

MINUTES
MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADVISORY COMMITTEE (TAC)

November 13, 2024

[Clerk's note: Except where noted, public, staff and Committee member comments are paraphrased.
The full comment can be heard by reviewing the recording at the [MTS website](#).]

1. Roll Call

Chair Elo-Rivera called the Taxicab Advisory Committee meeting to order at 1:06 p.m. A roll call sheet listing Taxicab Advisory Committee member attendance is attached as Attachment A.

2. Public Comments

Izzy Aala – CEO of Flywheel Technologies and Flywheel Radio Dispatch - Provided a verbal statement to the Committee during the meeting. Izzy requested that the Airport Authority allow drivers to have Uber-referred rides, for drop-offs at the airport.

Carelyn Reynolds - Provided a verbal statement to the Committee during the meeting. Carelyn expressed concern about the cab industry becoming a subset of Uber and wants the city to consider that the cab industry provides a foundational transportation system.

Kamran Hamidi - Provided a verbal statement to the Committee during the meeting. Kamran suggested there should be a finance subcommittee and stated informational items on the committee's agenda should return to being action items.

Horacio Sanchez – Operations Lead at Flywheel Technologies - Provided a verbal statement to the Committee during the meeting. Horacio commented that taxicab drivers are concerned about being able to do drop-offs at the airport through Uber services, and mentioned there are advantages to customers and drivers if cabs work with Uber to service areas beyond the airport.

3. Approval of Minutes

David Tasem moved to approve the minutes of the May 22, 2024, MTS Taxicab Advisory Committee meeting. Antonio Hueso seconded the motion, and the vote was 11 to 0 in favor with Zewdu Girma, Letty Canizalez, Eduardo Gonzalez, Michael Trimble, and Margo Tanguay absent.

DISCUSSION ITEMS

4. Fiscal Year (FY) 2025 Amended Budget Forecast (Gordon Meyer)

Gordon Meyer, MTS Manager of Financial Planning, presented on Fiscal Year (FY) 2025 Amended Budget Forecast for the For-Hire Vehicle Administration (FHVA). He provided details on: MTS budget overview, total operating revenue, total operating expenses, net operating income, reserves analysis and 5-year budget forecast.

Public Comment

Kamran Hamidi – Provided a verbal statement to the Committee during the meeting. Kamran expressed dissatisfaction with the annual fees and the reserves, and requested lowering the fees, specifically the dispatch fee.

Alem Zebib – Provided a verbal statement to the Committee during the meeting. Alem expressed dissatisfaction with the increase in fees and stated it would be a good idea to set a flat rate around the airport.

Committee Comment

Committee Member David Tasem asked that day-to-day expenses be reviewed before the TAC meeting, and that membership should review. He asked to review the budget allocation and expenses.

Alternate Committee Member Peter Zschiesche opposes a fee increase this year, stating that having reserves exceeding 100% of the annual operating revenue is unprecedented. He believes the drivers' money allows MTS to operate.

Committee Member Antonio Hueso stated that since Covid, industry numbers have increased, leading to the increase in reserves. He said Mr. Hamidi's comment that a refund or credit made to the industry, possibly with \$100 towards the regulatory fee, is on the table to react on, with Chair Elo-Rivera's lead. He also stated that based on the numbers from the accounting department's analysis and forecast, the industry will still be healthy in 2-3 years. Committee Member Hueso suggested the Committee should decide what amount they want credited to the industry.

Chair Elo-Rivera asked Mr. Meyer for his response to the committee's questions and concerns.

Mr. Meyer stated the reserves do generate interest, but the interest generated for the contingency reserves go right back into it. This was done before the year end books officially closed. Mr. Meyer agreed there is a need to define a reserve target and mentioned Sharon Cooney, MTS Chief Executive Officer (CEO), could provide directions to produce a target number of what the fee should be for next time.

Chair Elo-Rivera asked Mr. Meyer to explain why fees would be increased to a substantial number before a target is set.

Mr. Meyer responded to Chair Elo-Rivera's question by pointing out the long-term result of not increasing the regulatory fee for the next 4 years. Mr. Meyer stated he initially recommended keeping the fees unchanged, until he reviewed an updated 5-year forecast. He realized that focusing only on the current year might be misleading, and although things seem fine now, ignoring future projections could lead to a situation where a \$100 fee increase becomes necessary, potentially putting a lot of cab drivers out of business. Mr. Meyer suggested that it might be too early to do a fee increase, but establishing a reserve fund could help with future issues and benefit everyone involved.

