

MONTEREY COUNTY REGIONAL TAXI AUTHORITY MINUTES

April 28, 2014

10:00 a.m.

One Ryan Ranch Road, Monterey

Present: Fernando Armenta County of Monterey
Tony Barrera City of Salinas
Victoria Beach City of Carmel-by-the-Sea
Kristin Clark City of Del Rey Oaks
Alan Cohen City of Pacific Grove
Libby Downey City of Monterey
Alvin Edwards City of Seaside (10:12am)
Mary Ann Leffel Monterey Peninsula Airport District (10:26am)
David Pendergrass City of Sand City

Absent:

Staff: Hunter Harvath Asst. General Manager/Finance & Administration
Carl Sedoryk General Manager/CEO
Michael Hernandez Asst. General Manager/COO
Kelly Halcon Director of Human Resources/Risk Management
Tom Hicks CTSA Manager
Deanna Smith Executive Assistant/Clerk to the Board
Dave Laredo De Lay & Laredo
Heidi Quinn De Lay & Laredo

Public: Roy Graham TAC Representative
Kathi Krystal TAC Representative/Associated Taxi
Michael Cardinalli Salinas Yellow Cab
John Cardinalli Salinas Yellow Cab
Tom Mancini TAC Representative
Talib Salamin Serra Yellow Cab
Luis Lomelli Green Cab

Apology is made for any misspelling of a name.

1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance.

Director Downey called the meeting to order at 10:03am and Roll Call was taken. Director Beach led the Pledge of Allegiance.

2. CONSENT AGENDA

2-1. Review highlights of the agenda.

Mr. Sedoryk reviewed the highlights of the agenda.

2-2. Minutes of the regular meeting of January 27, 2014.

2-3. Receive January - March 2014 Financial Statements.

2-4. Receive FY 2013 Audit of the RTA.

Director Downey pulled item 2-3 for discussion.

Director Pendergrass made a motion to approve the Consent Agenda without item 2-3 and was seconded by Director Armenta. The motion passed unanimously.

Director Downey asked Mr. Harvath to provide details on RTA start up cost repayment by jurisdiction. Mr. Harvath provided a handout detailing each jurisdiction's request for repayment of their original contribution and the amount each jurisdiction has paid toward outstanding start-up costs, which exceeded initial contribution. To date, the cities of Carmel and Pacific Grove have not stated whether they request repayment.

Director Edwards arrived at 10:12 am.

Directors Beach and Cohen asked RTA staff to draft a letter detailing the start up cost contribution, additional amounts owed, and repayment details, and send it to them personally with a copy sent to city staff. Directors Beach and Cohen will discuss with their fellow city council members and mayors.

Mr. Harvath will have a more comprehensive detail available at the next RTA Finance Committee meeting.

Public Comment – none.

Director Barrera made a motion to approve item 2-3 and was seconded by Director Edwards. The motion passed unanimously.

3. SPECIAL PRESENTATIONS

4. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

No public comment.

5. COMMITTEE REPORTS AND PRESENTATIONS

5-1. Receive update from RTA staff.

Mr. Harvath directed the board to a new chart that will be a part of the quarterly RTA Administrator report on page 33. The chart tracks taxi driver and vehicle permit fees on a rolling annual basis. He informed the board that while most permit appeals are upheld, RTA staff recently overturned an appeal, allowing the driver to obtain an RTA permit. He believes this is a testimony to staff's objectivity.

Director Leffel arrived at 10:26 am.

The agenda includes the results of the RTA annual audit and an update on taxicab company insurance compliance. Staff has been in conversations with an individual who is working within the RTA jurisdiction as an Uber driver. Staff has also received notice of two moving violations last quarter involving MST's leased accessible taxis and is continuing to monitor the situation.

Public Comment – none.

6. BIDS/PROPOSALS

7. PUBLIC HEARINGS

8. UNFINISHED BUSINESS

8-1. Discuss RTA jurisdiction over taxicab company business practices and provide direction to staff.

Mr. Sedoryk provided a summary of staff's findings and recommendation, noting that the RTA JPA and other enabling documents do not designate any authority or powers to regulate business practices related to driver recruitment. The JPA could be amended to stipulate this authority, but it would require a unanimous vote of the board. The RTA Administrator has reported only four driver transfers during this fiscal year.

Director Clark and Barrera asked for more information on which cab companies were requesting increased regulation.

Director Armenta stated that he had requested additional research into the issue, but he did not believe there was support among the board to pursue.

