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Agenda

SAN DIEGO METROPOLITAN TRANSIT SYSTEM WORKSHOP ON REGULATORY MATTERS

July 29, 2020

10:00 a.m.

Meeting will be held via webinar

To request an agenda in an alternative format or to request accommodations to facilitate meeting participation, please call the WORM Committee Clerk at least two working days prior to the meeting. Meeting webinar/teleconference instructions can be accessed at the following link:

<https://www.sdmts.com/about-mts-meetings-and-agendas/other-committee>

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes – **January 3, 2020 and June 17, 2020** Approve
3. Non-Agenda Public Comment
The public may address the Committee regarding a matter not on the agenda. Each speaker has three minutes to speak. Give a completed *Request to Speak* form to the Clerk of the Committee.
4. Proposed Revisions to City Council Policy No. 500-02 Approve
Action would forward a recommendation to the City Council of San Diego to review and approve proposed revisions to City Council Policy No. 500-02.
5. Committee Member Communications
Brief comment on any taxicab related item not included in the Agenda.
6. Next Meeting: TBD



MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADVISORY COMMITTEE
WORKSHOP ON REGULATORY MATTERS

1501 National Avenue
San Diego, CA 92113

January 3, 2020

[Clerk's note: Except where noted, public, staff and committee member comments are paraphrased].

1. Roll Call

Leonardo Fewell, Chair of the Committee, called the Workshop on Regulatory Matters meeting to order at 10:02 am. A roll call sheet listing the Workshop on Regulatory Matters (WORM) member attendance is attached.

2. Approval of Meeting Minutes – November 18, 2019

Mr. Majid moved for approval of the minutes of the November 18, 2019 WORM meeting. Mr. Hueso seconded the motion, and the vote was 10 to 0 in favor with Mr. Morquecho and Mr. Nahavandian absent.

3. Non-Agenda Public Comment

There were no non-agenda public comments.

4. 2020 Maximum Rates of Fare

Mr. Fewell announced Board of Director approval of MTS Board Policy No. 34 Revisions. The CPI method of Maximum Rates of Fare will be the sole calculation method for both city and airport originated trips. Additionally, taxicabs equipped with Point of Sale Devices (POS) electronically connected to the taximeter and printed, or electronically conveyed, receipt capabilities may now charge 6% above the Maximum Rates of Fare for Taxicabs. The 2019 CPI will be available on January 14, 2020; the rates will be recalculated and presented at the January 15, 2020 Taxicab Advisory Committee (TAC) Meeting. All Permit Holders wishing to adopt the higher rate of fare may do so immediately after filing a Statement of Rates of Fare form with the Taxicab Administration.

Mr. Banks expressed continued concerns about customers paying different rates for the same fare. Mr. Fewell suggested that drivers should explain that there is an MTS approved 6% increase for POS equipment. He reminded all attendees that drivers can *always* charge less than the meter if they so choose. He said that he would keep Committee Members posted on any concerns from riders or the public.

Public Comment

Kamran Hamidi, Airport Dispatch - Mr. Hamidi thanked MTS for supporting the rate revisions but said he would also be in support of freezing the 2020 maximum rate to the 2019 rate if other permit holders are in favor of such.

5. Workshop on MTS For-Hire Vehicle Insurance Requirements

Mr. Fewell stated that there have been multiple requests from TAC members, permit holders and drivers to revise the current MTS for-hire vehicle insurance requirements, specifically to eliminate the company minimum standard rating. He noted that in particular the United Taxi Workers San Diego (UTWSD) have requested a review of the MTS rating requirements. Mr. Fewell stated that current MTS insurance coverage limits and requirements are on par with similar regulatory agencies in the state of California. He said that his is aware that insurance coverage is one of the largest operational costs for taxicab companies and an important factor in determining whether or not to stay in business. As requested by the United Taxi Workers San Diego (UTWSD), one of the measures to be discussed is a possible reduction on insurance ratings. He stated in order to gain information and insight from Insurance and Industry Experts, an invitation only Insurance Workshop will be held January 17, 2019 at 10:00 am at the MTS Board Room.

