

MONTEREY COUNTY REGIONAL TAXI AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
September 26, 2011

One Ryan Ranch Road, Monterey

1. CALL TO ORDER

Director Sanchez called the meeting to order at 10:00a.m.

Roll call was conducted and The Pledge of Allegiance followed.

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| 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 (arrived 10:04a.m.) |
| | Tom Greer (alt.) | Monterey Peninsula Airport District |
| | MaryAnn Leffel | Monterey Peninsula Airport District (arrived 10:05a.m.) |
| | Sergio Sanchez | City of Salinas |
| | Karen Sharp | City of Carmel-By-The-Sea |
| Absent: | David Pendergrass | City of Sand City |
| Staff: | Hunter Harvath | AGM/Finance & Administration |
| | Michael Hernandez | AGM/COO |
| | Tom Hicks | Mobility Manager |
| | Carl Sedoryk | General Manager/CEO |
| | Deanna Smith | Deputy Secretary |
| | Beronica Carriedo | Mobility Manager |
| Others: | Alex Lorca | De Lay and Laredo |
| | Kathi Krystal | Associated Taxi |
| | Michael Cardinalli | Yellow Cab |
| | David Laredo | De Lay & Laredo |
| | Luis Lomeli | Green Cab |
| | Sam Martinez | Yellow Cab |
| | Steve Cardinalli | Yellow Cab |
| | Lance Atencio | MV Transportation |
| | John Narigi | MCHA |
| | Talib Salamin | Serra Yellow Cab |
| | Sam Algahim | Serra Yellow Cab |

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 August 29, 2011.

2-3 Appoint Peter G. Dausen as the military representative on the RTA Technical Advisory Committee.

2-4 Receive July 2011/August 2011 Financial Statements.

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

3. SPECIAL PRESENTATIONS

None.

Director Edwards arrived at 10:04a.m.

4. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Director Leffel arrived at 10:05a.m. and replaced board alternate Tom Greer on the dais.

Kathi Krystal of Associated Taxi and the TAC stated that a yellow taxi van was seen operating in Pebble Beach without an identifying phone number or business name. She has confirmed that it is not a van owned by Yellow Cab or Coastal Yellow Cab and requests that it be identified.

Mike Cardinalli, TAC alternate, presented a letter of Senior Service requirements for taxi companies who desire to take part in the Senior Van Program. He believes it should be opened up to all companies, not just those who have wheelchair accessible vehicles.

Steve Cardinalli of Yellow Cab stated that he thought MST was supposed to provide wheelchair accessible vans to local taxi companies. He wants to know where the vans are and why taxi companies are required to provide their own vans.

Close Public Comment

5. COMMITTEE REPORTS AND PRESENTATIONS

5-1. Receive update from RTA staff.

Mr. Harvath announced that the agenda contains item 10-1, a report from the RTA Administrator, and that this report will now be a regular item on the RTA Board agenda. He

stated that he has presented information on the Senior Voucher Program at RTA jurisdiction City Council meetings and is pleased with the participation. He stated that MST has overcome some of the difficulties dealing with acquiring wheelchair accessible vans from CalTrans, and hopes to acquire two (2) to three (3) vans in the next couple of months.

Director Armenta asked what criteria would be used to determine which taxi companies would be able to use the vans. Mr. Harvath stated that staff would bring a policy to the RTA Board for discussion regarding the van program.

5-2 Highlights from the TAC meeting of August 23, 2011.

Mr. Harvath presented the TAC meeting highlights.

6. BIDS / PROPOSALS

None.

7. UNFINISHED BUSINESS

7-1 Adopt "Long-Distance Deadhead" fare structure.

Mr. Harvath stated that the TAC has been discussing the issue of long-distance deadhead fares for several months. He stated that staff has presented a modification of the TAC motion for setting the fares because, as stated, the motion opened did not specify a geographic location for determining deadhead fares. The unintended consequence of the motion would be that any fare in any location could be negotiated. Mr. Harvath presented a zip code map of the RTA jurisdiction service area and stated the staff recommendation of the following fare structure:

For the Peninsula area, any trip that begins and ends, or has at least a beginning or ending point within the following zip codes, would be subject to established meter rates:

93921 – Carmel-by-the-Sea
93923 – Carmel Highlands, Carmel Rancho, mouth of Carmel Valley to Mid-Valley*
93940 – Monterey & Del Rey Oaks
93943 – Naval Post Graduate School
93950 – Pacific Grove
93953 – Pebble Beach
93955 – Seaside, including southern part of CSUMB
93933 – Marina, including northern part of CSUMB

**Except trips beginning and ending south of Malpasos Creek*

In the greater Salinas area, any trip that begins and ends, or has at least a beginning or ending point within the following zip codes, would also be subject to established meter rates:

93901 – South Salinas and environs
93905 – Eastern Salinas and environs

93906 – Northern Salinas and environs

Trips which both begin and end outside of the above-mentioned zip codes would be charged a fare either by the established meter rate if the driver desired, or would be subject to negotiation between taxi drivers/taxi dispatcher and the customer. If the rate is negotiated, the fare could not exceed the round trip meter rate from wherever that taxi happened to be dispatched to the trip's ultimate destination, which is in line with the recommendation of the TAC.

