BRIAN SANDOVAL Governor

BRUCE BRESLOW Director



STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY TAXICAB AUTHORITY

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Members
DENNIS NOLAN
DEAN COLLINS
BRUCE AGUILERA, ESQ.
JAMES E. CAMPOS

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

October 22, 2015

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Monday, August 24, 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 approximately 9:35 A.M.

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

- Meeting was called to order at approximately 9:35 A.M.
- Pledge of Allegiance to the Flag.

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

Chair Drobkin welcomed our new Administrator Ronald Grogan stating they are very happy he is here and hoping he will take the agency to the next level. She also thanked Deputy Administrator DeRose for doing a fantastic job.

3. Compliance with Open Meeting Law.

Administrator Ronald Grogan said we were in Compliance with the Open Meeting Law.

4. Public Comment.

Sam Moffitt, driver for Yellow/Checker/Star and part of the ITPE Union. He questioned how the fuel surcharge be imposed on the riding public at \$3.25 when he feels that no one knows the price of fuel and how it differs from propane or CNG fuel used by YCS. He stated the Board's responsibility is the welfare and convenience of the riding public and not know the price of fuel, he has a new conception of what the welfare and convenience of the riding public means. He questioned the removal of the fuel surcharge when gas goes under \$3.25 a gallon for 30 days and he disagreed with the previous order from the Board regarding the discussion of the fuel surcharge.

Bill Shranko, YCS, he stated he would be happy to meet with the Board to discuss the situation with propane. The Unions had the opportunity to come in and ask in the last 20 years they would have told them. He said that there are some things that are proprietary, the reason the Union is so interested is because about 10 years ago a new agreement was entered with them but the former head shop steward wanted to reopen and wanted to talk about it. At that time the Union negotiated a way they can share in the fuel surcharge as YCS did not, have not and will not, hopefully, have drivers pay for fuel. This is something that may be negotiated in 2 years when the new contract comes up. He is willing to explain to the Board how the price of propane, the additives of propane and different taxes on it and what losses the company takes to serve the environment and never get any credit from any of the county agencies except this Board. They take over a thousand tons of particle matter out of the air, a thousand tons of carbon monoxide which does not need to be talked about. If the price of propane was cheaper than regular gas, all the companies would be using propane. He said that after talking to the Taxicab Authority, they will sit down with the Union and answer any questions they have.

5. Approval of the August 24th, 2015 Board Meeting Minutes.

Motion:

To approve the August 24th, 2015 Board Meeting Minutes

By: Seconded:

Member Aguilera Member Collins

Vote:

Passed unanimously

Member Aguilera commented that at the last meeting regarding the language on the cabs about the excise tax depending on the Taxation Department and what they thought should be on there. Does anyone know if that was ever resolved?

DAG Guerci-Nyhus commented that nothing has been filed on that issue; therefore, there is no final

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

The Chair thanked them for coming.

Maria Soto talked about the shows in September and October and commented that service at the beginning in October was slow but there was a lot going on the City at the same time. Eventually, service improved. She said she had sent information to the companies as well as to the TA as to where and when and how many participants would be attending. She said a lot of their shows are getting bigger this year. There's a new transportation center in their new lot which runs from the Metro Substation on Swenson. She talked about the access to the lot and driveways to make it easy for cabs to have access to and from the South Hall.

She said she brought a guest, Tom ????, trade show director and Peter ????, vice president of communications and events for SEMA - 150,000 attendees coming November 3-6. Cabs will be needed starting on the 30th through the end of the show.

Tom said that they are in the 49th year – the longest running annual event in Las Vegas and the largest gathering of small businesses in America. He feels it is important that everyone works together. He talked about his show and its increases in every respect. This should be the best show in the 49 years. They are doing things with transportation hubs for more convenience of cabs to come in and out of the property. They want to provide breakfast for the drivers so they can see where the hub is. They are building a temporary pavilion to help visitors. At the end of the SEMA show there will be an event called "SEMA Ignited". Last year it attracted about 15,000 people – it's a consumer show as opposed to their



trade show at the Linq. There were traffic issues so it's been relocated to the Gold Lot - Paradise and Convention Center Way will be closed for 3 hours. There will be a parade of 800 vehicles from Convention Center Campus to the Gold Lot and a consumer show from 3:00 PM to 10:00 PM on Friday, November 6th. The importance of everyone working together because they are expecting at least 165,000 people in and out of the trade show and about 15,000 – 20,000 in and out of the consumer event. He thanked everyone.

