

MONTEREY COUNTY REGIONAL TAXI AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
August 23, 2011

One Ryan Ranch Road, Monterey

1. CALL TO ORDER

Director Sanchez called the meeting to order at 10:01a.m.

Roll call was conducted and The Pledge of Allegiance followed.

Present:	Fernando Armenta	County of Monterey
	Jerry Edelen (alt.)	City of Del Rey Oaks
	Alan Cohen	City of Pacific Grove
	Libby Downey	City of Monterey
	Alvin Edwards	City of Seaside
	Tom Greer (alt.)	Monterey Peninsula Airport District (10:09a.m.)
	David Pendergrass	City of Sand City
	Sergio Sanchez	City of Salinas
	Karen Sharp	City of Carmel-By-The-Sea

Absent: None

Staff:	Hunter Harvath	AGM/Finance & Administration
	Michael Hernandez	AGM/COO
	Tom Hicks	Mobility Manager
	Carl Sedoryk	General Manager/CEO
	Deanna Smith	Deputy Secretary
	Ben Newman	Risk & Security Manager
	Jacqueline Bernal	Customer Service Representatives
	Zoe Shoats	Marketing Analyst

Others:	Phil Wellman	Wellman Advertising
	Alex Lorca	De Lay and Laredo
	Ken Griggs	MPAD
	Chris Sommers	Portola Hotel
	Tom Mancini	TAC Representative
	Kathi Krystal	Associated Taxi
	Michael Cardinalli	Yellow Cab
	David Laredo	DeLay & Laredo
	Vince Daniels	The Intercontinental
	Tom Greer	MCAD
	Chris Chidlaw	Chidlaw Marketing
	Jeffery Modaff	Monterey Plaza Hotel
	Luis Lomeli	Green Cab

Richard Stember	Yellow Cab
Sam Martinez	Yellow Cab
Roy Graham	TAC
J. Scott Phillips	Citizen

Apology is made for any misspelling of a name.

2. CONSENT AGENDA

2-1 Review Highlights of Agenda.

Mr. Sedoryk announced the highlights of the agenda.

2-2. Informational Minutes from the regular meeting of July 25, 2011.

Director Sharp made a motion to approve the consent items and was seconded by Director Armenta. The motion carried unanimously.

3. SPECIAL PRESENTATIONS

None.

4. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Chair Sanchez reminded members of the public of protocol for public comments and warned that anyone who chose to disrupt the meeting would be removed. He encouraged public discourse, but urged civility. Director Armenta requested Spanish translation be provided for several members of the public.

Sam Martinez, Field Supervisor for Yellow Cab #71, read a statement that requested the removal of members of the Monterey County Hospitality Association who serve on the Technical Advisory Committee (TAC).

Director Greer arrived at 10:09a.m.

Luis Lomeli, taxi driver with Green Cab of Salinas was provided a translator. He stated that when the RTA was formed, he thought it was a good idea. He still feels it is good, as long as it allows all current companies and drivers to be permitted before approving new companies. He stated that he is losing control of his drivers because of regulations, and many of them want to be independent.

Scott Phillips, former cab driver, asked why the RTA Administrator was not present at the meeting. He stated that too many mistakes have been made and that the Administrator is being paid too much money for what the RTA is getting in return. He stated that the Administrator was hired without having any knowledge of the taxi industry. He stated that MST staff has to do his job and research regulating the taxi industry when he should be providing that kind of expertise.

Roy Graham, member of the TAC, stated that the RTA needs to get existing companies permitted before permitting new companies. He stated that the inspection form that had been used for years was fine, and now another one is being developed. He requested that the RTA listen to members of the taxi industry to obtain the education they need.

Close Public Comment

5. COMMITTEE REPORTS AND PRESENTATIONS

5-1. Receive update from RTA staff.

Mr. Harvath provided an update on all permits issued to date including pending approvals. He stated that he attended a meeting with members of the taxi industry in Salinas at the request of Director Armenta and there was a consensus that the taxi companies and drivers were happy to go to the City of Monterey once per year to submit permit renewals if it would speed up the process and lower costs. He stated that he expected Monterey to begin administrating the RTA in the next month. GY Investigations would no longer be the RTA Administrator once Monterey took over.

Director Downey asked that the RTA budget be sent to the entire board.

Director Armenta requested that small, informal, regional meeting be planned with members of the taxi industry and board members to discuss and resolve issues. He feels the RTA board meeting protocol does not allow the flexibility for many of the issues that can be resolved informally. He also requested a written summary of the recent Salinas meeting with cab companies.

Director Edwards asked if the permit fees were going to change again and how many cabs could be inspected in one day. Mr. Harvath stated that he will request a final budget from Mr. Penko and stated that the permit fees were determined to be \$508 annually for a taxi driver permit. He will check into the number of cabs that can be inspected in one day.

Director Downey stated that the City of Monterey intends to stagger inspections so they are not overwhelmed during one month per year. She requested monthly budget updates. Mr. Harvath confirmed that RTA permits will be required on January 1, 2012. Those holding expired permits are being honored. He confirmed that MST staff costs are being recouped through company permit fees, all driver fees cover administrative costs, and contain no profit, as required by law.

