



STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
TAXICAB AUTHORITY
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Director

CHARLES D. HARVEY
Administrator

ILEANA DROBKIN
Chairman

VACANT
Vice Chairman

Members

JOHN G. MARUSHOK
JOSHUA C. MILLER
JOSEPH P. HARDY, JR., ESQ.
DENNIS NOLAN

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

JULY 26, 2011

The Board Meeting and Public Hearing of the State of Nevada Taxicab Authority was held on Tuesday, July 26th, 2011. The meeting was held at the Taxicab Authority, 1785 E. Sahara Avenue, Suite 200, Las Vegas, Nevada 89104. Driver Appeal is scheduled for 9:00 A.M. The meeting began at 9:00 A.M.

Present were: Charles D. Harvey, Administrator, Chairman Ileana Drobkin, Member Josh Miller, Member Joseph Hardy and Member Dennis Nolan. Others present: were Legal Counsel, Deputy Attorney General Scott R. Davis Senior Deputy Attorney General Kim Arguello and Recording Secretary, Barbara A. Webb. Absent: Member John Marushok.

3. Compliance with Open Meeting Law.

Administrator Harvey stated that we were in compliance with the Open Meeting Law.

4. Public Comment.

Steve Lanett, Whittlesea driver, commented on the Electric Daisy Carnival and how successful it was and having extra medallions on the road worked very well because so many drivers did well and numbers were great. He gave the Board the monthly Trip Sheet magazine which is published for the drivers and commented on an article by David Kober and felt that the Board should read it. He also commented on the temporary medallions requested for M.A.G.I.C. and said that according to the RJ's Business section there are 100,000 people coming to town this week and there will be no allocation given which is appreciated by the drivers, therefore, he doesn't see a need for extra medallions for M.A.G.I.C. He commented that the need is for 3 or 4 hours and the allocated medallions are for 12 hours and are not needed.

David Urban (?) handed the Board a paper with the actual statistics from the website with regard to trips per shift indicating that cabs are not operating which is a real lose of income for the drivers. He feels with adding more cabs on the road and attendance for the conventions down, an allocation is not needed.

Jay Nady wanted to comment on the Daisy Festival stating that A Cab is not allowed out there, but they had the best 3 days, 2 days, best week in history and had all time records ever. He said that drivers are making more money today than they ever had in history regardless of what you just heard. The drivers' gross pay is higher and feels if A Cab drivers can make an average of \$266 a shift, everybody's making money.



***5. Driver Appeal.**

Samuel Baghdoyan did not appear for his Appeal Hearing before the Board, therefore, his Appeal was dismissed.

Deputy Attorney General Scott Davis asked the Board to dismiss the appeal, pursuant to NAC 706.930.

Motion: Dismiss Appeal pursuant to NAC 706.930
By: Chair Drobkin
Second: Member Hardy
Vote: Passed unanimously – motion passed

***6. Approval of the April 26th 2011 Board Meeting Minutes and the June 21st, 2011 Board Meeting Minutes.**

Motion: To approve the April 26th, 2011 and June 21st, 2011 Board Meeting Minutes
By: Member Nolan
Second: Member Hardy
Vote: Passed unanimously – motion passed

7. Discussion with Stephen Patterson, Traffic Manager for LVCVA regarding the taxicab service during the past month.

Steve Patterson was not available, but Davy Ann Noahr represented LVCVA along with Scott Letcher(sp). She commented that they have had very good service over the past month and that M.A.G.I.C. will be also at Mandalay Bay as well as LVCVA this time. They are meeting this upcoming week with Mandalay Bay regarding the traffic issues. She said they anticipate 75,000, but M.A.G.I.C. never has the real numbers.

Member Miller asked her about the World Market Center and she did not have any information on them except that she knew they do use a lot of buses.