Director Beach stated that she was interested in whether there was any illegal activity being conducted. Mr. Sedoryk stated he was not aware of illegal activity.

Public Comment

Kathi Krystal disagreed with the number of reported driver transfers, stating she know personally of one driver who has transferred four times, and other who have had multiple transfers. Staff will look into the discrepancy.

John Cardinali stated that his company, Salinas Yellow Cab does not directly solicit drivers, but that the drivers come to him and he offers incentives.

Roy Graham believes the problem began because Salinas Yellow Cab has a monopoly of drivers and cabs in the area and has overpowered smaller companies, decreasing competition in the market. He does not believe the RTA should regulate on recruitment, but does support a moratorium on increasing the number of cab and drivers to allow the smaller companies to compete.

Luis Lomelli stated that Salinas Yellow Cab has been actively soliciting his drivers since the beginning of the RTA. They have held meetings with their drivers and solicited within the cabs, offering lucrative incentives to transfer. He stated that Salinas Yellow Cab has lied, and even though he has asked for help, he has received no help. He stated the RTA seems to be in the business of making money and not helping the cab owners.

Director Downy asked if RTA General Counsel had anything to add. Mr. Laredo stated that cab company owners could control driver transfers by requiring a “no compete” clause requiring a time period between leaving one company and transferring to a competitor. This self-regulation is common. He did not believe it would be easy for the RTA to regulate this issue.

Talib Salamin stated that driver transfers are common in the industry across the country. He believes this is an independent driver’s right, and that contracts between companies and their drivers are a common way to minimize transfers. He is not aware of any county limiting this practice.

Close Public Comment

Director Cohen and Pendergrass do not support regulating this practice. Director Beach thanked staff for the research and information. Director Barrera liked the idea of “no compete” contracts.

Director Edwards asked if a motion was required. Mr. Laredo stated that no motion was required. Director Downey stated that she believed it was the consensus of the board to take no action on this issue and asked if any member of the board protested the consensus. No protest was entered.

9. NEW BUSINESS

- 9-1. Approve preliminary FY 2015 operating budget and refer to Finance Committee for review.

Director Downey asked the difference between legal notices and legal services.

Director Edwards advised staff to raise permit fees on an incremental basis rather than waiting several years and then raising them by a high percentage, resulting in “sticker shock” for companies and drivers. Mr. Harvath stated that the RTA is more than covering its costs and sees no need to increase permit fees this year, nor does staff believe there will be a need to raise fees by a large percentage in the future.

Director Downey mentioned that the Monterey Police Department could only charge for the cost of service and could not make a profit.

Director Armenta stated that he would like to see a line item included for a Customer Comment Card. He does not believe relying on the cards distributed at the airport provided jurisdiction-wide responses. Staff will amend the draft FYT2015 budget to include this item for review by the Finance Committee in July.

Public Comment – none.

Director Cohen made a motion to approve the preliminary FY 2015 operating budget, including the recommendation to add an allocation for a Customer Comment Card, and refer to the Finance Committee for review. The motion was seconded by Director Edwards and passed unanimously.

10. REPORTS & INFORMATION ITEMS

- 10-1. Receive January – March 2014 Report from RTA Administrator.

Mr. Harvath stated that MST has three accessible taxis available for lease to permitted RTA cab companies and the RFQ is available on the RTA website.

Director Edwards asked staff to send letters notifying all cab company owners in case there were some who did not have internet access.

- 10-2. Receive update on taxi dispatching company insurance compliance.

Public Comment – none.

11. COMMENTS BY BOARD MEMBERS

- 11-1. Reports on meetings attended by board members at RTA expense (AB1234).

11-2. Board member Comments and Announcements.

11-3. Board member Referrals to TAC or future agendas.

Director Leffel asked staff to place an item on a future agenda to discuss limiting the use of MST accessible vehicles for persons without disabilities.

Director Beach asked staff to place an item on a future agenda to discuss better coordination of accessible taxis and the RIDES buses. Mr. Sedoryk will follow up with her for more details.

12. CORRESPONDENCE

12-1. UberX, Lyft prompt state insurance regulator hearing.

12-2. As Uber, Lyft, Sidecar grow, so do concerns of disabled.

13. CLOSEDSESSION

14. RETURN TO OPEN SESSION

15. ADJOURN

There being no further business, Chair Downey adjourned the meeting at 11:11a.m.

Prepared by:


Deanna Smith, Deputy Secretary