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Administrator

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Chairman

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Vice chairman

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
**TAXICAB AUTHORITY**

1785 E. Sahara Avenue, Suite 200  
Las Vegas Nevada 89104

Telephone (702) 668-4000 • Fax (702) 668-4001  
<http://taxi.state.nv.us>

*Members*  
ROBERT FORBUSS  
JOHN G. MARUSHOK  
JOSHUA C. MILLER

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

**June 29, 2010**

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Tuesday, June 29<sup>th</sup>, 2010. The meeting was held at the Taxicab Authority, 1785 E. Sahara Avenue, Suite 200, Las Vegas, Nevada 89104. The meeting began at 9:00 a.m.

Present were: Chairman Stacie Truesdell Michaels, Member Robert Forbuss, Member John G. Marushok and Member Joshua C. Miller. Others present: were Administrator Gordon L. Walker, Legal Counsel, Deputy Attorney General Scott R. Davis and Legal Secretary/ Recording Secretary, Barbara A. Webb. Absent: Vice Chairman Susan Carrasco O'Brien.

**3. Compliance with Open Meeting Law.**

Administrator Walker stated that we are in compliance with the Open Meeting Law.

**\*4. Approval of the Minutes from the April 6<sup>th</sup>, 2010 continuance of the Application of Ace Cab, Inc., Union Cab Co., A NLV Cab Co. Vegas-Western Cab Co., Inc. and Virgin Valley Cab Co., Inc. for Approval of Charge for Credit Card and Debit Card Transactions in Taxicabs and Setting of Maximum Allowable Such Charge and the April 27<sup>th</sup>, 2010 Board Meeting Minutes.**

Motion: Approve Minutes from both April 6<sup>th</sup> and April 27<sup>th</sup>, 2010

By: Member Marushok

Second: Member Miller

Vote: Unanimously in favor of the motion to approve both Minutes.

**5. Public Comment**

Sari Wilde, Yellow driver, commented that no further medallions are needed at this time. She commented also regarding long hauling and agrees that something should be done. She said that she has never received so many complaints about long hauling as in the last year and a half.

Franklin D. Lewis came to speak on his son's (Scott Lewis) behalf. A copy of his comments is available at the Taxicab Authority.

Parker Moffitt, Yellow driver, commended the TA for addressing the long haul issue. He feels that it is not the drivers' fault, but the company owners because if the driver's book is low they are either fired or

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suspended. Drivers are rewarded with bonuses and given the best shifts if they have a high book. When he started driving, cabdrivers were known as the ambassadors of Las Vegas, not any more.

Michael Gomez, driver for Whittlesea said he has some solutions to offer. 1) Public Awareness – post information letting tourists know the routes to the strip resorts; 2) traffic enforcement – if the cab is stopped when exiting the airport to the tunnel by enforcement, the driver can coach the passengers. He thinks enforcement should be at strip resorts, check the meters; 3) trip sheet audits by the TA randomly; 4) companies already audit trip sheets for low booking; the TA should investigate trip sheets for long hauling. He said Whittlesea has GPS systems and they can tell exactly what route the drivers take and whether the meter is on or off; 5) company cooperation against criminal activity. Companies should not encourage long hauling, but discourage it during orientation and postings on the bulletin boards.

Steve Lanett, Whittlesea driver, read an article from the RJ which is available at the Taxicab Authority. He feels that the surrounding areas that are also economically hurting are also hurting Las Vegas. With regard to long hauling, he commented that 12 years ago when he started driving he would hear of long hauling maybe once a day, now it is all the time. He feels it is time management when you are a driver and the companies should train their drivers accordingly so they won't long haul.

