what Frias demonstrated. They will participate when it is ready.

Cheryl Knapp, Whittlesea/Henderson, also agrees with YCS, but applauds Frias and Mark for what they are doing. They do not oppose the testing.

Jay Nady, A Cab, commented that the worst thing that can happen is that it fails if the data is not good. He agrees with Frias and does not see a downside.

Richard Segerblom, ITPE Union, feels Frias is ahead of the game. He feels staff should put a proposal together. He suggests taking the \$3.00 surcharge and pay for the testing. Member Hardy asked for his recommendation and he said to ask staff for proposals. The Chair said that the Administrator is aware of this and they will be involved. Mr. Segerblom asked who determines the parameters and the Chair said the agency does. He said that should be done before anything. Member Hardy said he wanted everyone to know that this is just informational because the board was just recently informed about it. Mr. Segerblom said that is the point, why should the #1 company be coming forward with this information.

Ruthie Jones, ITPE Union, stated that it should be reconsidered how this new technology will impact the public as well as the drivers, if the public is allowed to have a hand held device that would tell them the fare when it has been shown that there is a discrepancy. She does not support this.



Mark James said they will not be testing anything on the public.

Mr. Samson stated that he is an electrical engineer and he will hold an open forum for other vendors to share, should there be any technical concerns.

Mark James stated that if the Board approves the pilot program today, he will present information at the next meeting. They will test 150 vehicles for a certain period of time, meet with staff for specifics. Today he needs approval to get things manufactured and start collecting data in real vehicles.

Peter Eliades, an owner of YCS, stated that they already have GPS to monitor vehicles. He commented that caution should be taken with how much equipment is put into vehicles as vehicles are getting smaller. He feels that the drivers should not be involved and the most important thing is safety for both drivers and riding public. When the companies have more costs, they will come to the Board and ask for increases and the riding public will be affected. He stated that another issue Frias did not mention was the Nevada Law passed about no phones.

Marc Gordon of YCS stated that they want this tabled until next month when the Administrator can come back with a list of parameters. The Chair stated that are only voting on a pilot program which she agrees with.

Member Hardy commented that he loved the comments from Frias that right now companies have all information, but the Board does not and do not have enough information to make any decisions. He concerns with the proposal, the parameters of proposed pilot program as they do not know the details. Today is the first time he has heard anything about this, therefore, it is difficult for him to evaluate the parameters. He suggested to first present the parameters and details before approval of the pilot program is given. The Chair stated they have the parameters and would like to allow them to go forward but to come back in a month with results. Member Nolan agrees that the concept is good but time is needed to study, perfect and see if it can be integrated. He feels that the industry, the TA and the public should be involved. His questions are how much will this cost and who is going to pay for it which should also be considered. He feels a study group including stakeholders, Administrator, a consultant should be involved. He said it would be better to move forward after a study group is held and then presented at a future meeting. Member Hardy agreed. The Chair asked him if he agrees with the pilot program and then report back. Member Nolan said if stakeholders agree, come back with parameters and criteria, estimated timelines, then come back to the Board for approval and if established parameters are not clear, continue and move forward with the pilot program. Member Collins wants data collected and given to the board to make decisions. He feels with no cost to any of the companies, let them test in conjunction with TA staff. He feels Frias should be allowed to do collect the data.

Mark James said he would do whatever staff wants but would like approval today so they can go forward.

The Chair said she wanted a unanimous vote. Jonathan Schwartz said the pilot program cannot be approved without parameters. Member Collins asked if they can decide and then get the parameters from Frias. Mr. Schwartz said they just found out that they cannot. Member Nolan suggests putting in benchmarks and issues will be dealt with throughout the process.

*Motion: Approve the pilot program to go forward
By: Member Nolan
Seconded: Member Collins
Vote: Pilot program approved to go forward*



- *11. Discussion and Possible Decision regarding the possible issue of a temporary allocation of medallions for the 2013 Super Bowl scheduled for Sunday, February 3rd, 2013. (for possible action)

Kelly Kuzik gave his presentation speaking on past Super Bowl allocations.

Intervenors are Yellow/Checker/Star Cab Companies, Lucky Cab Company, Desert Cab Company, Nellis Cab Company, Whittlesea Blue/Henderson Taxi, A Cab, LLC, Ace Cab, Inc., Union Cab Co., A NLV Cab Co., Vegas-Western Cab, Inc., and Virgin Valley Cab Company, Inc., Western Cab Company and ITPE Union.

Lucky Cab Company, Desert Cab, Nellis Cab, Frias Transportation and Whittlesea/Henderson Taxi made the following request per their interventions –

Friday, February 1st – 4 medallions – 12 PM – 2 AM – any 12 hours shift; Saturday, February 2nd - 4 medallions – 7 AM – 7 PM and 4 medallions – 12 PM – 12 AM – any 12 hour shift.

Desert Cab, Nellis Cab, Frias Transportation, Whittlesea/Henderson Taxi and A Cab support Lucky's request. ITPE Union opposes any medallions. Western Cab was not present for vote.

Motion: Lucky Cab's request be granted
By: Member Collins
Seconded: Member Nolan
Vote: Passed unanimously

- *12. Discussion and Possible Decision regarding the possible issue of a temporary allocation of medallions for the 2013 M.A.G.I.C. Convention to be held at the Mandalay Bay Convention Center from Tuesday, February 19, 2013 through Thursday, February 21, 2013. (for possible action)

Kelly Kuzik made his presentation regarding the past M.A.G.I.C. Conventions.

Intervenors are Yellow/Checker/Star Cab Companies, Lucky Cab Company, Desert Cab Company, Nellis Cab Company, Whittlesea Blue/Henderson Taxi, A Cab, LLC, Ace Cab, Inc., Union Cab Co., A NLV Cab Co., Vegas-Western Cab, Inc., and Virgin Valley Cab Company, Inc., Western Cab Company and ITPE Union.

Lucky Cab Company, Desert Cab, Nellis Cab, Frias Transportation and Whittlesea/Henderson Taxi made the following request per their interventions –

Monday, February 18th – 6 medallions – 12 PM – 2 AM – any 12 hour shift; Tuesday, February 19th – 6 medallions – 7 AM – 7 PM and 6 medallions – 12 PM – 2 AM – any 12 hour shift; Wednesday, February 20th - 6 medallions – 7 AM – 7 PM and 6 medallions – 12 PM – 2 AM – any 12 hour shift; Thursday, February 21st – 66 medallions – 7 AM – 7 PM.

Motion: Lucky Cab's request be granted
By: Member Collins
Seconded: Member Hardy
Vote: Passed unanimously

NOTE: Going back to Agenda Item 9 regarding the Fuel Surcharge, Deputy Attorney General Ryan Sunga stated that this item can be removed from future agendas.