Committee Member Able Seifu requested to remove the recently added radio fee until next year, then revisit the budget to determine if a radio fee needs to be charged. This is with the assumption that there will only be a 4.8% increase in projected budget expenses.

Committee Member Akbar Majid asked if there was anything shown for outside legal services.

Mr. Meyer responded to Committee Member Majid's question, stating there is a \$10k emergency line item for outside legal services included in the budget every year, but we never spend it. It is there in case MTS receives a claim.

Committee Member Majid asked Mr. Meyer if it was correct to say the Taxicab Administration uses outside legal services.

Mr. Meyer responded that he has not seen any expenses on the general ledger.

Samantha Leslie, MTS Deputy General Counsel, answered Committee Member Majid's question stating we currently do not have any outside counsel for taxicab related items.

Committee Member Majid recommended at least \$250k should be placed in reserve for outside legal services since there are threats of lawsuits.

Alternate Committee Member Zschiesche responded to Committee Member Majid's recommendation, stating MTS has attorney services and if the attorney services come out of their budget, MTS can worry about where the \$250k comes from, and it won't come from Lenny.

Ms. Leslie stated that if outside counsel is needed for any taxicab for-hire vehicle related item, legal fees would be paid from the department's budget since FHVA is a cost recovery department.

Alternate Committee Member Zschiesche reiterated his earlier comment that the reserve is too high, an analysis needs to be conducted before fees are raised, and a healthy reserve needs to be established. He wants the committee members to review the information and assess whether it is comparable to other agencies. Additionally, he wants any contingencies involved identified. Alternate Committee Member Zschiesche also corrected his earlier comment and stated we do need legal fees.

Committee Member Hueso stated it is up to the Committee to get facts and make recommendations. Mr. Hueso's recommendation is to reserve \$100k in the legal fund, leave fees as they have been this past year with no increase, and determine how high to set the bar for the reserves.

Committee Member Tasem requested a detailed copy of the present budget for all committee members with a detailed expenditure report for the next fiscal year.

Chair Elo-Rivera asked Committee Member Tasem if he was asking for a detailed expenditure report.

Committee Member Tasem expressed to Chair Elo-Rivera that he wants Leonardo Fewell, Manager of For-Hire Vehicle Administration (FHVA), to produce a physical report detailing the expenditures of the FY25 budget.

Mr. Meyer responded to Committee Member Tasem referring to Attachment B in the pre-packet meeting materials, provided with the agenda item, which shows the actuals for FY24, and shows by individual ledger codes, what is being budgeted for FY25. Mr. Meyer offered to give a more detailed presentation along with a year-end report if requested.

Committee Member Tasem stated he wants an email of all of it.

Chair Elo-Rivera told Committee Member Tasem that Mr. Meyers pointed to where the documents can be found, and that it is the committee members responsibility to review the materials, which are also posted and available to the public. Chair Elo-Rivera agreed there is

clear concern and clear consensus amongst the group about the projected fee increase because of the reserve goal. He asked Mr. Meyer if he could help committee members understand the recommendations.

Mr. Meyer explained to Chair Elo-Rivera that he does a projection, they produce a range of options, there is a discussion, and the information is provided to the MTS CEO. Mr. Meyer stated the decision passes through four people, and Chair Elo-Rivera added it is then presented to the Board. Mr. Meyer stated he did not know the process of not doing a fee increase at this point but in terms of setting a reserve target, Mr. Meyer stated the goal is to slow the usage of reserves, not increase it, and to prevent a spike in the future.

Ms. Leslie added that a decision on the fee schedule needs to be posted 30-days prior to January 1, 2025, before it goes into effect. She recommended taking feedback from the TAC meeting to the MTS CEO, keeping the fee at the same rate as in 2024, figuring out an aim percentage of a reserve for the contingency, and talking with the Committee about the aim goal. Ms. Leslie suggested revisiting the 5-year projection with the contingency goal and deciding if increases in yearly expenses are needed.

Leonardo Fewell, MTS Manager of For-Hire Vehicle Administration, commented that the main factor for the budget forecast was based on the lessons learned in the middle of COVID in 2020 and 2021. He reminded the Committee that over 200 permits were lost during that time, and the regulatory fee was doubled. Mr. Fewell stated the goal of the budget forecast, with direction from the MTS CEO, is to stabilize the regulatory fee. He reminded the Committee that the industry is volatile and to consider the many factors in San Diego that might offset the lack of permit renewals, or the adding of permits. Mr. Fewell stated the annual fee is the only change being made to the fee schedule.

