

TODD PARK Administrator

# DEPARTMENT OF BUSINESS AND INDUSTRY TAXICAB AUTHORITY

# **MINUTES OF FEBRUARY 19, 2025, 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 400, Nevada Room, Las Vegas, Nevada 89102.

## **Board Members Present**

Chair Dan Reaser
Vice Chair Donald Soderberg
Member Rusty Graf
Member Dr. Lawrence Weekly (remotely)
Joseph Ostunio, Deputy Attorney General

# **Excused Board Member**

J.D. Decker

## **Present from the Taxicab Authority**

Todd Park, Administrator Lona Webb, Attorney

## B. Pledge of Allegiance

Chair led the Pledge of Allegiance

## C. 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

No public comment. Item closed.

## 3. Approval of December 18, 2024, Board Meeting Minutes - (For Possible Action)

No changes, additions, or corrections requested by any Board Member. *Motion passed and minutes approved. Item closed.* 

## **Employee Recognition**

Administrator Park recognized Richard Kolstad for his 21 years of service with the Taxicab Authority and presented him with a certificate of appreciation.

4. Presentation by Patrick Garvey, owner of PatG Group parking, regarding current status of taxi stands at the Sphere, T-Mobile Arena, and Allegiant Stadium.

Mr. Patrick Garvey from the Parking and Transportation Group Las Vegas presented a report on issues related to taxi services at the Sphere, T-Mobile Arena, and Allegiant Stadium.

# The Sphere:

- SP Plus Momentus Technology is the new parking and traffic provider as of February 12th.
- Challenges included a high volume of 500 taxis on ingress with only 50 on egress, leading to congestion.
- Taxi lanes and a starter position were created, but many passengers turned to rideshare options due to long wait times.

#### T-Mobile Arena:

 No significant issues with taxi services were reported. Taxi cabs are available at the adjacent hotels like New York, NY and Park MGM.

# · Allegiant Stadium:

- The taxi pick-up and drop-off area is on the corner of Procyon and Diablo.
- Significant congestion was caused by limousines and employee shuttles in the area, which made it difficult for taxis to access their pick-up locations.
- Mr. Garvey is working with Administrator Park and the Raiders to improve signage, better direct taxis, and alleviate congestion.
- A proposal for a clockwise one-way system on Diablo and Hacienda is under consideration, along with a traffic study to improve taxi flow.
- Mr. Garvey also noted concerns about unauthorized limousines picking up passengers, due to the shortage of taxis.

Board members highlighted the importance of signage, wayfinding, and clear directions for taxi patrons. Administrator Park committed to continued discussions with stakeholders and industry representatives. Member Weekly, participating remotely, thanked Mr. Garvey for his presentation and discussed the importance of communication between the taxi industry, the Raiders, and other stakeholders. Member Weekly suggest a follow-up meeting with the industry to better address these issues and improve the process for all involved.

# 5. Industry Discussion (For Discussion Only)

No industry discussion. Item closed.

6. Public Hearing-Application of the Nevada Taxicab Authority for a Rehearing of the matter designating CES and the World of Concrete/SHOT Show as Pilot Special Events and authorizing a Surcharge Rate (For Discussion and Possible Action)

The Chair observed there were no interventions or oppositions filed regarding the matter. The Chair then recommended granting the administrator's request for a rehearing.

Member Graf asked the Administrator to state for the record the reason for the request and the Administrator explained that the reason for the rehearing request was to have additional time to gather stakeholder input on special event surcharges related to events at venues such as the Las Vegas Convention Center or the Venetian Convention Center.

The Chair invited a motion regarding the rehearing request. Member Graf moved to approve the application for the rehearing. Seconded by Vice Chair Soderberg. *Motion passed. Item closed.* 

7. Public Hearing-IN THE EVENT THAT on February 19, 2025, the Taxicab Authority Board (the "Board") approves the Application filed on January 4, 2025, by the Nevada Taxicab Authority for a Rehearing of the Decision designating CES and the World of Concrete/SHOT Show as Pilot Special Events and Authorizing a Surcharge Rate during those events on all taxi trips picking up or dropping off at the Las Vegas Convention Center or the Venetian Convention Center designated taxi stands, this Rehearing will take place. (For Discussion and Possible Action)

The Chair observed that an intervention petition was filed on January 31, 2025, by Yellow Nevada, Yellow Checker Star Corps, New Club, and Taxi Management and the Administrator filed a motion to continue the matter on February 11, 2025. The petition did not comply with the requirements of the notice requiring a memorandum of points and authorities on two issues. The Chair advised the rules allow the Board to either deny as defective or waive those requirements under the Nevada Administrative Code provisions which allow us to deviate from the rules of practice for good cause.