Michael Read, Checker driver, wants to know what the NRS is regarding driving the direct route; asked the Board and the TA if they use E-verify when they hire drivers. With regard to more medallions, none are needed as they are already struggling. With regard to long hauling – driver should tell their passengers he can get them there faster, it may be a little more money, 9 out of 10 times they will say go ahead. Ten years ago it was \$2 to \$5 to take the tunnel, now it's \$10 or \$12 and reverse it's even more. His complaint is the honest drivers can't beat the long haulers because the companies stand behind them. He thinks the TA has to monitor the high books. He said that YCS wants their drivers to sell the faster route. Why can't they take the direct route and still keep their jobs. He's been suspended 3 times this year which hurts him financially. He stated that the drivers are professionals and the averages should be loosened up. Drivers are threatened by not having a high book.

Robert Svorath – Checker driver – with regard to long hauling – he repeatedly hears complaints from tourists about the long hauling. His suggestions – have a real discussion where honest drivers can sit down and talk with the Board about all the aspects of the problem. If you want solutions, talk to the drivers that are out there dealing with the customers and hearing their complaints and having to apologize for the thieves that work amongst them. 1) stricter enforcement; 2) zero tolerance and make the drivers pay the full fine. Maybe going to the legislature to increase the fine; 3) new placards or replace current placards with an explanation of what long hauling is and what to do if they are victims. The current notice is on the front dashboard and is small; 4) do not allocate more cabs, more drivers on the road it's harder for them to make a living; 5) the passenger only knows he was long hauled from the airport when they return to the airport for a lower fee – post expected fares at the airport and at the hotel and tell the passenger what to do. Then perhaps the problem will be solved.

### **5. Discussion with Stephen Patterson, Traffic Manager for LVCVA regarding the taxicab service during May and June.**

Steve Patterson stated that the NAB was very successful. There was little wait time for cabs. The Shopping Center Show was also successful and service was great. The only issue was a smaller convention and when the show let out at 9:30 PM with 200-300 people exiting the Convention Center, there was a problem getting cabs. He called the companies and they sent supervisors out who made sure cabs were dispatched there and the problem was solved. He said that the trick over the past few

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years calling the supervisors and problems were solved. He said the construction show will be here in March and they are preparing for it already by building auxiliary cab stands. He said they are projecting 80,000 attendees.

**6. Discussion with a representative from the Sands Expo regarding taxicab service.**

James Zamaria stated that he had no comment only that he was just observing.

**7. Discussion with a representative from the Mandalay Bay Convention Center regarding taxicab service.**

Heidi Nizowitz, Jeffrey Runsten and Oscar Lopez represented Mandalay Bay. Heidi thanked the TA for inviting them. She stated that M.A.G.I.C. also has part of their convention at Mandalay Bay. They have the Hootie Awards and World Market – August 26-27-28. The Miss Universe Pageant will be there August 23. September 23 -26 there is a large event and the parking lot will be closed on the 18<sup>th</sup> at which time all companies will be notified; service has always been good. In October the Biggest Tattoo Show on Earth will be there with a projected attendance of 20,000.

Member Forbuss asked if it would be possible to merge all the numbers from each property into one spread sheet. He was told yes. Member Miller asked what the protocol was for concerts with regard to getting cabs. Mr. Runsten, Director of Concerts, stated it depended on the size of the event. If a small beach concert, regular service is fine. If there are 10,000 or more, they email the companies that they will need cabs. Member Miller asked if they would notify the TA as well as the companies and they agreed.

**\*8. Discussion and Possible Decision regarding the Application of The Gary D. Bell, Jr. 2004 Generations Trust, dated December 22, 2004 to Transfer its Non-Voting Shares of Whittlesea-Bell to Whittlesea-Bell.**

Attorney Jeff Silver made his presentation regarding the transfer. Administrator Walker told the Board that staff recommends approval.