Committee Member Comment

Mr. Nichols shared he would be involved in the meeting and, although it would have to be approved, he would be in support of aligning their insurance requirements to whatever MTS decided. Mr. Hueso said that he is doubtful that the changes proposed would bring a reduction in rates. He has found that "pooling" drivers needing coverage has been far more successful. He did say that he feels there could be a good education opportunity in the workshop. Mr. Hussein stressed that the UTWSD is in favor of removal of the rating entirely and thinks others would be in support. He agrees with Mr. Hueso that it is possible that there will be no cost savings. Mr. Antallo would like there to be more input on how to benefit the industry as a whole. He feels there may be a conflict of interest in this issue and perhaps this should not even be a Committee, or MTS, discussion. He said insurance companies are charging so much that Permit Holders who have had accidents aren't even driving anymore. Mr. Banks shared his concerns about the limiting number of companies insuring for hire drivers and maybe this is not the time for pushing the issue. Mr. Tehrani asked that Mr. Fewell provide insurance requirements for other states. Mr. Majid said that he doesn't see MTS, or the Airport, taking on the liability of non-rated insurance companies. He said the real problem is that the carriers have "no appetite" for the industry. Mr. Tasem said that he thinks it's all bull, he hears the permit holders talking about various insurance cost matters but it all impacts the driver, as he is usually the one paying through their lease.

Action Taken

Informational item only.

6. Permits Held Prior to April 1, 2015 by Corporations and LLC's, Deadline to Meet City of San Diego Council Policy 500-02 Screening Criteria by February 12, 2020

Mr. Fewell reviewed City of San Diego Policy 500-02 guidelines; the policy states that new taxicab permit holders must have a vehicle that is 1) no older than 10 years of the model age and 2) not have a salvage title. For all existing permit holders held by corporations or limited liability companies, City Council Policy No. 500-02 required compliance within 5 years with the established date of compliance being set as February 12, 2020. He noted that the policy requirements would impact approximately 167 vehicles. He clarified that individually owned taxicab permit holders with an existing permit obtained before March 14, 2015, are not required to come into compliance with policy unless they transfer a permit or apply for a new permit. Based on established MTS Ordinance No. 11 minimum vehicle safety standards including, comprehensive annual 52-point vehicle assessments (regardless of age or salvaged title) MTS supports revisions to Council Policy 500-02 and MTS Ordinance No 11 to eliminate vehicle age limits and title status. MTS Taxicab Administration will not enforce the current policy vehicle requirements until January 1, 2021 to allow time for the City to respond. Mr. Fewell did note that if the proposed changes to Council Policy 500-02 are not approved or adopted by the City by January 1, 2021 then MTS will enforce the current City Policy.

Public Comment

Kamran Hamidi, Permit Holder/Airport Dispatch - Mr. Hamidi said in speaking with many drivers, they say they would be willing to change vehicles are required once the Airport opens. He asked if MTS inspection dates could be moved towards the end of the year to allow time for vehicle replacements. He said he doesn't think it's fair that individuals would have to replace vehicles but corporations would not.

Committee Member Comment

Ms. Tanguay said that she agrees that it is not fair that individuals have to meet the requirement but not LLC's or Corporations. She remembers when the 10-year rule did not exist; she thinks that the extensive inspection conducted by MTS ensures that vehicles on the road are safe whether they are 2 years or 10 years old. Mr. Tasem suggested that maybe older vehicles, regardless of ownership, could be inspected twice a year if needed. He said there is not enough business to create the income needed. Mr. Hussein noted that the UTWSD spearheaded this issue years ago but some things have changed; they may have been an obstacle before but not currently. He said they are in favor of anything that helps the drivers, such as not enforcing taxi's parked on streets, possible reduction of training requirement or cost and insurance. Mr. Hueso noted that this is another example of people who may not have industry specific knowledge making rules and decisions. Mr. Abraham said as an owner they invest a lot of money and they are looking for decisions that will help them survive. He said that a lot of time is spent discussing matters but nothing comes from it. He said that the industry itself needs to unite and solve their problems. Mr. Nichols confirmed that he would be in support of whatever vehicle guidelines MTS approves. He said that the airport would be supportive of as many items as possible to help alleviate additional costs to owners and drivers. He also mentioned that the plan is to open the airport to all drivers in 2021. Mr. Fewell said that he hoped that both owners and drivers would contact him to share any concerns or ideas.