Director Sanchez stated that the City of Salinas is not interested in regulating taxis and cannot subsidize the cost of personnel to administer the program.

Public Comment

Rachel Gutierrez of Yellow Cab asked for clarification of what the \$580 driver permit includes.

Scott Phillips stated that the City of Monterey has never wanted to inspect taxis, and that he could administer the RTA for \$450 per driver. He stated that the RTA has come full circle with the City of Monterey administering the RTA. He feels that the only thing that has changed is that permit fees are higher.

Close Public Comment

Mr. Harvath stated that the \$508 driver permit fee includes vehicle inspection. The City of Monterey will sub-contract the inspection to a local garage. He stated the reason the fees are higher under the RTA because the cities formerly subsidized the industry and did not recoup their real costs.

Chair Sanchez allowed one public comment, but reminded the audience that they must speak when public comment is open.

5-2 Receive Notice of Complaint regarding refusal of taxi service.

Mr. Sedoryk called attention to page 13 of the agenda which included a letter to Yellow Cab noticing a complaint from several members of the Monterey County Hospitality Association alleging that Yellow Cab had refused service to several hotels in Monterey. A letter of response from Mr. Cardinalli was also included. An addendum to the agenda containing findings of the RTA Administrator's investigation was mailed after the agenda and was provided for review.

Mr. Laredo reminded the board that this item was a report, that the investigation is not complete, and while it could result in revocation of Yellow Cab permit per the RTA Regulations, the board did not have the authority to take action at today's meeting. The board could make recommendations.

Director Armenta stated that he felt it was premature to address item today. Mr. Sanchez stated that comment on the item was appropriate.

Public Comment

Steve Cardinalli of Yellow Cab Co. stated that the cited violation of RTA Regulations, Section 4, referred to the 24-hour operation of taxis and did not apply to the complaint filed by members of the hospitality industry. He does not believe the RTA has passed a regulation or fine for the issue at hand. He stated that his company has denied service to some hotels because the hotels call multiple taxi companies for one fare and the first taxi to arrive picks up the fare, resulting in lost fares for those who arrive later. He stated that for years, his company has been the primary taxi service for Monterey; since the formation of the RTA, he has had to compete with new companies and deal with lost fares. He stated that his company has been publicly slandered for over ten years, despite attempts to increase the quality of taxi service. He asks that he be allowed to deny service for the benefit of his drivers because there are many other taxi companies that can now service the hotels. He believes the result of the RTA and the poor practices of the hotels is that Monterey no longer has exclusive cab service.

Mr. Chidlaw, speaking on behalf of the Monterey County Hospitality Association, stated that the real reason Yellow Cab is denying service is because they are mad that they now have to compete with other taxi companies. He stated that the real losers are the cab drivers who are not allowed to pick up fares at the hotels.

Harold Lindsey of Yellow Cab stated that he wants to pick up at the hotel, but the Intercontinental has told him that they were now calling Coastal Yellow Cab for service. He stated that cab drivers refer to the Monterey Plaza Hotel and “deadhead hotel” because often they arrive and the guest never shows up.

Chris Sommers, Director of Operations at the Monterey Plaza Hotel stated that he is willing to work on better organization during events, but that the hotel has never directed their employees to call multiple companies to pick up one fare.

Kathi Krystal of Associated Taxi stated that the call log submitted by GY Investigations lists a call to Associated Taxi on August 20 was actually called in on August 21. She stated that the practice of calling multiple companies for one fare results in a loss of income for taxi drivers. She stated that if the taxi companies are required to pick up at all hotels, there should be rules for the hotels as well.

Richard Stember, an owner/operator with Yellow Cab, stated that the “war” between the hotels and taxi companies is getting worse, although he has never been asked to stop serving the hotels. He does know that he will have to wait a long time for the fare to arrive, and sometimes they will not arrive at all, so he does not always choose to take the fare. He stated that the best hotel to work with is the Inn at Spanish Bay because they will go out of their way to locate their guest if they are late. He stated that the worst hotel to work with is the Monterey Plaza because they do not properly instruct their employees.

Rachel Gutierrez stated that she always like picking up at the Monterey hotels, but lately cab drivers have to wait for the guest for a long time and sometimes they never show up. She asked that the board understand the position of the drivers.

Sam Martinez asked for confirmation that the RTA Administrator’s report was added after the agenda was mailed. He asked who on the RTA board authorized the administrator to conduct an investigation. He stated that he receives approximately six calls per day from the Monterey Plaza Hotel and maybe one of them is “live.”

Scott Phillips stated that there is a history of the Monterey Hotels wanting “free enterprise” and “choice” among cab companies. He stated it works both ways; cab drivers need to be able to make a choice on the fares they pick up as well.

Close Public Comment

Director Edelen stated that the testimony was very good. He believes the RTA is creating a problem that cannot be solved by trying to regulate human behavior. He stated that cab companies and drivers can come up with several ways to avoid picking up at a hotel they do not

feel is worth their time. He believes that there is a danger of over-regulation by the RTA and that the hotels and taxi companies should work together to solve this problem.