Motion: Approval of the transfer of non-voting shares of The Gary D. Bell, Jr.  
2004 Generations Trust of Whittlesea Bell to Whittlesea Bell  
By: Member Forbuss  
Second: Member Miller  
Vote: Unanimously in favor of the motion to approve the transfer

**\*9. Discussion and Possible Direction to staff regarding the issue of long hauling.**

Chairman Michaels stated that Member Forbuss had asked to have this put on the agenda. He wanted to mention that he had met with Randy Walker regarding signs at the airport and feels that ideas are worth talking about today with regard to doing something about this on-going issue. He said he was told that 95% of the problem is from the airport. He said there are ideas brought forward that are worth discussing today. Since he's been on the Board, he said they have been "hammered" on this and it's time to come up with a solution.

Administrator Walker stated he had comments and that staff has a presentation. He wanted to give the Board an overview of his thoughts. A copy of the Administrator's prepared comments regarding the long haul issue are available at the Taxicab Authority office.

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Kelly Kuzik stated that long hauling is a huge problem, very difficult to monitor and enforce. He stated that about 95% of the long haul complaints that we receive at the TA either involve trips to or from the airport. According to the 2009 numbers, the enforcement staff has 1.17 million trips per investigator or about 6,000 trips per shift that they are responsible for. In 2009 there were 836 long haul complaints and there were 208 long route citations, about 25%. He stated the standard customer service formula is for every one complaint, there are 10 more complaints. He commented that it's staff's suggestion to have a workshop. What's needed is a comprehensive mechanism which staff feels is a flat rate. Staff's suggestion is a \$20.00 flat fee which was arrived at by using the average taxi fare of about \$13.50 plus the \$1.80 airport fee leaving \$4.70 in additional mileage which totaled the \$20.00. With the flat fee, the driver is no longer in the equation, they won't be blamed for long hauling and they cannot charge more or less. It will go on the meter as a one-time charge – the vehicle inspectors have checked the meters to see if that would work and it will, it doesn't affect anything. The charge is on the meter. The drivers will take the direct route so they can have shorter rides and maybe more rides. In 2009, about 12-1/4% of all the trips originated at the airport. Kelly created a map with a 6.25 mile radius which includes all the strip hotels and some outlying hotels. The average ride from the airport is 3.5 miles. However you combine the numbers, it comes up to the 6.25 mile radius that he has shown on the map. There would be no change to the statues or regulations and it can be done by the Board. It's a rate issue which the Board has the authority to rule on. He feels that a workshop will enable everyone to bring their issues and suggestions forward for discussion. He said that everything being discussed today will be posted on the website by the end of the week and everyone can read it, make notes and bring it to the workshop. He knows there will be exceptions involved which will be discussed at the workshop. The 6.25 mile radius will get anyone to almost 85% of all the available hotel and motel rooms in Las Vegas. He commented that what is unique about this is that Las Vegas is the only city in the country that everything is accessible within 6 miles of the airport, virtually 85% of rooms, which is why he feels it would work. Other items for discussion at the workshop would be more than one zone, more than one rate. He feels the \$20.00 flat fee is a solid rate and feels the company's market share may increase because people would rather take a cab than a shuttle bus or any other mode of transportation if they know they are not getting overcharged. With drivers concern about book, this could potentially give them a \$400 book. Over the years that he has been here, he has heard complaints about long hauling, but nothing about a solution to correct it. He feels that with 6,000 trips per investigator, a comprehensive mechanism is needed.

Member Forbuss thinks it a great idea and it should be taken to a workshop. Chair Michaels questioned if the \$20.00 fee is to and from the airport – Kelly said yes. He commented that the airport fee of \$1.80 is figured into the flat fee, when the cars go through the ADI at the airport they will get paid, but coming back to the airport, the \$1.80 stays in the drivers' book which will make up for the shorter trips which will be discussed at the workshop. If it comes back to a staff recommendation to the Board, they would want to put in a review every quarter for a year to make sure it works and it could either be dropped or adjusted. He stated that staff is excited about it.

Member Forbuss asked if other airports do this and he said most other major metropolitan cities have some form of flat rate which he has the information some of which are as high as \$70.00. But some of these cities are not as close to the airport as in Las Vegas. He feels that it's important that all drivers aren't blamed for long hauling and it'll help the reputation of the city, as well as the drivers.