Alternate Committee Member Zschiesche recommended the following two things: no fee increases, and to discuss reasonable reserves in terms of legal fees and volatility in the industry at the next TAC meeting

Chair Elo-Rivera suggested moving the conversation along to talk about the fee schedule, open things up to public comment on the fee schedule, then, close out both the budget item and the fee schedule.

Action Taken

Informational item only. No action taken.

5. 2025 Fee Schedule (Leonardo Fewell)

Mr. Fewell presented the 2025 Fee Schedule. He touched on the following items: FHVA being a fully cost recovery entity per Public Utilities Code, Section 120266; calculation of fees for expenses, enforcement requirements, and processing of permits; annual review of expenses and revenue of previous fiscal year associated with FHVA activities; examples of MTS's expenses; slight fee schedule change only for the regulatory fee, no other changes to the 2025 Fee Schedule; date invoices will be mailed; deadline date for regulatory fee payment; and late renewal date and late renewal fee to avoid permit being voided

Public Comment

Kamran Hamidi – Provided a verbal statement to the Committee during the meeting. Kamran expressed frustration with the increase in fees, asked for fees to be lowered, and suggested having a finance subcommittee to review and approve fees and budget.

Alem Zebib – Provided a verbal statement to the Committee during the meeting. Alem expressed opposition to the fee increase, voiced his concern if Uber was incorporated with the taxi industry, and stated having a flat rate would make it equal for all drivers.

Abdusalan Abdikadir – Provided a verbal statement to the Committee during the meeting. Abdusalan expressed dissatisfaction with the radio service fee and asked for the fee to be waived this year and removed from the schedule in the future and is in favor of having a flat rate to areas around the airport.

William Alozie – Provided a verbal statement to the Committee during the meeting. William expressed opposition to the fee increase.

Fawzi Nur – Provided a verbal statement to the Committee during the meeting. Fawzi expressed frustration with the budget, and arbitrary rates, and stated he is ok with having a flat rate.

Committee Comment

Chair Elo-Rivera noted everyone's frustrations and concerns about the fee increases, and the high cost of living in San Diego. He stated he felt it was fair for drivers to ask how MTS will keep costs down and expressed he wished he had a solution. Chair Elo-Rivera addressed comments about competition with Uber and Lyft, stating they are on a different playing field and are not under the same regulatory structure that MTS is under. He commented he will take the initiative as an MTS board member, and that the MTS staff can hear the concerns and try to integrate them in the decision-making process.

Committee Member Hueso commented that he is reinstating his previous recommendation.

Mr. Fewell provided context about the dispatch service change fee and offered a detailed explanation as to why this is not an arbitrary fee, based on the effort of processing dispatch service requests.

Alternate Committee Member Michael Anderson stated he noticed the fee schedule introduced a new waiver for wheelchair accessible vehicles (WAV) this year. He asked if there was anything the Committee would recommend the airport to do to support the goal of reducing WAV fees.

Mr. Fewell responded and stated the decision was made to waive all fees for existing WAV permit holders and offer fee waivers to new permit holders entering the business with a WAV. This is being done as an incentive to boost the number of WAVs in San Diego and other cities regulated by MTS. He mentioned that all of MTS's partner agencies with a stake in taxicab regulations are working with MTS to better incentivize maintaining the number of permits and facilitating the market entry of new permits to have a healthy number of WAVs in San Diego.

Committee Member Seifu stated the only issue seen in the past were with drivers with Uber accounts, pending approval for radio service. He asked if MTS could be more flexible with

drivers as they wait for approval from Uber before finalizing their paperwork to give them the option to switch back to their old radio service, if needed.

Mr. Fewell explained to Committee Member Seifu that FHVA does not get involved in the business operations of each dispatch service, stating the baseline of what we require is in MTS's regulations, and that is our limitations. Mr. Fewell stated permit holders are responsible for getting the proper information from dispatch services and he reiterated that FHVA charges fees to process dispatch service changes.

Committee Member Seifu asked Mr. Fewell if he could give drivers time to finalize their paperwork and accounts with Flywheel before charging fees.

Mr. Fewell stated the solution for the drivers would be to complete their process with their dispatch service, then come to FHVA and receive the final inspection within 48 hours.

Committee Member Seifu stated his understanding is that the driver receives a call right away from MTS to do the inspection.

Mr. Fewell answered that the statement was correct.