Public Comment

Kathi Krystal asked why the City of Marina was included since they opted out of the RTA. She asked if taxis operating out of the Monterey Peninsula would be required to pick up fares in Salinas and vice versa.

Close Public Comment

Mr. Harvath stated that Marina was included because parts of the CSUMB campus have a Marina zip code and need to be included in the fare structure. He recommends that all taxi companies participating in the RTA be required to pick up fares jurisdiction-wide or it ceases to be a regional authority.

Director Downey stated that she thought this would be hard on taxi companies and suggested that dispatchers suggest that fares be sent to companies based near the originating fare. Directors Edelen and Edwards agreed that the taxi companies should work together to refer these fares to companies more conveniently located to the fare. Director Edwards stated that fares should be told upfront about the negotiated rate for long-distance fares. Mr. Harvath stated that this would be included in the policy.

Director Cohen made a motion to approve staff's recommendation for a Long-Distance Deadhead Fare Structure and was seconded by Director Leffel. The motion carried unanimously.

7-2 Adopt Equipment, Safety, Security and Operational Policy (ESSOP).

Mr. Harvath stated that the TAC had been working on the ESSOP for several months. Three items were referred to Legal Counsel for advice including Item 3b, color scheme; Item 5k, relating to new ADA requirements; and Item 5n, denials of service.

Mr. Laredo stated that the RTA Board could choose to regulate color schemes for new companies, and that there is a precedent to do so. He stated that the RTA Board could also prohibit denials of service. He is further researching ADA laws, but believes that there are no new laws specific to taxi regulation and that the current RTA Regulations and ESSOP are in compliance. He will alert the RTA of any new laws in the course of further research.

Mr. Sedoryk stated that the reason policies for denials of service are included in the Regulations rather than in the Ordinance is to allow for flexibility in granting service waivers on a case by case basis. An example was provided that a taxi company that is aware of an address operating a known drug house could request denial of service as a protection for their drivers.

Director Edwards asked how the RTA would know what color scheme a new company intended to use and how that would be enforced. Mr. Harvath stated that their color scheme is a question on the application and a photo is requested when applicable. He stated that the RTA would soon be addressing penalties for non-compliance with the ESSOP and RTA Regulations.

Director Cohen asked if a taxi driver must refer another cab if they cannot pick up a fare because of allergies to strong cologne or service animals, and how to prevent discrimination of service to a particular area. Mr. Harvath stated that drivers and companies are required to dispatch another driver for a fare in cases of allergies. Companies cannot arbitrarily deny service to geographic areas; they can only deny service to a specific address, and only after they make a formal request to the RTA to deny service.

Director Sharp suggested that page 29, Item 5f, line two, include “not” after “with” and before “bathing.” She asked for clarification on Item 5b, referring to non-paying passengers. Mr. Harvath stated that this is intended to pertain to taxi drivers picking up friends or family while transporting a passenger.

Public Comment

Kathi Krystal provided an example of a bar owner being allowed to deny service to a problem customer. She stated that waiting at least 30 days to have a denial of service request heard by the RTA is too long. She stated that being forced to drive to Salinas is an offense to her as a private business owner.

Mike Cardinalli stated that waiting for an RTA Board meeting to have a denial of service request considered by the RTA was too long. He suggested that it is better for the customer to call another cab company rather than have cab companies call, because sometimes companies refuse service to intoxicated individuals and call another company to pick up without alerting them to the condition of the passenger.

Sam Martinez of Yellow Cab stated that he commented at the TAC meeting that he should have the same right as other businesses to deny service.

Steve Cardinalli stated that the Clement Hotel and the Monterey Plaza Hotel are known as “deadhead” hotels because the fare is never their when cabs arrive. He suggests that there are plenty of other cab companies to serve them and that they should pay ten dollars if their customers call for a fare and do not show up. He stated that he requests a waiver from being required to provide service to these hotels.