Member Michaels said she would like information from other cities if this does get to a workshop. Kelly said all that information will be available.

Member Miller said that he appreciated Kelly's work, but he'd like to get more input from the drivers and owners and he will approach the situation open minded. His one concern is the increase to \$20.00 when an average trip of 3-1/2 miles which is \$13.50. He feels zones can take care of that because he

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worries about the person going to the MGM and is paying \$20.00 instead of \$11.00. Kelly said these will be discussed. He wants to take the driver out of equation as much as possible and if multiples are put in, some drivers will abuse it again by pushing the higher rate.

Chair Michaels said she feels that they shouldn't be in a situation where they have to pass a regulation that does that. The industry shouldn't have to take such a drastic measure to remedy the problem and that's her concern. While this will address the long hauling issue, it still doesn't get to the root of stopping drivers and penalizing drivers for ripping off customers, they will just have less opportunity to do it which is part of the discussion that's needed.

Kelly said nothing is going to work 100% of the time, but having a mechanism will help to reduce it. The Chair said she doesn't want to lose site of other additional discussions by the industry such as signage at the airport and the passengers being informed they could complain about it and there is a prosecuting procedure. She feels that public awareness should be discussed and maybe signage in the cab where the passenger can see it instead in the front area of the cab. Kelly all information will be on the website as well as through the people available from the different venues that attend the meetings. He feels the education is more than just having this flat rate.

Member Marushok asked where Kelly gets that an average ride is 3-1/2 miles. Kelly stated that the average fare of \$13.50, subtract the \$3.30 drop and the airport fee of \$1.80 which is \$5.10, subtract that from the \$13.50, divide that by \$2.40 a mile and that's where the 3.5 miles comes into play. Member Marushok said he's concerned with the accuracy of that number if long hauling rides is involved in that equation, it might not be 3-1/2. Kelly said with 23-1/2 million trips in '09 and feels that there will be over 24 million in 2010, it's getting better because it is the 9<sup>th</sup> month in a row that numbers increased. He said that it's known that we had 12-1/4% of the trips from the airport, take that and double it with trips going back, subtract those out because that's the majority of the long hauls, take the 6 million out of the 24 and then do the average and it'll still come out to about 3-1/2 miles.

Member Forbuss said that's the purpose of the workshop. Maybe zones are the way to go and not the flat rate, but this is an approach that has never been used and it needs a lot of thought. He said he wants to take this off the drivers. Kelly said that is why staff recommended to the Board to have a workshop. Chair Michaels said first she'd like to hear from the intervenors.

Intervenors – Whittlesea Blue/Henderson Taxi, Desert Cab, Western Cab, Lucky Cab, Yellow/Checker/Star Cab Companies A Cab, Nellis, Frias Holding Company, ITPE Union, and USW Union.

Whittlesea – Cheryl Knapp; Sandy Shaver – Desert, Marilyn Moran – Western, Lucky Cab – Desiree Dante, YCS – Bill Shranko, A Cab – Jay Nady, Nellis Cab – Jamie Pino, ITPE Union – Ruthie Jones and USW – Stephanie Edelman all support a workshop. Frias – Neal Tomlinson – being this a drastic remedy which they had no prior information to look at from the industry which is their first concern. The obvious problem this creates is the creation of subsidies because he feels that someone going to the Hard Rock subsidizing someone going downtown. They will be part of the workshop but cautioned the staff that this is a drastic, new idea for this market and really should be examined and shouldn't feel that after the workshop it's solved which he feels is unfair to the industry and the drivers putting out a message that the companies do not trust their drivers. He advises taking it very slow before coming up with a solution.

Kelly said that staff's intention was not to blind side people that is why they recommended a workshop and the paper will be posted on the website so everyone has a chance to see it.

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Administrator Walker stated that he wanted to point out that it may take several workshops. He stated that yesterday he had a conversation with John Hickman regarding this and previously spoke with Mark James about it, so he doesn't feel it's new to Frias.

