



TODD PARK Administrator

# DEPARTMENT OF BUSINESS AND INDUSTRY TAXICAB AUTHORITY

## MINUTES OF THE NOVEMBER 20, 2024, BOARD MEETING

## 1. Call to Order

Chair Dan Reaser called the meeting to order at 9:30 am, at the location of the Nevada State Business Center, 3300 West Sahara Avenue, Suite 430, Tahoe Room, Las Vegas, Nevada 89102.

#### **Board Members Present**

Chair Dan Reaser
Vice Chair Donald Soderberg
Member Rusty Graf
Member Dr. Lawrence Weekly
Angela Lee, Deputy Attorney General

## **Board Member Not Present**

Member J.D. Decker

## **Present from the Taxicab Authority**

Todd Park, Administrator Lona Webb, Attorney

## A. Pledge of Allegiance

Member Graf led the Pledge of Allegiance

## B. Compliance with Open Meeting Law

The Chair confirmed that the meeting was properly posted in accordance with Nevada's Open Meeting Law, as verified by the Secretary.

## 2. Public comment

Chair Reaser welcomed new board member Dr. Lawrence Weekly, commending his experience with the Clark County Commission and his potential contributions to the board.

Dr. Weekly expressed gratitude for the warm welcome. *No public comment. Item closed.* 

3. Action Item: Approve Board Meeting Minutes from November 20, 2024, Board Meeting

A motion to approve the minutes was made by Vice Chair Soderberg and seconded by Member Graf. The voting proceeded with members in favor, except for Member Weekly, who abstained.

4. Industry Discussion (For Discussion Only)

No industry discussion. Item closed.

5. Continued Public Hearing—Nevada Taxicab Authority Board initiated proposed future special events surcharge to modify taxi rates for services provided during special events, and proposed designation of special events. (For Discussion and Possible Action)

The Board met to discuss extra fees for taxi services during special events and to define what counts as a special event. The Administrator praised the industry's willingness to collaborate on improving these proposals and suggested taking time to consider all options. He mentioned that the taxi industry is eager to work together.

The Chair introduced the ongoing discussion of the proposed special events surcharge for the upcoming Year.

## **Proposed Measures:**

1. Continuation of surcharges for key events, including:

o Formula 1 (F1) Grand Prix

Electric Daisy Carnival (EDC)

2. Venue-specific surcharges for 2025–2026:

Sphere: \$20

T-Mobile Arena: \$15Allegiant Stadium: \$15

The Administrator supported these measures, emphasizing that venue-specific surcharges could address complaints from non-event attendees being charged during broader events like March Madness.

Chair Reaser initiated the discussion, emphasizing that surcharges should apply only to attendees of major events at key venues-such as The Sphere, T-Mobile Arena, and Allegiant Stadium-rather than affecting casual visitors to Las Vegas.

The Chair opened the floor to public and industry representatives for comments.

Kimberly Maxson-Rushton: Cooper Levinson on behalf of the Livery Operators Association (LOA)

Rich Frakes: Desert Cab/Virgin Valley

Cheryl Gibbons: Whittlesea/Blue Cab/Henderson Taxi Michael Bailin: Taxi Management/YCS/New Cab **Kimberly Maxson-Rushton** outlined the industry's consensus on maintaining and adjusting surcharges for 2025 events. She emphasized:

- The surcharges in 2024 effectively incentivized drivers to work during high-demand periods, which improved transportation availability and deterred illegal operators.
- Illegal operators remain a significant concern, particularly around the Strip and Golden Triangle areas, as they provide unregulated and potentially unsafe services.

Cheryl Gibbons reiterated the evidence they have presented to the board and staff, showing that surcharges implemented during major events such as the F1 race in 2023, Super Bowl, March Madness, and EDC in 2024 successfully encouraged more drivers to work. They specifically note that the statistics demonstrated an increase in both the number of drivers working and the number of shifts being filled compared to the previous year when no surcharge was in place. the evidence emphasized the challenges the industry faces in getting enough drivers to work for us. The industry faces competition from TNCs (Transportation Network Companies) with dynamic pricing and illegal operators (e.g., gypsy cabs), which are unregulated and often offer cheaper fares but are less safe. Drivers tend to prefer easier, quicker pickups, often on the Strip, rather than deadheading to venues like the Las Vegas Convention Center. The key issue is to incentivize drivers to pick up passengers at venues during conventions and events, even when the Strip may offer faster pickups.

