



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
TAXICAB AUTHORITY

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

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

July 23, 2015

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Thursday, July 23, 2015. The meeting was held in the Taxicab Authority Boardroom at 2080 E. Flamingo Road, Suite 114, Las Vegas, Nevada 89119. The meeting began at 9:40 A.M.

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

1. Call to Order.

The Chair called the meeting to order at 9:40 A.M. She commented that this is most important meeting this Board has ever had.

2. Pledge of Allegiance to the Flag.

The Pledge of Allegiance to the Flag was led by Member Nolan.

3. Compliance with Open Meeting Law.

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

4. Public Comment

There was no Public Comment

5. Approval of the April 7th, 2015 and June 30th, 2015 Board Meeting Minutes.

Motion:	Approve the April 7 th and June 30 th , 2015 Board Meeting Minutes
By:	Member Nolan
Seconded:	Member Campos
Vote:	Passed unanimously

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

Davy Ann Noahr made the presentation for Maria Soto stating that service was good last month. She said the ASD will be here from August 2nd through August 5th and commented that they were not happy with cab service last year. They are a high volume group and would like larger vehicles for the last days of their show. M.A.G.I.C. will be here August 17th through August 19th and they like the privacy of the cabs. M.A.G.I.C. overlaps with 2 other conventions on the same days at the Sands Expo and The Venetian, so she is requesting extra cabs be allocated to take care of these 3 shows. On the 17th and 18th, they anticipate over 108,000 attendees for these shows. On the 19th there will be 98,000 people in town for those 4 shows. They want these shows to come back to Las Vegas next year so they hope to have excellent cab service. ASD and M.A.G.I.C. come to Las Vegas twice a year.

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

Freddie Kirtley was not in attendance.

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

Jeff White was not in attendance.

Chair Drobkin said that she wanted on the record that she would like to recognize DAG Christine Guerci-Nyhus for being so competent and diligent keeping everything going. Chair said she could not do her job as Chairman without her and that she is so appreciated by the board.

Chair Drobkin stated she is taking items out of order for expediency. Agenda items #12 and #15 out of order. Item #15 is Lucky's request, Mr. Awad is not available at this time, therefore it will be taken when he is available.

The Chair stated that Items #11, #13 and #14 will be taken out of order.

Chair Drobkin also comment that people wanted the Board to put in abeyance some of these items but she will not do that as they are very important items to be discussed. With regard to the 3% Excise Tax, staff needs time to address this, therefore, a game plan or contingency plan is needed now. She will not put in abeyance any items. Next scheduled meeting is August 25 and that gives us only 3 days to change the meters as the 3% excise tax becomes effective August 28 and it will not be enough time to change the meters. No decision is needed today but we want all the issues to be discussed. Everyone wants all the issues on the table and talked about, therefore they will be discussed today.

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

John Maroshuk said he had nothing further on this item. He feels the fuel surcharge fit into both items.

DAG Guerci-Nyhus said to continue this item to an earlier meeting in August so that a determination from Department of Taxation as to how the 3% excise tax will be added to the meter is reached. A meeting for August 6th should be scheduled and if there's no quorum, it will be put on the August 25 Agenda.



Motion: If Taxation decides the 3% excise tax will be a sales tax, there will be a rate change to reflect that; it will be tabled until either August 6 or August 25
By: Chair Drobkin
Seconded: Member Nolan
Vote: Passed unanimously

13. Discussion and Possible Decision regarding the request from Frias Transportation Companies to revisit the fuel surcharge.

John Marushok, General Manager, Frias Transportation Companies, gave his presentation regarding the fuel surcharge. He handed the Board a packet which included information regarding a breakdown of the fuel surcharge base, cap, conditions, above cap, trigger, average dates and effective dates; information from U.S. Energy website with regard to gas prices and dates; TA's Rate History from 1971 to Present; and Frias' Historical Retail Gasoline Prices for the rolling 12 weeks through 07/20/15. He said that Table 3 should have read "days" not "weeks". He also suggested that the fuel surcharge be changed automatically when the price of gas meets the criteria for removing the fuel surcharge, \$3.25 per gallon, or adding the fuel surcharge when gas prices reach or exceed \$4.45 per gallon so companies won't need to keep coming back to the Taxicab Authority Board asking for this to be done, per the Board Order of 2011. He's requesting to 20 cent fuel surcharge per paid mile be implemented today also wants the Board to clarify the trigger points per the October 2011 Board Order. He talked about Table 4 which is information from the TA website and Table 5 which is information from DOE.