The Chair stated she encourages everyone in the industry to come with comments and ideas if they have an alternate proposal which is worth discussing at the workshop – drivers as well. The Board wants as much input from everyone as possible.

Marilyn Moran – Western Cab – commented that some of these workshops be put on later in the year. Chair Michaels stated that she doesn't want this to go into another year to address the issue. Member Miller said he has the same concerns commenting that a few months ago when the issue was discussed it was not a big issue considering how many rides and how many complaints there were, but does agree it is a problem and it is the duty of the Board to address it.

Administrator Walker stated that there is a workshop scheduled for the credit card issue in August. DAG Scott Davis said that the Board can direct the staff to schedule the workshop; the date and time can be set after everyone checks their schedules, it doesn't need to be need right now. The Chair said the Board can discuss it now as to when it's convenient – Member Miller said July 14<sup>th</sup> is okay, the 15<sup>th</sup> is not good. The Chair agreed with the 14<sup>th</sup>. The Chair directed staff to schedule a workshop.

**\*10. Discussion and Possible Decision regarding the Annual Review of Medallions.**

Kelly Kuzik made his presentation stating that no additional medallions be added or reduced at this time.

The Chair nor the Board had any questions. The Chair called the intervenors –

Intervenors – Whittlesea Blue/Henderson Taxi, Desert Cab, Western Cab, Lucky Cab, Yellow/Checker/Star Cab Companies A Cab, Nellis, Frias Holding Company, ITPE Union, and USW Union.

The following supported staff's recommendation –

Whittlesea Blue/Henderson Taxi – Cheryl Knapp; Desert – George Balaban who stated that Friday and Saturday are their busiest times, but doesn't feel additional medallions are needed and would like this reviewed again in the fall; Marilyn Moran – Western Cab; Lucky – Desiree Dante who stated that there is a large increase in revenue with weekends being their busiest, but does not feel additional medallions are needed, also would like it reviewed again in the fall; YCS – Bill Shranko.

A Cab – Jay Nady feels that there is a demand that has not been met in the suburbs and feels they can use 3 more medallions. He feels that there is a need for more handicabs. He commented that the public still has a problem getting a cab.

Member Miller asked how he determined that 3 more cabs for his company were needed. Jay Nady said it's more from general discussions than from empirical data. The outlying areas need more cabs because there are times when they are needed. People who have lost their cars due to the economy call for cabs especially between 6 AM and 9 AM every day and 3 PM and 7 PM every night. He feels Las Vegas would be better served with more geographic cabs. Other companies may not agree, but in the outlying areas there is a demand.

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The following support staff's recommendation –

Nellis Cab – Jamie Pino stated that they have also seen an increase in their numbers and would like this reviewed in the fall; Frias – Neal Tomlinson – they are also seeing an increase in revenue from 2009 and there has not been a medallion allocation in 2-1/2 years. He would like it addressed again this year; ITPEU – Richard Segerbloom feels that this is an “annual review” and should be kept that way; USW – Stephanie Edelman.

The Chair asked the Administrator if they can request to have this put on the Agenda at any time and the Administrator said yes that they can request medallion or rate hearings. The Chair commented that if the industry has data to support their request, the TA would put it on the Agenda and he said yes.

No comments or questions from the Board.

Motion: Annual Review will be done next year, unless the climate changes, then the industry can bring forward data for discussion

By: Chair Michaels

Second: Member Forbuss

Vote: Unanimously in favor of the motion

**\*11. Discussion and Possible Decision regarding the Annual Review of Rates.**

Kelly Kuzik made his presentation stating that for the past 9 months there has been an increase over 2009, but Staff recommends no adjustment to the rates.

Intervenors – Whittlesea Blue/Henderson Taxi, Desert Cab, Western Cab, Lucky Cab, Yellow/Checker/Star Cab Companies A Cab, Nellis, Frias Holding Company, ITPE Union, and USW Union.