## **Industry Proposed Surcharges for Key 2025 Events:**

- Electric Daisy Carnival (EDC):
  - o \$40 surcharge for drop-offs at the venue.
  - \$60 surcharge for pick-ups from the venue.
  - Proposed timeframes:
    - Friday, May 16, 3:00 PM through Saturday, May 17, 10:00 AM.
    - Saturday, May 17, 3:00 PM through Sunday, May 18, 10:00 AM.
    - Sunday, May 18, 3:00 PM through Monday, May 19, 10:00 AM.

#### Formula 1 (F1) Grand Prix:

\$15 surcharge per trip originating and/or terminating within the Strip airport corridor or utilizing the approved 2024 timeframe: Monday, November 19, 1:00 AM through Tuesday, November 24, 12:00 PM.

## Major Conventions:

- \$5 surcharge for drop-offs at venues.
- \$10 surcharge for pick-ups at venues.
- Targeted conventions include CES, SHOT Show, NAB Show, and SEMA, among others, all hosting over 75,000 attendees.
- Charges will be applied to anyone going to/from the Las Vegas Convention
   Center during the time the conventions are being held.

**Rich Frakes** presented data showing surcharges increased driver participation and shift availability during events in 2024. He advocated for extending this approach to additional conventions with high attendance.

**Michael Bailin** highlighted that the venues Todd is suggesting pose a significant challenge for drivers, particularly due to traffic congestion. Approximately 2,200+ drivers are currently active, with over half being flex drivers or independent contractors. The main issue is not just getting more drivers but ensuring that they are on the road at the right times the surcharges are seen to incentivize more drivers to work at peak times. The absence of surcharges in the company's program risks losing drivers to Uber, as they might prefer to drive for Uber for the additional surcharge benefit. The surcharge strategy is viewed as a necessary step to keep the company competitive and ensure that drivers are properly incentivized.

The Chair thanked attendees for their contributions and noted the importance of balancing public trust, industry needs, and efficient transportation services.

No further discussion. The item closed without action.

6. Review and consideration of extension for good cause pursuant to NAC 706.982(3) to 120 days to issue an Advisory Opinion, regarding the Nevada Administrative Code 706.980 Application for Relief by members of the Livery Operator's Association of Las Vegas ("LOA"). (For Discussion and Possible Action)

The Board reviewed a proposed form of advisory opinion submitted by staff. The language of the applicable statutes and regulations are being questioned because it potentially contradicts the practical application within the industry. Many taxi companies have been operating with both employees and independent contractors simultaneously, which has been allowed in practice although inconsistent with the law.

Some board members have suggested that temporary regulations might be necessary to help clarify existing issues in the industry. The idea is to allow for more adaptability in how the regulations are enforced until a lasting solution is established. This flexibility could be especially important in a field that is evolving rapidly, where regulations may not yet fully account for all current practices and technologies.

Board members concurred with Ms. Webb, that the legal issue is complex. They highlighted the valuable relationship between the industry and regulatory staff. However, they also stressed the necessity of clear guidelines to prevent any potential legal issues that could arise later. This acknowledgment of the industry's complexities points to the importance of including various voices in the decision-making process.

The Chair noted that pursuant to the applicable procedural rule, a final decision on the advisory opinion must be made by January 16, 2025. By tabling the current discussion and any action until then, more time can be afforded for the industry to explore and suggest alternative solutions or adjustments. The board then took a vote, and it was determined to delay the discussion and action about the draft opinion until the January meeting.

Motion passed and approved.

7. Public Hearing-Application by WHC LV, LLC dba zTrip, for authority to acquire by sale and transfer the Certificates of Public Convenience and Necessity currently held by WHITTLESEA BLUE CAB (CPC T410, 236 taxicab medallions) and HENDERSON TAXI (CPC T717, 225 taxicab medallions). (For Discussion and Possible Action)

The staff clarified that there were no petitions to address the matter, and it was noted that Board Member Graf had to disclose a potential conflict of interest. He stated that his law firm represents one of the parties involved in the transaction but emphasized that he has no personal financial interest, hence he would recuse himself from the hearing.