*** 8. Request of Frias Companies for an allocation of additional medallions for the M.A.G.I.C. 2011 Trade Show, August 22nd, 2011 through Wednesday, August 24th, 2011.**

John Hickman, COO, Frias Companies, spoke about the increase in their revenue and business over last year and how the industry is slowly coming back. His request for additional temporary medallions is as follows – 5 day medallions on Monday, Tuesday and Wednesday and 6 night medallions 12:00 – 12:00 for Sunday, Monday, Tuesday. They are asking for medallions for the best shifts. The 12-12 shift is the best shift which produces the most rides and revenue. The day shifts – 7-7 – they don't have any matching shifts in that time range, but their day shifts go out 2:00 AM or 2:30 AM and come back 2:00 PM or 2:30 PM with the shift change between that time and 6:00 both AM and PM. He said their 5:30-6:00 PM shifts is what they are asking. He commented that when his drivers make \$300 a shift, that is a very good amount of revenue. He feels that regarding the medallions that are permanent and what Frias has requested will both do well during M.A.G.I.C. He said they feel it is a very conservative allocation that was requested. Member Miller asked if the numbers were just for past M.A.G.I.C. shows or for regular medallions. Mr. Hickman said that they were actual numbers during M.A.G.I.C. for the fall, but the numbers for January included the regular medallions and the temporary allocation. Member Miller commented that the Board would like more information as to how well they did at the next meeting and Mr. Hickman said he would have them.



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This is Frias' request – Sunday, August 21 – 6 medallions per company from 12 PM – 2 AM, any 12 hours; Monday, August 22nd through Wednesday, August 24th – 5 medallions per company from 8 AM – 7 PM, any 12 hours and 6 medallions per company from 12 PM – 2 AM, any 12 hours.

The Chairman granted interventions – Intervenors are -

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

Western and Nellis – no one was in attendance.

George Balaban – Desert – gave the Board a handout that showed the date of the convention, shifts, number of allocated temporary medallions, average book and trips per shift for M.A.G.I.C. in August, 2008. Another handout showed date of the convention, shifts, average book and trips per shift for M.A.G.I.C. in August, 2010 for Desert Cab. He spoke about how well it works when there are overlapping shifts because it keeps cabs on the road during shift changes. He commented that last year when there was no allocation, the numbers were good. He also commented that this was the best June in history. He urged the Board to err on the side of more rather than less.

Jay Nady, A Cab, concurs with Frias and Desert.

Cheryl Knapp, Whittlesea Blue/Henderson Taxi gave a handout to the Board of Industry Statistics for June 2008 and June 2011 showing the total monthly trips, revenue per shift, trips per shift, revenue per trip, trips per medallion and revenue per medallion. She stated that in July, 2008, the previous board allocated 10 and 10 overlapping for the M.A.G.I.C. convention, there was an estimated attendance of 100,000 people and if the attendance went below 90,000, the Administrator could remove medallions. We are not asking for medallions for the day shift on Sunday. She commented that what she wants the Board to look at on her chart is the total monthly trips. She said that 2008 before the economy tanked, they received a 7% increase compared to June of 2011; trips per shift were up almost 5%, trips per medallion almost 6%. She feels an allocation for M.A.G.I.C. is needed and agrees with Frias and George Balaban in the numbers stating it's barely half of the 2008 request. She feels it would be irresponsible not to allocated additional medallions.

YCS, Marc Gordon, concurs with request.

ITPE Union, Richard Segerbloom, disagrees with applicant. He questioned why there should be any allocation on Sunday because the show doesn't start until Monday. He stated that a year ago, there was no allocation for M.A.G.I.C. In January, they allocated 5, now they want 6 and he doesn't know why. He feels that the convention will be 20% larger than the one in January and doesn't feel an allocation is necessary. Also stated that the rides are from hotels to the Convention Center and doesn't understand why the cabs cannot be restricted to that. He knows there was an appeal regarding restricting the medallions, but feels that the Board should look into that. Also, regarding data given does it mean insufficient cab or are cabstands at hotels and airport empty, are problems there problems at the Convention Center, that data is never presented. He thinks the Board should look into that data rather than just listening to the companies. With regard to a statute or regulation on 12-hour limit on allocations, wasn't sure why. SDAG Kim Arguello said it was in the statute that it requires 12-12 – you can't allocate for less than 12, but it is a statutory NAC. He feels they are not needed for 12 hours, especially 12 noon to 7 PM.