Member Nolan stated that during the last few weeks he had been through some Western states and the gas prices were pretty even, but Las Vegas had the lowest gas prices. With regard to the California Index, he commented that it was to compare gas prices as California is always higher and he feels it pushes it over the top and out of the factor and doesn't keep us below the trigger point.

Mr. Marushok stated that there are 2 reasons - #1 – California was left in because the NTA uses the same table and not to recreate anything new. It's been used for 2 years and it was working. We can change fuel surcharge without any action of the NTA; #2 - in 2014 the board found no reason to remove California from the formula. Nothing in any orders was found that it was brought forward.

Chair Drobkin asked if there were any other comments from the Board and there were none. She commented that when the order was done it was meant to have the trigger automatic.

Motion: Clarify the October 2011 Order to make the fuel surcharge automatic and to reinstate the fuel surcharge to be automatic using the 20 cents per mile trigger
By: Member Collins
Seconded: Member Campos
Vote: Passed unanimously

14. Discussion and Possible Decision regarding the request of Frias Transportation Companies regarding the 3% excise tax on all cab fares imposed by the 2015 Legislative Committee with regard to an adjustment of the rates.

John Marushok commented that Taxation should be asked how to handle this; unfortunately their meeting is tomorrow. He asked the Board to table the decision until August so the information from Taxation can be discussed. He stated that their meters are different; can all the meters handle this; is the industry ready to discuss if their meters can handle it or not. He would like input from the industry.



Chair Drobkin said she is not tabling it, it will be discussed. She commented that the Board needs the industry to help out regarding meters, can they calculate. She doesn't know if we can get a quorum in August. She is concerned as to whether the older meters calculate – there are a lot of questions regarding how meters can handle it.

There was much discussion regarding how this will be incorporated on the taximeters and the Board decided to table this so they can draft a letter to the Department of Taxation asking if it could be incorporated into the sales tax so the meters would not have to be changed. If there is a quorum, a separate board meeting will be scheduled for Thursday, August 6th, 2015 to finalize.

DAG Guerri-Nyhus explained that after her conversation with Taxation that they want the 3% excise tax to be on the total fare on the meter. She asked them whether this is a sales tax and their answer was that it would be on the companies and would come off the total on the meter. She went on to explain that the meters have to be accurate. She asked if the meters will have to be changed to calculate that. Will the industry ask for a rate increase to cover the 3% tax? There is nothing new from Taxation as yet. The Board needs the industry to let them know if meters can do that. How does industry want to do it? Is the industry supporting the fuel surcharge? If they are, it will take the Taxicab Authority staff 2-3 weeks to change the meters. After the determination from Taxation is known, there will need to be a meeting at the beginning of August. Most important is the total amount a passenger has to pay if it's a sales tax. A meeting should be scheduled for August 6th or 7th. She asked the Board to check their calendars as this issue is effective August 28th and Taxicab Authority staff needs time to change meters.

Chair Drobkin stated if it will be a sales tax staff will need to change meters. If not, there's no meter adjustment. DAG Guerri-Nyhus stated that unless rate change or fuel surcharge, then the meters will have to be changed.

DAG Guerri-Nyhus stated that the meeting for the morning of August 6th is just for rates? DAG Guerri-Nyhus asked Barbara Webb, Recording Secretary, to call the Board Members to try and get a quorum.

Chair asked for intervenors to comment and asked if the industry would address meters.

Intervenors were A Cab, Nellis Cab, Yellow/Checker/Star Cab Companies, Deluxe Taxicab Service, Whittlesea Blue/Henderson Taxi, Frias Transportation Companies, United Steelworkers Union, Lucky Cab Company, ITPE Union, Western Cab and Desert Cab.

A Cab - Jay Nady stated he'd rather not talk first.

Nellis – Jamie Pino – Agenda Items #11 - #13 and #14 – With regard to a rate increase, he commented that Las Vegas has one of the highest taxi rates. Nellis supports all 3 items. Chair asked if he was not opposing any rate increase and he said he supports the 3 items.

Yellow/Checker/Star Cab Companies – Bill Shranko stated YCS supports fuel surcharge, Frias on #13 and #14.

Deluxe – Rick Flaven supports Nellis.

Whittlesea Blue/Henderson Taxi – Cheryl Knapp supports Frias on all 3 items.