The Chair also noted that the Administrator had filed a motion for a continuance of the rehearing of the order entered January 3, 2024. As the Administrator explained, the continuance is needed to gather stakeholder input on special event surcharges related to events at venues such as the Las Vegas Convention Center or the Venetian Convention Center.

Vice Chair Soderberg moved to (i) deny the intervention without prejudice; and (ii) to grant the continuance with a referral back to the Administrator who may place the rehearing back on agenda when the Authority is prepared to proceed. Member Graf seconded the motion.

Motion passed. Item closed.

8. Public Hearing-Joint Applications of Desert Cab Co. and A-Cab Co. To Adjust Taxicab Charges to Include a Pass-Through Software License Charge (For Discussion and Possible Action)

The Chair called for legal appearances in relation to the joint applications filed by Desert Cab and A-Cab Company to adjust taxicab charges. Hearing convened regarding the request to adjust taxicab charges to include a pass-through software license fee.

- Appearances:
  - o Puoy Premsrirut, Brown, Brown & Premsrirut, Attorney for Desert Cab
  - o Neal Tomlinson, Representative for Patent Holder IBSCIP LLC
  - o Joshua Raskin, Greenberg Traurig, Attorney for intervenor Curve Mobility
  - Rick Wade, Attorney for YCS Taxi Management
  - o James Yoon, Wilson Sonsini Goodrich & Rosati, Patent Holder IBSCIP LLC

- Robert Yorio, Carr & Ferrel, Attorney for Kaptyn
- Elliot Anderson, Greenberg Traurig
- Neal Slifkin, Harris Beach PLLC

Chair Reaser disclosed he had a meeting on January 16, 2025, with a representative of Kaptyn regarding application procedures and timing for processing a rate case.

The Chair observed that the application appears incomplete under the regulation and may be inadequate to commence a contested case. The Chair suggested the application may require amendment and that the matter is not in an appropriate posture for proceedings at this time upon which the Board could make a substantive decision.

## Issues discussed included without limitation:

- o Discussion on the ability to adjust rates and technology fees.
- o Industry considerations for determining appropriate rate structures.
- o Clarifications on the enforceability and duration of the patents in question.
- Consideration of alternative resolutions, including continued negotiations or litigation.
- The necessity of addressing patent infringement claims with potential damages.
- o The risk of lengthy and expensive patent litigation.

## **Puoy Premsrirut (Desert Cab Attorney):**

- Explained that the application stems from ongoing patent-related disputes with IBSCIP LLC regarding a software licensing fee for taxicab operations.
- Desert Cab seeks approval for a \$0.50 per-trip surcharge as a compromise solution to avoid costly litigation.
- Highlighted that this proposal is the result of four years of negotiations and is intended to protect the industry from potential patent infringement claims.

## **Neal Tomlinson (IBSCIP LLC Representative):**

- Emphasized IBSCIP LLC's belief in the enforceability of its patents and its entitlement to damages.
- Stated that IBSCIP LLC holds multiple patents related to ride-hailing technology, which have been utilized in the industry without proper licensing agreements.

## Neal Slifkin (Harris Beach PLLC):

- Provided background on the origins of IBSCIP LLC's patents, which were developed through pilot programs and regulatory approvals.
- Clarified that the request before the Board is not to rule on patent issues but to determine whether the proposed charge meets regulatory standards.
- Highlighted the benefits of the proposed system for the taxicab industry and the riding public.

## James Yoon (Wilson Sonsini, Representing IBSCIPLLC):

- Explained the litigation complexities and the potential costs associated with patent disputes.
- Stressed the importance of a clear procedural process and timeline to avoid prolonged litigation.

# Joshua L. Raskin (Greenberg Traurig, Representing Curve Mobility):

- Argued that patent disputes fall under federal jurisdiction and should not be adjudicated by the Board.
- Opposed the notion that technology used in taxis necessarily infringes on IBSCIP LLC's patents.
- Opposed the surcharge, arguing that customers should not bear the cost of a private settlement.

## Rick Wade (Representing Yellow Checker Star and Taxi Management):

- Opposed the surcharge, citing the lack of transparency in the settlement agreement.
- Raised concerns that a settlement agreement should not dictate policy affecting all customers and companies.
- Requested that the matter be continued to allow for a fair process.

# **Robert Yorio (Attorney for Kaptyn):**

- Prior litigation explained involving Kaptyn and patent claims, noting that litigation costs were high, and fees were not reimbursed.
- Argued that the application is about rate-setting, not patent enforcement.