Committee Member Seifu responded that Uber has their own time processing their paperwork.

Chair Elo-Rivera summarized what Mr. Fewell said to Committee Member Seifu, stating the driver should complete the process with Uber before contacting MTS to request a change in dispatch service.

Committee Member Hueso added the issue with the industry is that drivers who do not command the English language or have issues with technology depend on others for their information and might receive false or misleading information. The drivers are not forced to switch dispatch services, but many will follow the lead of others thinking they have to change. He stated that many members of the Committee and MTS are willing to help drivers fully understand the guidelines and parameters of entering into new agreements.

Action Taken

Informational item only. No action taken.

6. Flat Rate Research for Airport Originated Trips (Leonardo Fewell)

Mr. Fewell advanced the presentation, due to meeting time constraints, by saying MTS will follow through with this agenda item with a working group committee, to analyze and determine the best way to proceed.

Ms. Leslie stated this is a brief agenda item and the presentation can be waived since it is clearly described in the agenda item.

Chair Elo-Rivera moved to waive the presentation of Agenda Item 6 and to take public comments and questions.

Public Comment

Kamran Hamidi – Provided a verbal statement to the Committee during the meeting. Kamran stated drivers want the freedom to switch between dispatches that provide a flat rate without a penalty fee for the change, and that flat rates would help the airport rides, especially for the short trips.

William Alozie – Provided a verbal statement to the Committee during the meeting. William expressed support for flat rates originating from the airport.

Henry Agoh – Provided a verbal statement to the Committee during the meeting. Henry stressed the need for MTS to emulate flat rate fees from the airport, like they do in airports in Seattle, Minnesota, and Los Angeles.

Osman Ibrahim – Provided a verbal statement to the Committee during the meeting. Osman expressed support for having a flat rate implemented at the airport since most drivers wait several hours to get a passenger, only to drop the passenger off about 2-3 miles near the airport.

Committee Comment

No comments were made from Committee Members.

Action Taken

Informational item only. No action taken.

7. Wildcatter Public Safety Awareness Campaign Update (Leonardo Fewell)

Mr. Fewell presented on the Wildcatter Public Safety Awareness Campaign Update. He outlined the following information: Public Safety Awareness Campaign (PSA) against wildcatting and the dangers of utilizing wildcatters; printed and digital assets; informational page on the MTS website titled: “Don’t Risk Your Safety, Say NO to Wildcatters”; English and Spanish website providing information about wildcatters and licensed taxicabs; Billboard Advertisements in both digital and solid forms; and next steps which include signage installations, discussions on best enforcement practices targeting wildcatting, and solutions to discourage and inhibit wildcatting.

Mr. Fewell also mentioned MTS had a press conference in the morning with public officials and the media about mitigating the wildcatter problem.

Chair Elo-Rivera thanked Mr. Fewell, Ms. Leslie and the MTS team for planning and coordinating the press conference about wildcatters. He stated this was a tangible example of how the concerns expressed by the drivers are being acted on in a real way to move forward in a positive direction.

Public Comment

Kamran Hamidi – Provided a verbal statement to the Committee during the meeting. Kamran stated the federal police were ticketing Rancheros at Otay but stated the city police needed to have vehicles towed.

Jose Jaime Mejia – Provided a verbal statement to the Committee during the meeting. Jose stated wildcatters have been around for four decades and the drivers can finally see the light at the end of the tunnel.

Committee Comment

Alternate Committee Member Zschiesche stated he would like to see reasonable discussion with the DA's office about how taxi drivers can help with safe and reasonable enforcement through information and pictures.

Committee Member Hueso commented that wildcatters hurt drivers economically and customers indirectly. He expressed hope that everyone will collaborate collectively to successfully resolve this pressing problem.

Chair Elo-Rivera stated that the collaboration that has taken place up to this point is a good indicator of the seriousness with which this issue is being taken.

Action Taken

Informational item only. No action taken.

8. For-Hire Vehicle Administration Operations Update (Leonardo Fewell)

Mr. Fewell presented on For-Hire Vehicle Administration Operations Update. He invited committee members and the public to visit MTS's website on their own time for notifications, contact information, and fee collection and deadline dates.

Mr. Fewell urged permit holders to check their emails for invoices and noted that emailing is our main method of communication. Mr. Fewell presented on the following topics: future ad-hoc meetings to facilitate and discuss industry topics will be conducted, active and surrendered permits, statistics with enforcement, and detailed granular information on warnings, customer feedback and airport trips

Public Comment

Kamran Hamidi – Provided a verbal statement to the Committee during the meeting. Kamran suggested having a meeting about insurance, stating he believed there was only one insurance company in San Diego and if they go out of business, everyone will go out of business.