Director Sharp stated that the Monterey Peninsula relies on tourism and that this issue needs to be solved by the hotels and taxi companies.

Mr. Harvath confirmed that the letters were included in the first agenda mailing. The addendum was mailed a day later and was also posted on website and emailed to all those who receive paper mailings. He stated that he did not have the RTA Administrator's contract in front of him, but that he believed conducting investigations is within his stated scope of work.

Director Cohen stated that this issue validates why the RTA was formed. He believes this issue should be sent to the TAC to deal with.

Director Edwards stated that even though this was a report item, it had become a public hearing. He believes the issue can be resolved by the hotels and taxi companies working together.

Director Armenta requested that with the board's concurrence, several informal meetings be arranged to resolve the issue.

5-3 Highlights from the TAC meeting of August 23, 2011.

Mr. Harvath reviewed the progress of the TAC and stated that there were several items that could not be resolved at the August 23rd meeting.

6. BIDS / PROPOSALS

6-1 Select Agreement By Design to conduct October 31, 2011 facilitated strategic planning workshop.

Mr. Sedoryk stated that several months ago the board requested that a study session be held to educate everyone on taxi industry regulation. He stated that this session was different from riding in cabs to learn about the taxi industry itself. He has researched experts in the field of taxi regulation throughout North America and recommends Karen Cameron based on her knowledge of the industry and her fee.

Director Downey made a motion to postpone scheduling the study session and to revisit the recommendation in six months. Director Edelen seconded the motion.

Directors Downey and Edelen believe the study session would be valuable, but do not think it is worth the expense at this time. Director Armenta asked for clarification on the purpose of the study session.

Public Comment

Ms. Krystal reminded the board that when this issue was discussed at a previous meeting, she requested that someone from America be chosen. She also thought the purpose was for the board to learn more about the taxi industry. Her online research did not convince her that Ms. Cameron was qualified.

Mr. Phillips stated he has been asking that everyone “just sit down and talk” for over one year. He stated that the RTA is broke, that MST staff has tried to replicate other cities in California even though City of Monterey has always had the strictest regulations, and urges the board not to spend the money.

Mr. Cardinalli stated that acknowledging that the RTA does not know anything about taxi regulation sends a bad message. He asked why Greg Yancey was hired as the RTA Administrator when he knows nothing about the taxi industry. He asks the board not to spend the money.

Mr. Martinez stated that Director Sanchez asked him to facilitate this meeting three months ago. He also wanted to confirm that tourism might be important to the cities, but that it makes up only 20% of the taxi business.

Close Public Comment

Director Edwards made a substitute motion to postpone scheduling the study session and to revisit the recommendation in three months. Director Downey accepted the substitute motion and withdrew her motion.

Mr. Sedoryk stated that Ms. Cameron is in fact highly qualified to conduct the study session. He reminded the board that he was acting on their request that additional education on taxi regulation was necessary. He stated that October 31st was chosen as the date because Ms. Cameron would be in San Francisco which would save on travel expense.

Chair Sanchez suggested that an informal study session be scheduled for the October 2011 RTA board meeting to include taxi company owners and drivers, the RTA board, and MST staff. He stated that MST staff would not facilitate the meeting, but that they should be present. He reminded everyone that the meetings would only be conducted if everyone agreed to act with civility. He requested that Sam Martinez be allowed to present his Power Point presentation at this meeting.

Director Pendergrass seconded the substitute motion and the motion carried unanimously.

7. PUBLIC HEARINGS

None.

8. UNFINISHED BUSINESS

- 8-1 Receive update on Senior/Disabled Voucher Program. See recorder
- 8-2 Receive presentation on proposed RTA Equipment, Safety, security and Operational Policy (EESOP).

Mr. Harvath stated that the TAC was unable to complete their second review of the ESSOP and that were unable to reach consensus on several items.

Director Edwards asked what could be done to get this item through the TAC. MR. Sedoryk suggested giving them one more month and then allowing staff to make recommendations if consensus was not reached.

Public Comment

Mr. Cardinalli asked how the Senior Scrip would be distributed among the taxi companies. Mr. Harvath stated that to begin with, only companies that had completed the training process would be included. Once everyone was properly permitted after January 1, 2011, the program would be offered to all companies.

Mr. Martinez asked the board not to approve anything until the study session was held. He stated that MST staff should not be allowed to make recommendations.

9. NEW BUSINESS

None.

10. REPORTS & INFORMATION ITEMS

None.

11. COMMENTS BY BOARD MEMBERS

Director Armenta requested that the September agenda include an item addressing a moratorium on new RTA permits.

12. BOARD REFERRALS TO TAC

None.

13. ANNOUNCEMENTS

None.

14. CLOSED SESSION

None.

15. RETURN TO OPEN SESSION

16. ADJOURN

There being no further business, Chair Sanchez adjourned the meeting at 12:20p.m.

Prepared by:



Deanna Smith, Deputy Secretary