Mr. Narigi of Monterey County Hospitality Association, Monterey Plaza, Portola, and Clement Hotels stated that they have a taxi company call list, but that they do not call multiple

cabs for one fare. He stated that the hotels have begun to call drivers' cell phones directly and that they are happy to pick up fares. He requests that the RTA Board prohibits denials of service but that he does not care if Yellow Cab requests a waiver.

Close Public Comment

Mr. Laredo confirmed that Mr. Cardinalli's public comment does not constitute a formal request for a waiver to deny service to specific hotels. He will need to submit his request in writing to the RTA Board if the Board adopts the provision. He stated that a definitive process for requesting a waiver should be established, and that a public hearing should be agendized for requests to deny service so that all parties have a chance to be included in the process. He stated that taxi service is an industry-regulated business and companies do not have the right to refuse service unless specifically granted that right.

Director Downey made a motion to approve the ESSOP with the caveat that if a taxi company refuses to provide service to a specific address, the MST General Manager or his designated representative (including law enforcement for the jurisdiction of the address of interest) could allow a temporary stay until a formal public hearing is held at the next regularly scheduled RTA Board meeting. The motion was seconded by Director Edwards and carried unanimously.

Director Edwards requested that a formal process for lodging complaints of, or requests for, denial of service be presented at the next RTA Board meeting.

7-3 Board meeting schedule.

Mr. Sedoryk provided an update on the request for an informal RTA workshop open to all taxi company owners, drivers, and stakeholders to take place at the October 31, 2011 Board meeting. He also recommended cancelling the November 28, 2011 and the December 19, 2011, Board meetings and scheduling a single meeting for December 5, 2011.

Director Downey mentioned an error on the 7-3 memo, incorrectly stating the RTA Board meeting time as 9:00a.m.

Public Comment

Sam Martinez thanked the Board for scheduling the meeting. He stated that the RTA has now put the MST General Manager in charge of making decisions for the RTA and he does not agree.

Kathi Krystal asked who the facilitator was.

Close Public Comment

Mr. Sedoryk stated that based on availability, references, and lowest fee, he recommends Candace Ingram to facilitate the meeting. He stated that the meeting will take place at a larger facility to be chosen soon.

Chair Sanchez reminded everyone that the meeting is intended to be a civil discussion on pertinent issues, not an opportunity to insult everyone.

Director Downey made a motion to approve staff recommendations for the October Board workshop and date changes to the November and December RTA Board meetings and was seconded by Director Leffel. The motion carried unanimously.

8. NEW BUSINESS

8-1 Moratorium on new company permits.

Mr. Sedoryk stated that this item has been brought to the RTA for consideration as it was requested by Director Armenta at the last Board meeting.

Director Edwards asked if there were more new taxi company permits in the pipeline. Mr. Harvath stated that there were no other companies with applications after Serra Yellow Cab.

Director Armenta asked how many existing cab companies have not yet applied for their permits. Mr. Harvath stated that approximately half of the large companies have applied for permits.

Director Downey stated that she has a problem with the moratorium recommendation. Mr. Harvath stated that this is not a recommendation, but is up for consideration at the request of the Board.

Public Comment

Mr. Martinez supports the moratorium and asked if the RTA will reimburse him for the fares he has lost because of rogue cabs. He stated that he has asked for a Needs and Necessity Study for several months.

Ms. Krystal supports the moratorium and believes that there are too many new companies using the Yellow Cab name and considers this unfair.

Mr. Cardinalli urged the RTA to be consistent with the concept of free enterprise.

Luis Lomeli of Green Cab Salinas supports the moratorium and asked that the taxi companies be allowed to meet all requirements before permitting new companies.

Mr. Narigi supports the moratorium and stated that aches and pains are normal when setting up a regulatory agency like the RTA. He believes competition will increase the quality of taxi service in the County.

Close Public Comment

Director Edwards asked how much a Needs and Necessity Study would cost and who would pay for it. Mr. Harvath stated that it could cost as much as fifty to sixty thousand dollars (\$50,000 to \$60,000). TAMC conducted a study on the need for more public transportation in Monterey County which was the impetus for establishing the Regional Taxi Authority. This study substantiated the need for more public transit services, including taxi service.

Director Edwards made a motion to defer the moratorium until January with the caveat that staff not get overwhelmed with new applications. The motion was not seconded.

Director Armenta made a motion to establish a temporary moratorium on new company applications for ninety (90) days and bring back the issue at the January Board meeting along with the TAMC study. Director Edwards seconded the motion, but removed his second because he thought the motion was to defer the moratorium. Chair Sanchez seconded Director Armenta's motion and requested a vote by roll call. The motion failed to pass 3 to 5.