Member Nolan asked him about arrangement for ride share companies hoping there is some separation

Maria Soto stated that there would be separation. When they started showing up for another convention show, they were separated. Those locations were communicated back to the company and when they are out of their area they are instructed as to where they need to go. A parking lot divides the cabs and the ride share companies. They will continue to work on incorporating a separation in different areas. They're goal is to ensure that their attendees are serviced.

Chair Drobkin stated that she and Member Aguilera have been reaching out to downtown and the Strip hotels to have them separate cabs out from ride sharing companies so there are no disturbances. There a lot of people working on that. They are in constant communication as well as with the other venues. They are going to trying to reach out to Councilman Ross and have him write a letter to stop any non-essential work on the streets, as well as Metro.

Ms. Soto spoke about Metro having 4 officers to direct traffic and additional Metro backup and another 6 officers at a different location throughout the show throughout the area. She also spoke of other closures during the show. She gave a map of the transportation hub. They are having a neighborhood meeting including the taxi companies so everyone has the information needed.

Member Aguilera asked about the numbers regarding the conventions.

Ms. Soto said they only count the cabs. There are no lines as the LVCVA stays in touch with the cab

Member Campos commented that, maybe during Staff Report, Chief Aquino can give the Board an update what the enforcement duties are with regard to cab service and the ride share companies during these events, who ultimately is responsible for citations and how communications are working at the

- 7. Discussion with Freddie Kirtley, Assistant Director, Landside Operations, McCarran International Airport. No one was present.
- 8. Discussion with Jeff White, Security Manager, Sands Expo, regarding recent taxicab service.

Mr. Jeff White stated that during September and October there were several shows and cab service was good; cab lines were moving with a 5-minute wait. No more than a 15 minute wait. There has been great service after 5 PM through the summer and it seems that now the cab supply is less and he understands. There's incoming shows where attendees will be staying at the Sands so there won't be a high demand for cabs. SEMA will also be at the Sands and he will work with Ms. Soto. There are a couple of smaller shows coming that won't be in demand for cabs. Frias continues to assist them with the cab line and calling for cabs when needed and he appreciates that.



9. Discussion and Possible Decision regarding the Joint Application of Union Cab, Virgin Valley Cab, Ace Cab, A NLC Cab and Vegas-Western Cab to Remove All Time, Day and Geographical Restrictions on CPCNS Issued and Similar Restrictions on Board Issued Medallions Industry Wide.

John Mowbray, attorney for Frias, spoke regarding confrontations between cabs and ride sharing companies, as there was in the days before regulations were put into place. The cab owners and Charlie Frias, at that time, came up with rules and regulations to protect the public which over the years have changed. He spoke about the TNCs and how they are regulated. His position today is to remove the restraints that may create these same problems. He talked about how the restraints should be removed that will no longer be appropriate because of the competition to give the industry, because our industry has vetted FBI checked, drug checked drivers, fully inspected, adequately insured vehicles and a stable rate structure to be sure the consumers that come to Vegas receive a fair deal. He commented that we have the "Good Housekeeping Approval" on medallions. The sub-component is to remove the time and date and geo restrictions - there are board-ordered and CPCNs - at the close of the legislature, the CPCNs were not addressed. The Board had authority to remove the geo technical restrictions and the time and date. He now, on behalf of Frias and behalf of the industry, asks to remove all geo, time and date restrictions on the CPCN and the board-ordered medallions. He asked if there were any questions.

There were no questions from the Board.

He stated that if there was a concern that some areas are not being served, Frias is committed to serve the underserved. These aps will help. Currently, they are in a testing mode, they will be getting into place, ehailing which has also been embraced by the Board and move forward. To do that, we need to remove the restrictions.