Action Taken

Informational item only.

7. Review of Taxicab Administration Regulations

Mr. Fewell explained the effort to consolidate proposed revisions to taxicab regulations, particularly Ordinance and/or Policy changes, which require MTS Board of Directors approval into one yearly agenda. He noted if any of the requested revisions are fundamental public policy changes, the City of San Diego must approve the requested change first. Dr. Tasem said there need to be changes made to the Ordinance regarding dispatching, two-way radios and basic communication with customers. Mr. Fewell asked that members make a note of any fundamental policy changes for discussion and review at the TAC. Mr. Antallo said that he thinks that Radio Service is unnecessary and “apps” are needed to compete. Mr. Hueso said he has some concerns about the real needs being addressed in terms of industry survival. He said he feels that there are other agencies that are not being regulated to the degree that MTS does. He spoke of the “many layers” of regulation that are required (such as driver Sheriff Licensing) and that it can take over a week to even get a driver on the road. He said the industry is changing dramatically due to other agencies, (Lyft, Uber, etc.), and that the city has not responded in determining what our transportation looks like. He said SANDAG and MTS are focused on train and trolley expansion and that even taxis are not mentioned anymore when speaking of transportation. Mr. Fewell said that he is aware that there are many factors, like insurance, that are beyond the control of the Chair or Committee but he is keeping a close eye on other transportation agencies regulations. He encouraged owners, stakeholders and drivers to contact their City Agencies. Mr. Abraham suggested that they all get together and discuss and prioritize the issues rather than wasting time and waiting on an agency to do work for them. Mr. Hussein asked if the Sheriff Department could be removed from the vetting process, Mr. Fewell explained that it is part of the County of San Diego Ordinance. He stressed that public safety is the top priority of MTS, and said that the biggest difference between a TNC driver and a taxi driver is that the taxi driver has been fully vetted. Mr. Hueso said that there should be government support and encouragement of this. Mr. Fewell said that there is full MTS support of this requirement, which is why it is talked about so often. Mr. Fewell said he would like to see more discussion of keeping the bar raised above TNC’s rather than comparison, or lowering of the bar, to them. Mr. Hussein replied he would just like there to be the same requirement. Mr. Tehrani spoke about the current multiple TNC drivers facing criminal charges and in his 52 years working he has heard very few of taxi drivers. Mr. Fewell requested that committee members and attendees to contact him with any proposals for review.

Action Taken

Informational item only.

8. Revisions to Taxicab Advisory Committee Membership and Guidelines

Mr. Fewell reviewed the current The Taxicab Advisory Committee (TAC) vacancies. Mr. Palmeri, San Diego Traveler’s Aid Society retired and withdrew his membership effective December 2, 2019. Mr. Chasteen, Hotel Industry has relocated out of state and no other representative has been proposed. Mr. Fewell asked for committee member feedback on

potential ways to address the vacancies. Mr. Hussein said he really likes, and encourages, the idea of opening up to new organizations and contacts being on the committee.

Public Comment

Kamran Hamidi, Permit Holder/Airport Dispatch - Mr. Hamidi suggested that maybe another Dispatch Company, such as Orange, have a seat.

Mr. Hussein said that he thought that whoever had the next highest number of votes could have a seat. Mr. Antallo said that he thinks that there should be representation by single owner/operator. Mr. Fewell shared that CBX, the Border Transportation Council (San Ysidro Chamber of Commerce). Mr. Hueso asked about Downtown organization (such as San Diego Gaslamp Association) participation, he feels this would be the best opportunity for increase in business. He also feels that establishing a connection with CBX could provide a good opportunity for taxis. Mr. Hussein said he really likes the idea of opening up and encouraging new organizations and contacts to join the TAC Committee.

9. Committee Member Communications

10. Additional Non-Agenda Public Comment

There were no additional Non-Agenda Public Comments.

11. Next Meeting – TBD

12. Adjournment

The meeting was adjourned at 11:38 am.