Alem Zebib – Decided not to comment on this agenda item.

William Alozie – Provided a verbal statement to the Committee during the meeting. William expressed frustration with insurance rates being so high. William encouraged the taxicab industry members to share the information on MTS's website.

Committee Comment

Committee Member Banks spoke about the radio service issue, stating MTS is more focused on Uber and Lyft and is neglecting the taxi industry, which will create problems for senior citizens who would rather use taxi services.

Action Taken

Informational item only. No action taken.

OTHER ITEMS

9. Topics for Next Taxicab Advisory Committee Meeting (Leonardo Fewell)

Mr. Fewell listed the next proposed TAC meeting topics: 2025 Maximum fare rates, flat rate research for airport originated trips, wildcatter PSA campaign update, and FHVA operations update.

Mr. Fewell invited anyone wanting to include other topics in the next agenda to reach out to him directly.

10. Committee Member Communications

No Committee Member communication or other business discussion.

11. Next Meeting Date

To be determined for 2025.

12. Adjournment

Chair Sean Elo-Rivera adjourned the meeting at 3:05 p.m.

/S/ Sean Elo-Rivera
Chairperson
San Diego Metropolitan Transit System

/S/ Brenda Jackson
Committee Clerk
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADVISORY COMMITTEE (TAC) MEETING

ROLL CALL

MEETING OF (DATE): November 13, 2024

CALL TO ORDER (TIME): 1:06 PM

ADJOURN: 3:05 PM

COMMITTEE MEMBER		ALTERNATE		ORGANIZATION	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
Voting Committee Members						
Sean Elo-Rivera (Chair)	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	MTS Board of Directors/ SD City Council	1:06 PM	3:05 PM
Able Seifu	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	Permit Holder / Odyssey Cab	1:06 PM	3:05 PM
Agustin Hodoyan	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	Permit Holder / Soul Cab	1:06 PM	3:05 PM
Akbar Majid	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	Permit Holder / SDYC Holdings	1:06 PM	2:14 PM
Zewdu Girma	<input type="checkbox"/>	None	<input type="checkbox"/>	Permit Holder / Beezee Taxi	Absent	Absent
George Abraham	<input checked="" type="checkbox"/>	Daniel Fesshaye	<input type="checkbox"/>	Permit Holder / Eritrean Cab	1:06 PM	3:05 PM
Antonio Hueso	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	Permit Holder / USA Cab, LTD	1:06 PM	3:05 PM
Letty Canizalez	<input type="checkbox"/>	None	<input type="checkbox"/>	SD Tourism Authority	Absent	Absent
Eduardo Gonzalez	<input type="checkbox"/>	Jose Raul Alcantar	<input type="checkbox"/>	Cross Border X-Press	Absent	Absent
Mikail Hussein	<input type="checkbox"/>	Peter Zschiesche	<input checked="" type="checkbox"/>	United Taxi Workers SD	1:14 PM	3:05 PM
Daryl Mayekawa	<input checked="" type="checkbox"/>	Thanh Nguyen	<input type="checkbox"/>	SD Convention Center	1:06 PM	3:05 PM
Marc Nichols	<input type="checkbox"/>	Michael Anderson	<input checked="" type="checkbox"/>	SD Regional Airport Authority	1:06 PM	3:05 PM
Michael Trimble	<input type="checkbox"/>	None	<input type="checkbox"/>	SD Gaslamp Quarter Association	Absent	Absent
Alfred Banks	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	Taxicab Lease Driver	1:06 PM	3:05 PM
Margo Tanguay	<input type="checkbox"/>	None	<input type="checkbox"/>	Taxicab Lease Driver	Absent	Absent
David Tasem	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	Taxicab Lease Driver	1:06 PM	2:37 PM
Non – Voting Committee Members						
Jonathan Garcia	<input checked="" type="checkbox"/>	Austin Shepard	<input type="checkbox"/>	SD Department of Agriculture, Weights and Measures	1:06 PM	3:05 PM
Jessica Marty	<input checked="" type="checkbox"/>	None	<input type="checkbox"/>	SD County Sheriff's Department Licensing Division	1:06 PM	3:05 PM

COMMITTEE CLERK: /S/ Brenda Jackson