Brent Bell of Whittlesea stated that the meters can be adjusted. He said that the majority of the industry is on Centrodyne meters. All that has to be done is to put in a chip for 3% and that it will be in the works



soon. He commented that there is no problem, just a simple chip change. VeriFone can just add the 3% added. New meters are easily programmed. He stated that when he attended the legislative hearings, they decided it would be a tax. He hopes Taxation verifies that.

A Cab – Jay Nady stated that the report by Frias was excellent – agrees on everything that Frias presented.

United Steelworkers Union – Jared Kelly stated he is the local president. They have no opposition to Agenda items 11-13-14.

Lucky Cab – Desiree Dante supports Frias' recommendation and agrees that the fuel surcharge should be automatic. She supports Nellis regarding the tax. Does not feel a rate increase would be good at this time.

ITPE Union – Ruthie Jones stated that nothing should be settled for a couple of months. She doesn't understand why CA is included when our rates so much lower. Feels they should wait to see what happens.

Western Cab – Marilyn Moran supports Whittlesea.

Desert Cab – George Balaban supports Frias regarding the fuel surcharge and also wants it automatic; does not want a rate increase unless Taxation says it will be a gross revenue tax, then he would want a rate increase. Regarding meters – 3% excise tax is easier to do as is the information on the taxi doors. If we don't use California, the trigger would have to be changed. At that time, they knew California was higher and set triggers accordingly. He went on to speak about the meters he uses.

Chair Drobkin asked staff how much time is needed to change the meters.

Kelly Kuzik stated it has to be approved by the Director of B & I, move money around and then seals have to be ordered. It'll take approximately a month.

Chair Drobkin commented that they have to know by August 5th. It's possible that we won't be ready by August 28th.

Acting Administrator DeRose stated that the delivery date for the seals would be August 10th, if they are on time.

DAG Guerri-Nyhus said that a decision will be made on the August 6th or 7th meeting.

The Chair asked if there was a way to put in a conditional order depending on Taxation's decision and if it's a sales tax and it would not go into effect until Taxation makes their decision.

DAG Guerri-Nyhus said that an order can be done to put the fuel surcharge in effect when Taxation decides, but there a lot of variables because she doesn't know what Taxation is going to decide. It could be done by phone. She advises that the Board wait for their decision. The DAG also advised the Board to get all the information today that they can and then go forward.

The Chair asked her Board for a quorum for August 6th. She would prefer to have something in place; can it be done with an Order. DAG said it's the board's decision. The Chair wants to have an order waiting or wait for Taxations decision. Chair wants to go on to Item #14.



After a lot of discussion, the board decided to have a letter written to be brought to Taxation's meeting the next day. A letter was drafted by Member Nolan and approved by the Board to be given to Marilyn Moran of Western Cab who is attending the Department of Taxation meeting the next day.

Motion: To send a letter to the Taxation Department to let them know that based upon staff and the industry that the 3% single sales tax will be the easiest to administer and the most fair way to implement this.

By: Member Nolan

Seconded: Chair Drobkin

Vote: Passed unanimously

2nd Motion: If Taxation puts the 3% excise tax on as a sales tax, approve the change of rates

By: Chair Drobkin

Seconded: Member Nolan

Vote: Passed unanimously

9. Discussion and Possible Decision regarding the request of George Balaban, Desert Cab, for the possible issue of a temporary allocation of 2 medallions to run continuously from 8:00 A.M. Friday, August 7th through 12:00 P.M. Sunday, August 9th, 2015 for the 9th Annual Bullhead City/Laughlin River Regatta.

George Balaban withdrew this request because of the restrictions being lifted on the geo medallions. He will send his geos to Laughlin.

10. Discussion and Possible Decision regarding the possible issue of a temporary allocation of medallions for the 2015 M.A.G.I.C. Convention to be held at the Las Vegas Convention and Visitors Authority from Monday, August 17th through Wednesday, August 19th, 2015 with an anticipated attendance of 80,000 attendees.

This request for temporary medallions was withdrawn because the restrictions on the geo medallions have been lifted which will allow additional cabs to handle this convention.

15. Decision regarding the Application of Lucky Cab Company for an additional forty 24/7 unrestricted medallions per Certificate Holder and the removal of time restrictions on all medallions previously allocated.

Jason Awad, owner of Lucky Cab, spoke regarding his reason for asking for forty 24/7 unrestricted medallions per Certificate Holder, as well as removing the time restrictions on all medallions that the companies now have. His reasoning was because of Uber, Lyft and whoever else may decide to come to Las Vegas and take business away from the companies and a living away from the drivers. He said that the industry has to be brought to this century to benefit the drivers as well as the companies due to all the changes that are happening with ride apps. He commented it would give the companies the ability to give drivers more flexibility as to their work hours instead of only when certain medallions can go on the road.