**Ayes: Directors Armenta, Downey, Sanchez
Nays: Directors Edelen, Cohen, Edwards, Sharp, Leffel**

Director Leffel made a motion to deny the moratorium and revisit the issue at the January Board meeting based on information contained in the TAMC study and was seconded by Director Cohen. The motion carried unanimously.

9. PUBLIC HEARINGS

9-1 Conduct public hearing regarding the application of Serra Yellow Cab and consider approval of the application.

Mr. Harvath stated that Serra Yellow Cab has met all requirements to be considered by the RTA for approval. He stated that the company provides senior and disabled service and that representatives from Serra Yellow Cab were present to answer questions.

Director Downey asked if they were willing to change their name. Mr. Talib Salamin, owner of Serra Yellow Cab, stated that his company also had a DBA of Serra Cab and would be willing to operate under that name. He stated that his company utilized the latest technology including GPS, credit card machines, and security cameras. He confirmed that he intends to begin with three (3) to five (5) cabs, but that his application was for up to twenty-one (21) cabs.

Director Leffel asked for clarification on the number of cabs. Mr. Salamin stated that his business plan was to place cabs into service based on need, but his goal is to dispatch up to twenty-one (21) cabs to ensure financial success.

Director Edwards asked from where his cabs would be dispatched. Mr. Salamin stated that he dispatches centrally out of Daly City, but that local phone numbers would be used.

Director Armenta asked about the legality and purpose of cameras in the taxis. Mr. Salamin stated that they were installed for the safety of the driver and passenger, and is a protection against fraudulent lawsuits. Mr. Laredo stated that the Board could discuss its policy on camera usage at a future Board meeting, but the topic could not be used as a determination of application approval for today's purposes.

Public Comment

Mr. Martinez is adamantly opposed to approval of Serra Yellow Cab's application because there is no need for more cabs.

Ms. Krystal is opposed to approval of Serra Yellow Cab's application and asks the Board to take care of their local businesses.

Mr. Steve Cardinalli stated that approval of Serra Yellow Cab's application will hurt local taxi drivers. He believes the Board has disregarded the Nelson Nygaard report and believes the company's yellow taxi color creates insurance problems and is unfair to his company.

Mr. Lomeli is opposed to approval of Serra Yellow Cab's application.

Close Public Comment

Mr. Harvath stated that he will research the fee paid by Serra Yellow Cab to make sure they paid for all cabs they will place into service. He confirmed that Serra Yellow Cab has provided all required documentation. Mr. Laredo stated that the current RTA Regulations do not limit the number of cabs a company may place into service, but the company must pay the vehicle permit fee for each taxi that is in service.

Director Cohen stated that he noticed that some members of the public who want to operate under a free enterprise seem to oppose free competition. Director Edelen stated that it is not the number of taxis in operation that is the concern, but the quality of service.

Chair Sanchez stated that he cannot support approval of the application because it will hurt Salinas cab companies and drivers. If the Board approves the application he will be speaking with Salinas City Council Members about pulling out of the RTA. Mr. Laredo confirmed that Serra Yellow Cab could not be limited to only five (5) cabs.

Director Cohen made a motion to approve the application of Serra Yellow Cab and was seconded by Director Edelen. The motion passed 5 to 3.

Ayes: Directors Cohen, Edelen, Downey, Sharp, and Leffel
Nays: Directors Armenta, Sanchez, and Edwards

10. REPORTS & INFORMATION ITEMS

10-1 Receive report from RTA Administrator.

Mr. Harvath presented the RTA Administrator's report and stated that it will be a monthly report on the RTA Agenda.

11. COMMENTS BY BOARD MEMBERS

Director Downey requested that a letter be sent by the RTA Board to all RTA jurisdictions and Monterey-Salinas Transit requesting forgiveness of all or part of the outstanding balance owed to them by the RTA for start-up costs.

Director Armenta requested that the TAMC study on public transit needs in Monterey County be presented at the October RTA Board meeting and stated that the RTA should be making decisions based on data and facts.

12. BOARD REFERRALS TO TAC

None.

13. ANNOUNCEMENTS

Director Edelen announced that Director Clark would now be regularly attending Board meetings and thanked the Board for their consideration and support while she dealt with her father's illness. He stated that he has enjoyed serving in her place.

14. CLOSED SESSION

None.

15. RETURN TO OPEN SESSION

16. ADJOURN

There being no further business, Chair Sanchez adjourned the meeting at 12:37p.m.

Prepared by: _____

Deanna Smith, Deputy Secretary