Due to his recusal, the number of board members present was modified, but it was confirmed that the quorum requirement was satisfied to proceed with the discussion and any action.

The Chair pointed out that there were some confidential financial data and proprietary information involved in the discussion. He suggested members should avoid sharing specific financial figures to keep the meeting efficient. However, if necessary, they could choose to go into closed session to discuss sensitive details further.

Kimberly Maxson-Rushton, representing Z Trip, pointed out a correction in the agenda regarding the number of taxi medallions held by Whittlesea Blue Cab, stating that the correct figure should be 286, not 236. She assured the board that it would not hinder moving forward with the application since no one with a stake in the business had raised objections.

She then introduced Mr. Bill George, the founder and CEO of Z Trip, and Mr. Brent Bell, the President of both Whittlesea Blue Cab and Henderson Taxi. She reflected on this moment as a historic one for the industry, noting that it had been over a decade since a new operator entered the Las Vegas taxi market.

Mr. George expressed excitement about entering the Las Vegas market, sharing his extensive background in the taxi industry, which spans nearly 40 years. He recounted how he got into the business through family connections and the significant changes he experienced during periods of deregulation.

He highlighted his intention to bring a new approach to the taxi business in Las Vegas while maintaining the safety and reliability that the public expects. He underscored the importance of catering to neighborhoods by ensuring that cab services are accessible every day of the year, not just during peak times.

Mr. George discussed how Z Trip focuses on providing service to underserved communities and individuals with disabilities, areas where traditional ride-sharing companies often fall short. He intends to preserve the community-based values established by the Bell family while improving the overall service of the taxi operations.

Brent Bell took the opportunity to thank the staff for their assistance in preparing the application and shared a bit of history about Whittlesea Blue Cab. He noted that the company was founded back in 1941 by his family and has been a trusted name in commercial transportation in Nevada. He acknowledged the generous contributions of Miss Cheryl Gibbons, who has been a vital part of the company since 1981.

Mr. Bell expressed confidence in Mr. George and Z Trip, believing that their combination would enhance the quality of taxi services in Las Vegas significantly.

The public hearing on Z Trip's application illustrated a collaborative effort among board members to address the evolving landscape of the taxi industry. By considering both the applicant's experience and the operational legacy of established companies, the board is taking steps toward welcoming a new operator while ensuring the values of safety and community service remain intact. This dialogue reflects a commitment to enhancing transportation options in Las Vegas and fostering a more responsive industry.

The Chair facilitated a discussion of the evidence satisfying the statutory and regulatory findings required to approve the application. In connection with this discussion, a number of compliance conditions were identified as necessary. Ms. Rushton and Mr. George acknowledged and accepted the compliance conditions. The Chair outlined the suggested elements for a motion to approve the application if that was the board's pleasure. Vice Chair Soderberg moved to approve the application consistent with the Chair's suggestions and the motion was seconded by Member Weekly. The voting proceeded with the participating members in favor. Member Graf did not participate in the hearing or any action on this item.

## 8. Staff Reports (For Discussion Only)

## A. Administrators Report

- Administrator introduced new staff members including Bee Gallagher, who has recently transitioned into a dispatcher role. Marie, Bee's supervisor, was also recognized for her training efforts. The Administrator also acknowledged the contributions of the agency's Administrative Attorney, Lona Webb, who has been instrumental in supporting the agency's work.
- B. Enforcement/Compliance Report *Nothing to report.*

#### C. Statistics

- o Monthly trips were down a bit from last month.
- Medallions have remained the same at 8,530 and leases have gone up 38 from the last month.
- o Complaints were 941 for the month.
- Citations report is 115 which includes impounds.

- D. Legal Counsel

  Nothing to report.
- E. Future Agenda Items
  - Surcharge order and action on advisory opinion being noted for future consideration.

Item closed.

## 9. Public Comment

No public comments. Item closed.

## 10. Adjournment (Action)

Chair Reaser requested concurrence for adjournment. *Members approved adjournment.* 

By the Authority,

Dan R. Reaser, Chair

Nevada Taxicab Authority Board

Dated: December 18, 2024 Las Vegas, Nevada