Accepted:

Filed by:

/s/Leonardo Fewell
Leonardo Fewell
Taxicab Administration Manager

/s/Jamila L. Larkins
Jamila Larkins, Clerk of the Committee
MTS Taxicab Administration

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
WORKSHOP ON REGULATORY MATTERS (WORM) MEETING
ROLL CALL

MEETING OF (DATE): January 3, 2020

CALL TO ORDER (TIME): 10:02 am

ADJOURN: 11:38 am

COMMITTEE MEMBER (Alternate)				ORGANIZATION	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
George Abraham	<input checked="" type="checkbox"/>			Taxicab Owner/Eritrean Cab Co.	10:00 am	11:38 am
Alfred Banks	<input checked="" type="checkbox"/>			Taxicab Lease Driver	10:00 am	11:38 am
Garret Cooper	<input checked="" type="checkbox"/>			San Diego County Weights & Measures	10:00 am	11:38 am
Antonio Hueso	<input checked="" type="checkbox"/>			USA Cab, LTD	10:08 am	11:38 am
Mikail Hussein	<input checked="" type="checkbox"/>	Abebe Antallo	<input type="checkbox"/>	United Taxi Workers Federation San Diego	10:00 am	11:38 am
Akbar Majid	<input checked="" type="checkbox"/>			Taxicab Owner/SDYC Holdings, LLC	10:00 am	11:38 am
Guillermo Morquecho	<input type="checkbox"/>			Taxicab Lease Driver		
Houshang Nahavandian	<input type="checkbox"/>			Taxicab Owner/ESM Corporation		
Marc Nichols	<input checked="" type="checkbox"/>	Michael Anderson	<input type="checkbox"/>	San Diego County Regional Airport Authority	10:10 am	11:38 am
Margo Tanguay	<input checked="" type="checkbox"/>			Taxicab Lease Driver	10:02 am	10:52 am
David Tasem	<input checked="" type="checkbox"/>			Taxicab Lease Driver	11:09 am	11:38 am
Nasser Tehrani	<input checked="" type="checkbox"/>			Taxicab Owner/N.A.T. Cab Co.		
Sharon Cooney non-voting	<input type="checkbox"/>			MTS Chief of Staff		
Leonardo Fewell non-voting	<input checked="" type="checkbox"/>			MTS Taxicab Administration Manager	10:00 am	11:38 am
Samantha Leslie non-voting	<input type="checkbox"/>			MTS Staff Attorney/Regulatory Compliance		

CLERK OF THE TAC: /s/Jamila L Larkins

TAXICAB ADMINISTRATION MANAGER: /s/Leonardo Fewell

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADVISORY COMMITTEE
WORKSHOP ON REGULATORY MATTERS

1255 Imperial Avenue
San Diego, CA 92101

June 17, 2020

[Clerk's note: Except where noted, public, staff and committee member comments are paraphrased].

1. Roll Call

Leonardo Fewell, Chair of the Committee, called the Workshop on Regulatory Matters meeting to order at 10:04 am. A roll call sheet listing the Workshop on Regulatory Matters (WORM) member attendance is attached.

2. Approval of Meeting Minutes – January 3, 2020

January 3, 2020 Draft Minutes were not approved due to lack of quorum; minutes will be moved to next WORM for approval.

3. Non-Agenda Public Comment

There were no non-agenda public comments.

4. Mandatory COVID-19 Sanitary Measures for Taxicab, Jitney, Low Speed, Charter and Nonemergency Medical (NEM) Transport Vehicles and Associated Administrative Penalties

Mr. Fewell reviewed a PowerPoint presentation regarding the established COVID-19 sanitary measures for MTS regulated for-hire vehicles utilizing both the County of San Diego (COSD) and Centers for Disease Control and Prevention (CDC) mandates, guidelines and recommendations. A 30-day time period, beginning June 17, 2020 and ending on June 27, 2020 has been established to allow time for implementation of the measures. MTS will not begin enforcement until June 27, 2020; enforcement contact will be primarily focused on the goal of education and compliance to assure passenger and driver safety, rather than penalization. The PowerPoint presentation outlining the focused areas of required, and recommended, guidelines was provided with the original meeting packet. Mr. Fewell suggested visiting the County of San Diego website for current mandates at:

https://www.sandiegocounty.gov/content/sdc/hhsa/programs/phs/community_epidemiology/dc/2019-nCoV.html

Mr. Fewell also reviewed a sample required "COVID-19 Business Plan" outlining the basic requirements for continued operations during restrictions. This template will be made available to all permit holders/drivers for editing, or update, as requested.