A Board Member questioned how will the public be notified that you now have the ability to do this on the phone versus just calling your dispatch.

Mr. Mowbray stated that it is a national well-recognized company that will undertake that.

DAG Guerci-Nyhus asked whoever is sitting at the table to identify themselves for the record.

John Mowbray, representing Frias Management Transportation; John Hanifan, co-counsel and John Marushok, Manager of Frias' 5 companies.

The Chair asked Esther Rodriguez who filed a Joinder to Frias' application to come to the table.

Esther Rodriguez on behalf of A Cab. Jay Nady, owner of A Cab, was not able to be present. Their Joinder was to be a part of the application. Mr. Nady wanted the Board to know that there really is no opposition from the owners. Regarding the geographic restrictions, this will come into effect at the 1st of the year and why they felt it was important to ask for implementation sooner so they can remain in sync with the city. The RJ had stated that the ride sharing companies were approved to pick up at McCarran and, basically, it doesn't make any sense that with A Cab in business since 2001, cannot pick up at the airport due to his restrictions and those companies can go any place throughout the city. Therefore, she is asking the Board to lift the restrictions now and not wait until the first of the year.

The Chair will open up interventions now.

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> Intervenors were Yellow/Checker/Star Cab Companies, A Cab, LLC, Western Cab Company, Ace Cab, A NLV Cab, Union Cab, Vegas-Western Cab, Virgin Valley Cab, Lucky Cab and Deluxe Taxicab

Marc Gordon, General Counsel for YCS, they support.

Western Cab – no one present.

Jason Awad, Lucky Cab, applauded the Board's decision in July removing some restrictions which was beneficial to all the drivers as well as the industry and riding public. He supports the application for all restrictions for all certificate holders to be removed.

Rick Flaven, Deluxe, supports Frias' application. With regard the ehailing that was mentioned, he owns his own ehailing app called Deluxe Taxicab Service on the app site.

Chair asked if ITPE wanted to come up. They did not. Nor did Staff have any comments.

Chair Drobkin stated she is more involved on behalf of the Board. She gets calls that drivers are not moving around enough. Now the drivers can go anywhere and the town is growing. This city only has taxis and other private cars to move people around the city. If it can't be figured out how to do this, there will be a problem. Therefore, all restrictions have to be removed so the companies can do their jobs.

Member Aguilera concurs with the Chair. It has to be based on business and what the public wants. He supports letting the owners run their companies as they see fit. Logistically with Deluxe, if they use your app, do they wait in line? Rick Flaven said no and explained how it works.

Member Nolan stated it's a testimony to the companies that the Board had no questions. With this deregulation, hopefully, there will be no problems as in the past. Everyone has to be sure that there are

Chair stated that they are still regulated, the Board is just lifting some restraints. She says a healthy agency, a healthy industry. She stated that the last 5 years she has been trying to work on the infrastructure to make the industry healthy.

Member Collins stated that Mr. Awad and Ms. Rodriguez stated that change is what the Board is up against and everyone has to adjust to the change. Years ago the regulations made more sense, but in this competitive environment it doesn't. So the industry has to be given the tools to operate successfully. To move forward, things have to be changed and the industry needs to run their companies. He supports this application.

Chair stated the drivers are the ambassadors and they work hard and this town does not operate without the drivers as the only way to get around for tourists is by cab. The drivers are very appreciated.

Member Campos agrees with everyone on the Board and the industry that it is time to make a change.