The Chair asked staff how many medallions will have restrictions lifted. She also asked Acting Administrator if there were medallions available to accommodate Mr. Awad's request for additional medallions and she said not enough.

DAG Guerri-Nyhus asked Kelly Kuzik how many medallions were Board-ordered.



Kelly Kuzik stated that 314 medallions were Board restricted and 120 medallions were certificate restricted.

DAG Guerri-Nyhus went on to explain that effective January 1st, 2016, all restrictions are to be removed/lifted per the legislature's decision. She also stated that per NAC 706.549, drivers cannot work more than a 12-hour shift.

The Chair asked for intervenors to comment.

Intervenors were A Cab, Nellis Cab, Yellow/Checker/Star Cab Companies, Deluxe Taxicab Service, Whittlesea Blue/Henderson Taxi, Frias Transportation Companies, United Steelworkers Union, Lucky Cab Company, ITPE Union, Western Cab and Desert Cab.

A Cab – Jay Nady stated that he enjoys the restrictions but is happy that the owners are able to run their companies because they know what is needed for their companies better than anyone does. He went on to explain how he plans on making the changes that are needed to benefit his company and his drivers. He stated that they started a new dispatch system that can dispatch cars similar to what Uber does. He feels if Uber takes over like in San Francisco everyone will be out of business. He feels the lifting of restrictions will help the industry. He agrees with Jason Awad.

Nellis Cab – Jamie Pino stated that he also agrees with Jason Awad's presentation. He stated that he doesn't want the industry to disappear because of Uber. He stated also that he can manage his company and drivers better with the restrictions being lifted. He agreed with the addition of 10 24/7 medallions now and 10 in December, therefore, the industry will not have to ask for medallions for New Year's Eve.

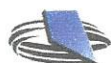
Yellow/Checker/Star – Bill Shranko stated their director has no position on Agenda Items 12 and 13.

Deluxe – Rick Flaven – supports Lucky but stated he will need more cabs to accommodate the lifting of restrictions.

Cheryl Knapp of Whittlesea Blue/Henderson Taxi, George Balaban of Desert Cab and John Marushok of Frias approached the Board together. They support Lucky, but not the number of medallions they are requesting because in the past the companies were worried about their market share now they have to move forward. They do agree with Lucky regarding giving the companies the opportunity to make the decision when their cabs should be put on the road.

John Marushok stated that Frias' position is to remove the restrictions today and in January as they cannot compete with having the restrictions on their medallions. They need flexibility to run their medallions as they see fit. He suggested converting the geos to 24/7 medallions and agreed to the 20 additional medallions be approved today.

George Balaban stated that he cannot dispatch a cab if it is restricted and those are his radio cabs. Lifting the restrictions today and giving all his cabs the right to be dispatched would be what he wants. Also, he talked about the restrictions being lifted today so that he can schedule drivers for shifts where they can make more money. His company can have better control sending cabs out when they are needed and not worry about their restrictions especially on weekends. His main concern now is lifting the geo restrictions.



United Steelworkers Union – Jared Kelly opposes additional medallions because it would create too much congestion on the roads.

ITPE Union – Ruthie Jones and Anton Kahsay stated that the drivers are suffering and unable to support their families. She feels that with the restrictions removed, there will be even more cabs on the road and there will be Uber and whatever other companies working. Then, she said, there's the leasing of vehicles by the companies – she feels all of this and the additional 40 medallions requested will destroy the industry. She is also worried about the outlying areas being serviced. She stated that additional cabs will not help the flexibility of drivers because the companies will decide what hours the drivers will work. Drivers did not attend this meeting because they did not support any of the items on the agenda. Another questions was how is this going to affect long hauling? ITPE Union does not support any of the items.

Western – Marilyn Moran supports Lucky.

Chair Drobkin stated that she gets calls all at hours of the night from the hotels about the need for cabs. She asked the Board to support her on this issue as cabs are needed and she is very aware that the legislature has pushed everyone to change. She cares about the industry and agrees that flexibility is needed. She commented that with the Mandalay Bay's new convention center and other venues being planned, more flexibility and cabs are needed as more people will be coming to Las Vegas.

Member Collins agreed totally with the Chair. He stated that it is not their intention to tell the companies how to be run their companies, he agrees that they need the flexibility and power to do that on their own. He wants to beat the competition. He agrees with lifting the restrictions on the geos. He stated that change in the industry is inevitable.