The Chair asked if he knew the attendance numbers for January and he said no. The Chair said LVCVA said 75,000 – 80,000. Member Nolan said if there was some way to get some empirical data



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from those entities to help the Board make better decisions when asked to allocate medallions. He asked ITPEU if they could get data to support their decision of why they feel no medallions are ever needed and Mr. Segerbloom said they don't have access to that information and feels the agency is the best source to get that information. He commented that hotel cabstands are always full as is the airport where the cabs get turned away and he said that Tuesday, Wednesday, Thursday the drivers are hurting.

Lucky Cab, Desiree Dante, supports Frias.

The Chair asked for discussion or a motion from the Board.

Motion: Support temporary allocation of cabs as proposed by Frias –
Sunday, August 21 – 6 medallions per company from 12 PM – 2 AM, any 12 hours;
Monday, August 22nd through Wednesday, August 24th – 5 medallions per company
from 8 AM – 7 PM, any 12 hours and 6 medallions per company from 12 PM – 2 AM,
any 12 hours.
By: Member Miller
Second: Chair Drobkin – she asked for any discussions

Member Nolan asked if Nellis is not asking for any additional medallions. George Balaban stated that they support the application. Member Nolan asked why a larger allocation on Sunday was in disagreement by the union as he feels people would come in on Sunday to be at the show on Monday morning so a Sunday allocation sounds right. Member Hardy agrees with Member Nolan regarding Sunday. With the industry on a rise, he feels it makes sense to see the difference between this one and 2008.

Vote: Passed unanimously – motion passed

*** 9. Request of Administrator Harvey to begin rulemaking process to revise NAC 706.879. (for possible action)**

Administrator Charles D. Harvey commented that in his review of the Nevada Revised Statutes and applicable Administrative Codes, he noticed the NAC 706.879 states the physical location and address of the Taxicab Authority. He wanted to bring to the attention of the Board that the current facility of the Taxicab Authority will expire later this year in November, 2011. He has been working with State Buildings and Grounds to relocate the agency to a new site and is therefore recommending that the Board begin the rulemaking process to revise NAC 706.879 and remove the location. Specifically, he would like to request removing the following language from paragraph 1 – “the principle office of the Authority is 1785 East Sahara Avenue, Suite 200, Las Vegas, Nevada 89158” and also remove the following language from the heading of NAC 706.879 – “location of office and..”

Member Hardy asked what is needed to start the process. DAG Davis said the TA is operating under the Governor's Executive Order that has a freeze on the rulemaking process. There are exceptions to that freeze, this particular change will qualify for one of the exceptions, specifically the exception allows the agency to enact and change regulations that enable it to carry out its functions and mission. The first step in the process is if the Board approves the Administrator's request would be to submit a report to the Governor's office requesting the exception be granted so that we can draft a regulation, proceed with a workshop for the rulemaking process. Member Miller asked about a workshop and the DAG said it is part of the rulemaking process. Member Miller asked if there are any other changes that can be addressed at the same workshop. The DAG said there is an outstanding request for changes to the credit card regulation which are not changes but new regulations. Member Miller said if granted they can



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be done at the same time. The DAG said the workshop on the credit card was held, but we were at the stage of actually voting on it, but because of the Executive Order, could not be completed. At the present, there are no other changes.

Motion: Approve request by Administrator Harvey to strike the language in NAC 706.879 as stated involving the formal address of the office
By: Member Nolan
Second: Member Miller
Vote: Passed unanimously – motion passed

10. Staff Report

Ken Mangum asked, before staff report, if the Board would add to the Order on additional cabs, that the information during the convention be submitted to the Administrator's office. There is a form that is sent to the companies. Currently, Desert, Lucky and Nellis are the only companies that return information back. He feels that if it is included in the Board Order, staff would be able to get the information that the Board is requesting. He said not all of the companies report to the agency.