Motion:

Accept Removal All Time, Day and Geographical Restrictions on CPCN-Issued and Similar Restrictions on Board-Issued Medallions Industry Wide

By:

Member Aguilera

Seconded:

Member Collins

Vote:

Passed unanimously



10. Staff Report

- a. Administrator's Report Mr. Grogan told everyone how happy he is to be here as this is an exciting time. There is a lot going on at this time. He has met with some of the representatives of the industry. With regard to the motion, staff has no concerns with the request and it makes it easier for staff as they don't have to worry about tracking medallions. He thanked the Board for selecting him into this position. Since he's been here, there has been a lot going on. His early focus is to learn everything and will reach out to meet everyone. His focus is looking at this organization is aligning what we do and how we do it and wants to be sure when the statutes are enforced they are consistent. He's delighted to be here.
- b. Chief Aquino's Report Board Member Nolan asked about the influx of all the cars with Uber and Lyft and wanted to know how the NTA was going to work with the TA with regard to enforcement if drivers are in the wrong place. Chief responded stating these are issues that have been brought up in the last several weeks with the TNCs operating now. He stated that based on current laws, the TA has no jurisdiction over the TNCs. NRS 706 and NAC 706 is what we enforce. He has identified 3 areas that they will be involved in - 1) if a taxicab is involved with an Uber vehicle it is treated like a personal vehicle that was involved in a accident; 2) anytime there's an immediate threat to life or property, involving a TNC driver, a TA officer will react; 3) if the TNC driver is off the platform conducting uncertificated activity, i.e. gypsy cab, that's what we will be involved in as an agency. Other than those three instances of response, it is hands off for the TA. This is so dynamic and he gave an example of his officers conducting bike patrol as well as enforcement activities during Life is Beautiful. He commended the drivers who were there to pick up and drop off in the staging areas assigned and completely compliant with the TA officers. There was a number of TNC drivers there that were not under certain guidelines or rules during that event, therefore, they were picking up and dropping off at any location. At this point, we are not able to tell them where they can stage or park or if they are impeding traffic, but we do have great relations with LVMPD and those officers along with the TA bike patrol worked together to solve any problems. With regard to as how we work with NTA, I or other officers download information every day to them regarding any activity against their regulations.

Administrator Grogan commented that while we are prohibited from enforcing, we are certain to interact because we are out there where the TNCs and cabs are and we have greater resources than the NTA has at this point. It was made very clear to our investigators that it is hands off from an enforcement standpoint, but he has asked Chief to have his officers report to him what he calls "Uber touches" meaning when see something that we feel is enforceable, we want to be sure the NTA is informed to help them to understand their staffing requirements that they will need to do an effective job. There is a new Chair at the TNC and he will meet with her in the near future.

Member Campos asked if the NTA is capable of handling things when issues arise due to their enforcement staff.

Chief replied he doesn't believe that currently they do have the resources to completely investigate the complaints (inaudible). Our Dispatch Center receives numerous calls daily with regard to TNCs. Right now everyone is looking to the TA, unfortunately, to answer TNC questions even local law enforcement agencies are looking to us for answers and we provide information to them.

Member Campos asked how that is working with additional requests.

Chief stated that from his perspective, we are getting a lot of phone calls regarding TNCs and that discussion comes up daily. Are they adequately providing service? He cannot answer that right now as the TA is not part of that staff. We are giving them our best with regard to communication.



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Kelly Kuzik, Management Analyst, stated that yesterday the NTA was getting ready to start posting for 7 new investigator positions and 3 new administrative positions.

Chair asked if they only have 5 enforcement officers, is that correct?

Chief said yes.

Chair commented that one of the companies is asking for 7,000 permits to operate. That's why everyone is frustrated. She said when she met with the TNCs, they are not marking the vehicles like in other jurisdictions. Therefore, neither the NTA nor the TA officers will know. There are more complexities involved.

Unidentified Board Member made comments about the 7 new positions and the training they need to have will take several months.

DAG Guerci-Nyhus commented that this is not on agenda and should not be discussed.

Chair said she new her comment was coming but is glad that she let the Chair get it on the record.

Member Nolan – some of his comments were inaudible. At this point, (inaudible) issues that are happening right now, until NTA get this all together and get their (inaudible), it really is up to us to keep the situations and events from happening. When the legislature meets again in a year and a half, they need to revisit these things including the overall transportation experience in Southern Nevada. He thinks that the information that the TA is gathering on a daily basis represents the importance of what is happening and he feels that it will be sort after.

Chief commented that he agrees with his statement and told him that they are ahead of him.

Member Nolan thanked him.