Member Campos commented that change is needed. He thought Jason Awad's presentation was right on to make sure every area is serviced and that flexibility is definitely needed.

Member Nolan supports the industry regarding removing the restrictions, as well as the number of vehicles. He stated that the Board is here to service the public and to be sure that is being met. He supports Jason Awad's presentation as well. He stated that the competition says they will service the outlying areas but he knows they won't. He doesn't want to see any public demonstrations from the drivers. He feels that Ruthie Jones and the industry should meet to discuss what the companies are going to do regarding drivers and the lifting of the restrictions. He stated that he wants to know how Uber and whoever comes into Las Vegas are being managed by NTA and wants the Taxicab Authority to establish regulations knowing how many cars are out there and are the needs being met, are these incoming companies servicing the resort area. Then, he feels, there the issue of TA enforcement being able to keep up with the additional vehicles on the road. He would like to know how this increase will affect the resort area and convention center. He suggested a roundtable with the union and industry to see how everything is working. He wants to come back in a few months to see how this increase is doing.

Chair asked if they agreed to lift the restrictions immediately and the Board agreed. The Chair asked for a motion as Board is in agreement with lifting restrictions –

Motion:	Lift current restrictions by medallion effective immediately, add an additional 10 unrestricted medallions immediately and another 10 unrestricted medallions on November 1st
By:	Member Nolan
Seconded:	Member Collins
Vote:	Passed unanimously



The Chair explained that “effective immediately” meant when the Board Order is signed.

There was much discussion among the industry as to how this will impact their companies and the drivers and how they will handle this. More cars will need to be purchased by some companies as well as more drivers will need to be hired. The Chair stated that they are looking to allow the companies the flexibility to put drivers on the road when they are needed and when the drivers chose to work.

16. Staff Report

Kelly Kuzik, MA II stated that the stats for June, 2015 are on our website. With regard to collecting data, Kelly said that was being done. Kelly stated that his reports include trips and revenue. No one had any further questions for him.

Future agenda items – schedule a meeting for Thursday, August 6th, 2015 to discuss the 3% Excise Tax and how it would be put on the taximeters. A letter drafted by Board Member Dennis Nolan was given to Marilyn Moran of Western Cab who will be attending their Friday, July 24th, 2015 meeting with Kimberly Rushton to present the letter to them. The TA is waiting for the Department of Taxation’s decision which will be discussed at the August 6th board meeting.

17. Report of Legal Counsel

DAG Guerri-Nyhus, Attorney for the Board, had nothing to report.

DAG Mathews, Attorney for the Taxicab Authority, had nothing to report.

18. Public Comment

Jay Nady, A Cab, stated his company is now using on-line shift scheduling, real time revenue. He said that July is a slower month for him.

John Marushok, Frias, asked for clarification as the lifting of restrictions is when the order is signed and was told yes. He went on to thank the Board for their decision today.

Jamie Pino, Nellis, thanked the Board for supporting the industry.

Public Comment was closed.

19. Driver Appeals –

Robert Patterson, TA Permit # 00205, was not in attendance. He had been notified by mail and phone several times and did not respond.

Motion:	To uphold the Hearing Officer’s decision
By:	Member Nolan
Seconded:	Member Campos
Vote:	Passed unanimously



Solomon Tareke, TA Permit # 30587, presented his case to the Board.

Motion: To uphold the Hearing Officer's decision
By: Member Nolan
Seconded: Member Collins
Vote: Passed unanimously

Teshale Madebo, TA Permit # 16853, presented his case to the Board.

Motion: To uphold the Hearing Officer's decision
By: Member Collins
Seconded: Member Campos
Vote: Passed unanimously

Juhar Abdella, TA Permit # 106731, presented his case to the Board.

Motion: To uphold the Hearing Officer's decision
By: Member Nolan
Seconded: Member Collins
Vote: Passed unanimously

20. Adjournment

Motion: To adjourn
By: Chair Drobkin
Seconded: Member Nolan
Vote: Passed unanimously

Meeting adjourned at 2:45 P.M.

Respectfully submitted by:

Barbara A. Webb
Barbara A. Webb, Recording Secretary

08-20-2015
Date

Approved by:

Ileana Drobkin
Ileana Drobkin, Chairman

08-24-2015
Date

Jennifer DeRose
Jennifer DeRose, Acting Administrator

8/20/15
Date