He also said that they would like to acknowledge Ruben Aquino who came over from NTA as an investigator, is now our new Chief of Investigations. The Administrator promoted him on Monday. The Chair welcomed him and commented they are glad to have him.

Kelly Kuzik stated per Mr. Balaban's comment that June was the best June ever and the numbers show that. June 2011 vs June 2010 – trips were up 10.3% for the year to date. Half way through the calendar year, trips are up 7.5% over the same 6 months of 2010. He commented that there are no numbers that are negative that he tracks. He said that this industry is the only one growing. He said he has been in discussion with Davy Ann Noahr of LVCVA regarding a room at Cashman Center for the Annual Review on August 23rd and she will be working with us on that.

Member Miller asked about Electric Daisy. Kelly stated that Mr. Velotta commented would it be another NFR or All-Star Weekend and it turned out to be another NFR. The only problems were a bottle-neck at 6:00 AM. With only one way in and out, it turned out that it was not as big an issue as anticipated. All the numbers that he received regarding the additional allocation were fantastic. There were no big issues at all. The property was cleared by 9:00 AM per Lt. Wingard who was in charge for NHP. They've signed a multiyear contract which is good.

Member Miller asked about the recording of the numbers and could we put them in the Order. He remembers some of the companies stating it was proprietary information and he asked the DAG if the Board could ask for that in the motion of temporary allocations. The DAG said it is within the Board's authority to make that request. Member Miller asked staff to help with the language and Mr. Mangum state that it was done in the past. The information from the companies themselves is not posted on the website and the form that is provided does not allow any propriety information as everyone is completing the same information on the form.

The Chair asked the DAG if the motion has to be redone. DAG stated that the motion did not include the language so it won't be part of this order. Member Miller asked to reach out to the industry to see if they have any objections to include this language in the motion and order.

Administrator Harvey stated that they will work with the industry to provide the information they are asking for.



11. Report of Legal Counsel.

DAG Davis gave an update on cases in litigation. Handicab appeal had a hearing yesterday before District Court Judge Michele Leavitt who considered the arguments raised by Handicab and arguments raised by this Agency, some of the industry and the Transportation Authority in opposition. She denied the petition for judicial review which means she upheld the Board's Order, the original order denying a Certificate of Public Convenience and Necessity to Handicab. So the hearing is taking place before the District Court and there was a resolution in that case.

The other case pending is the appeal of the Board's decision in the Déjà vu and Little Darlings allegations. We are still looking for them to make their opening written arguments to the courts. That one remains pending.

He stated he wanted to make the Board aware of some of the changes to the Open Meeting Law that affect the Board. The most prominent one being that the board meetings call for multiple periods of public comment which is why we hold public comment at the beginning of the meeting and also the next agenda item is public comment. The changes require public comment before any action item and again at the end of the meeting or alternatively you can have one general period of public comment or public comment on each action item. Those are the new requirements in the Open Meeting Law. There's also some technical changes in the way the action items are noticed on the agenda. Another change is that board members can now be liable for a \$500 fine if they knowingly participate in a meeting which violates the Open Meeting Law. Also one of their points is with the changes of the Open Meeting Law, they have removed the requirement that an applicant for employment be provided advance notice which would have made the search for the Administrator run a little bit smoother than last time, it is now in affect.

12. Public Comment

The Board asked if anyone wanted to come up to speak.

The Administrator stated that he wanted to extend his welcome to the new Chief Investigator and that there will be a formal swearing in ceremony tomorrow afternoon at 3:30 and all the Board and members of the public are welcome to attend.

13. Adjournment

Motion: Adjourn
By: Member Nolan
Second: Chair Drobkin
Vote: Passed unanimously

Meeting adjourned at 10:07 AM.

Respectfully submitted by:

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

Approved by:

Ileana Drobkin, Chairman **Date**

Charles D. Harvey, Administrator **Date**