- c. Stats for August and September, 2015 Kelly Kuzik said he will answer any questions. The only issue he wants to bring up is the number he used for the medallions previously was a formula that was an equivalency and now it is changing because of the restrictions being lifted so there will not be an equivalency formula any more. The numbers are just based on the number of physical plates they have. Therefore, the medallions numbers will be a little stunning because there seems to be more than previously. In July there were 2,410 plates now there are 2,890 and November 1st there will be another 160 plates which bring the total up to 3,050. When comparing the 2014 to 2015, the equivalency formula was used and brought the number down to 2,300 rather than the 2,400. He tried to make it clear on the stat page for medallions with an explanation.
- 11. Report of Legal Counsel -

DAG Guerci-Nyhus had nothing to report.

DAG Gary Mathews had nothing to report.

12. Public Comment

Jason Awad on behalf of Lucky Cab, in response to Mr. Nolan, commented that that was a great question. He said that he is absolutely devastated that the NTA has no jurisdiction over the action of the drivers (inaudible)



The Chair interjected for clarification for the record that it is the TA not the NTA. NTA has the jurisdiction but not the manpower.

Mr. Awad thanked her. He absolutely disagrees with that. He thinks courageous decisions have been made by the Board over the industry. If the industry happens to get the fact that we don't have the manpower out to anyone, we don't have the jurisdiction to enforce the law, there will be chaos. He stated that he runs a lot of companies, if he sees a problem he fixes it, this problem needs to be fixed. One concern he has is more drivers are needed. It has to be known that some of these people are operating we have a problem. He would like, on the next agenda from the Administrator, to clarify to the Board and industry, how much, what percentage, that from the budget they receive from the 25 cents (inaudible) this time, so the message can be made clear from the industry and from the Board that we would enforce step up to help the TA out. Raise the rate of 25 cents to give you the money that is needed to enforce. If God Bless You because there is going to be a lot of people not to report (inaudible) and there will be a lot of gypsy cabs. We are not longer (inaudible) the TNC.

Chair commented that we don't have the jurisdiction over the TNC....

Jason Awad said he is not saying that. He says they do have the jurisdiction to pick up anybody anywhere in town and if not, check it out.

Chair stated they are doing that. As far as the TNC, that's why we don't have the jurisdiction.

Jason Awad said he heard we don't have enough money or the manpower. He said what he hears that we know what the problem is, give us some time to see what we can do. The message has to go today that the industry as a whole and the TA is willing to do whatever is necessary to uphold the law. That's what has to be done. If you need more money, we will give it to you, but that's going to be allocated to enforcement, it's not going to be another bureaucratic (inaudible) let the Governor or the Senators to make a decision to pass a rule or regulation (inaudible) and they are leaving you and us with the problem. It must be fixed and put on the next agenda and the issue needs to be addressed. I'd like to see a report from the Administrator and enforcement as what is needed. He will not (inaudible) an option

Chair stated that after the meeting she will speak with the Administrator about that.

Mr. Awad stated that there are going to be 7,000 cars and our numbers are just 3,000. We'll come back and say please, we need 7,000 vehicles. The more we have the less they will have.

Richard Flaven, President of Deluxe Taxicab Service, his question is (inaudible) but he wanted to know when the Order will be ready.

DAG Guerci-Nyhus said next week.

Sam Moffitt just wanted to clear the air regarding a comment made by Mr. Shranko. He talked about the contract with YCS and ITPEU, Mr. Moffitt said he never mentioned about the drivers or company were getting or anything else, he was talking about the welfare and convenience of the riding public. The TA has no interest whatsoever in what is in their collective bargaining agreement. The TA's duties are to



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look into the welfare and convenience of the riding public and that's what he talked about, not about their contract negotiation or anything else.

13. Adjournment

Motion:

To adjourn

By:

Member Aguilera

Seconded: Vote:

Member Campos Passed unanimously

Meeting was adjourned at 11:00 A.M.

Respectfully submitted by:

Barbara A. Webb, Recording Secretary

Approved by:

Ileana Drobkin Chairman

Ronald Grogan/Administrator