All intervenors supported Staff's recommendation of no adjustment to the rates at this time.

Motion: Support staff's recommendation

By: Member Miller

Second: Chair Michaels

Vote: Unanimously in favor of the motion

**\*12. Discussion and Possible Decision regarding posting a hotline number on the outside of taxicabs.**

Member John Marushok requested to have this put on the agenda because during his time on the Board he has heard a lot of comments regarding how the TA's phone number is displayed. He feels that by putting the TA's number on the outside of the cab, passengers can see it when they get out of the cab so if they have a complaint they can make a call. Member Miller concurs because he stated that in the last 48 hours he's witnessed 2 cabs – 1 picking up someone in the middle of a traffic stop on the Strip and the other at a bus stop on the Strip. He called Dispatch at the TA and asked if they would report it to the companies. He supports Member Marushok's suggestion. The Chair also agrees due to her experience and what she sees with regard to illegal pick ups. It is the TA who regulates the industry and sometimes the riding public doesn't realize it. If the complaints are made with the companies, the TA nor the Board is aware of them.

Intervenors – Whittlesea Blue/Henderson Taxi, Desert Cab, Western Cab, Lucky Cab, Yellow/Checker/Star Cab Companies A Cab, Nellis, Frias Holding Company, ITPE Union, and USW Union.

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Cheryl Knapp – Whittlesea/Henderson – asked the DAG his opinion based on their research with regard to the NAC regulations of what is on the outside of the cabs, based on that, they feel that an NAC would be required for the cab companies to be required to put another number on the outside of their cabs similar to where the rate card is positioned. DAG Davis said it would require a regulatory change to require the companies to put a phone number on the outside of the cabs.

The Administrator commented that there would be another workshop and Member Miller asked why it couldn't be a part of the long hauling workshop. The Administrator agreed that it could.

Desert – George Balaban will attend the workshop; Western – Marilyn Moran (inaudible); Lucky Cab – Desiree Dante – will take part in the workshop; YCS – Bill Shranko supports workshop; A Cab – Jay Nady agrees; Nellis – Jamie Pino – agrees; Frias – Neal Tomlinson – will attend workshop; ITPEU/USW – Richard Segerbloom opposes the idea but will attend the workshop. He commented that he feels that it would single out one segment of this community. Member Miller feels it common for delivery drivers or other companies to have their numbers posted on their trucks. Mr. Segerbloom said that the 800 number goes to the companies, this one would go to the TA. Member Miller stated that when he makes a call to the TA, if just to give them information, not to have a ticket issued. Maybe this would help with statistics regarding customer satisfaction. Chair Michaels commented if it would be the current Dispatch number, not a new number and the Administrator agreed.

#### **13. Staff Report**

Administrator Walker stated that a future agenda item for the July Agenda would be his denial of the complaint from De Ja Vu and Little Darlings against the certificate holders. The complaint alleged that the certificate holders were permitting their drivers to divert rides from one strip club to another. That decision will be appealed to the Board at the July Meeting. .

#### **14. Report of Legal Counsel**

DAG Scott Davis stated that on May 13<sup>th</sup> the Nevada Transportation Authority heard and cited the appeal from Board's decision denying the Handicab application for a certificate. The result was that the NTA affirmed the Board's decision and Handicab has recently filed a petition for Judicial Review of the NTA's decision with the District Court and that is currently proceeding. We filed a statement of intent to participate in that judicial review proceeding as well.

#### **15. Adjournment**

Motion: To adjourn  
By: Chair Michaels  
Second: Member Marushok  
Vote: Unanimously in favor of the motion

Meeting was adjourned at 11:45 A.M.



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**Respectfully submitted by:**

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**Barbara A. Webb, Recording Secretary      Date**

**Approved by:**

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**Stacie Truesdell Michaels, Chairman      Date**

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**Gordon L. Walker, Administrator      Date**

Posted 9/16/2010