The Chair recommended the Board refer the application to the Administrator for appointment of a hearing officer to conduct prehearing conference proceedings under NAC 706.933. That hearing officer can make recommendations, and the Administrator can resolve interventions pursuant to NAC 706.894 and resolve various issues related to evidence, discovery non-dispositive motions, depositions and subpoenas as provided in NAC 706.933-.936. The hearing officer can be delegated the responsibility to:

- Reopen interventions and allow new participants.
- Address legal procedural issues including motion practice.
- o Gather and assess evidence, exhibits and pre-filed written testimony.

The Chair noted that the Administrator and the hearing officer cannot decide rates; it is the Board's duty under the statutes and rules to ensure rate changes are just and reasonable and in compliance with public interest considerations. The Chair suggested the Board consider:

- A 120 to 150-day timeline was set for review and resolution.
- Tasking the administrator with providing monthly updates on progress.

The Board acknowledged the need for further clarification on the implications of the settlement agreement and its impact on stakeholders.

Vice Chair Soderberg moved to refer the application to the Administrator for the appointment of a hearing officer and that: (i) leave be granted to amend the application within ten (10) days; (ii) the hearing officer notice and reopen interventions and address attorney compliance with SCR 42; (ii) the Administrator resolve intervention petitions; (iii) the hearing officer conduct prehearing conferences to resolve testimony, evidence, discovery and motion practice in preparation of the matter for hearing; and (iv) the administrator provide monthly progress reports. Member Graf seconded the motion.

Motion passed. Item closed.

9. Public Hearing--Joint Applications of Blue Desert, LLC and Desert Cab, Inc. by George and Brad ("BJ") Balaban, for Authority to Transfer Non-Voting Membership Units and Non-Voting Shares in their Respective Companies to Legacy Trusts for Estate Planning purposes and for BJ to Transfer Non-voting Shares, Voting Shares, Voting and Non-voting Membership Units to an Asset Protection Trust and to a Legacy Trust (For Discussion and Possible Action)

Transfer of interests in two taxi companies (Desert Cab and Virgin Valley Cab for estate planning purposes.

George and Brad Balaban seek to transfer non-voting shares to legacy trust set up for their children and convert an irrevocable trust into an asset protection trust. The applicants state that these changes will not affect day-to-day operations or oversight of the taxi companies and that there are no substantial concerns raised by the Board members, and they appear satisfied with the documentation provided by the applicants. Mr. Williamson, the trust and estate lawyer, is available to answer any specific legal questions.

Member Graf moved to approve the application. Vice Chair Soderberg seconded the motion. e motion was made to approve the application which is seconded.

Motion passed. Item closed.

## 10. Staff Report

A. Administrator's Report

Administrator Park provided an update on the financial status of the Nevada Taxi Authority, highlighting declining revenues and budget concerns. A statement from Dr. Christopher Sanchez, Director of Business and Industry, was read into the record, noting that the agency is projected to face a funding deficit of approximately \$2 million by the end of fiscal year 2027. Administrator Park has been instructed to work with the Board and industry stakeholders to develop solutions before the legislative session concludes.

Collaboration initiated with Aging and Disability Services to enhance the TAP program. A presentation on this will be scheduled for the next meeting.

Regulation Changes Workshop Announcement

- After the next Board meeting in March, a workshop will be held to discuss NEC regulation changes.
- Proposed regulations will be reviewed per statutory requirements, and the Board will take evidence from the administrator and the public before forwarding them to the LCD.
- B. Enforcement/Compliance Report *No discussion*
- C. Statistics
  - Total Monthly Trips: 1,087,195

Employee Revenue: \$19.92 per trip
Lease Revenue: \$20.26 per trip

Medallions Issued: 3,530 (unchanged)

• Lease Decals Issued: 1,902

• Citations Issued: 85 (compared to 32 in January 2024)

• Total Violations: 91

• Impounds: 4 (compared to 9 in December 2024)

Total Violation Results: 71

Accidents: 230 (compared to 270 last year)

Assaults Reported: 0

• Complaints: 24 (compared to 22 in 2024)

• Lost Property Reports: 72 (down from 90 in 2024)

• Targeted Enforcement Events: 112 (compared to 104 in 2024)

• Traffic Stops: 215 (increase attributed to training and targeted enforcement)

• LIDAR Gun Purchased for enhanced speed enforcement.

• Vehicle Inspections: 140 monthly, 160 for 24-hour issues.

• Active Cabs: 3,119 (continued increase due to lease drivers).

• Disabled & Elderly Transport Requests: 15,120 (disabled), 686 (elderly).

D. Legal Counsel *No discussion* 

E. Future Agenda Items *No discussion* 

# 11. Public Comment

No public comment. Item closed.

## 12. Adjournment (Action)

Chair request concurrence for adjournment.

Members in favor of adjournment. Motion passes.

By the Authority,

Dan Reaser, Chair

Nevada Taxicab Authority Board

Dated: March 19, 2025 Las Vegas, Nevada