Public Comment

Mr. Palmeri, Retired San Diego Travelers Association, Retired TAC member- Mr. Palmeri said that there are companies that have existing service contracts for transport of high-risk populations, such as nursing home residents; he asked if MTS would be opposed to drivers providing a liability clause form for those family members or passengers who are not using face coverings. He noted that passenger temperatures are not required and that there may be passengers who say they were exposed during transport.

Mr. Fewell responded that there is no “screening” requirement for passengers, but drivers do have the option to refuse service for anyone exhibiting COVID-19 symptoms. Additionally, drivers should direct, or assist, passengers to medical treatment if needed. Drivers should also log the refusal, and cause, on their trip sheet and immediately notify the dispatch company to ensure proper documentation of fare refusal. He also suggested that drivers may provide new, unused, masks/face coverings for passengers as a courtesy to ensure safe transport if they choose.

Committee Member Comment

Mr. Banks said he is concerned about driver fare refusal, although he does know that some drivers are scared, he said there are some passengers who are exempt from wearing masks/face coverings. He doesn't think that drivers should be held liable as someone could be infected before they are provided service. His opinion is that drivers should *not* provide masks to passengers, he thinks this could open a driver up for liability if the passenger says the mask was faulty, etc. Mr. Majid asked if the use of the recommended shields could be approved with presentation, or vote, at the TAC. He suggested that a bullet point noting “driver may refuse service” to passengers without a mask/face covering be added to the COVID-19 Business Plan. He said that the soft plastic shield has no AC vents to cool passengers in the rear so they have started testing different methods to address this, the current correction of running conduit from the front of the cab to the rear has worked but it is ugly and prevents any passenger from utilizing the front seat. Mr. Fewell said that communication is going to be key in determining if a passenger is exempt from current health orders and guidelines, or if alternatively, they may be offered a mask and provided transportation. Mr. Fewell also clarified that Agenda #4 is only informational and requires no vote, or approval, for implementation. He will continue to update the guidelines as required according to COSD and CDC mandates. Mr. Hussein mentioned that he has also been looking into different options for shields, or dividers, to possibly to be maintained in taxis after COVID-19; he wants to make sure that there will be sufficient low-cost options for drivers who opt to return to work during restrictions. Mr. Fewell said there are various products available and currently installation of barriers is optional only; the only MTS requirement is that it meets the outlined specifications detailed in the PowerPoint. Mr. Fewell offered to meet with any permit holders, or drivers, at the Vehicle Inspection Site for review of specifications. Mr. Hussein said that his office has been assisting for-hire drivers with applying for various resources. He said that many drivers are very concerned about the cost for insurance reinstatement; he would like to revisit insurance issues as soon as possible. Mr. Hueso would like a hands-on demonstration of the sanitary guidelines for permit holders/drivers to ensure compliance. Mr. Fewell said he plans on wide distribution of this information, including to the airport, dispatch services and other organizations. He also said that MTS Field Inspectors will be available for outreach for those drivers who remain in service.

Action Taken

None. Informational item only.

5. 2020 Annual Regulatory Fee Deadline Extension and Voluntary Surrender Permit Update

Mr. Fewell said in an effort to assist permit holders during the COVID-19 pandemic crisis, the 2020 Regulatory Fee deadline was extended from June 8, 2020, to September 1, 2020. In order to retain a permit two hundred dollars (\$200) per permit was required by June 8, 2020 with the balance of four hundred dollars (\$400) due on, or before, September 1, 2020. A preliminary reconciliation of fees report will be presented at the Taxicab Advisory Committee (TAC) meeting on Wednesday, July 15, 2020. Mr. Fewell reviewed the current permit statistics, including the current number of surrendered vehicles. He noted that the surrender figure has increased due to the overall business decline associated with the COVID-19 pandemic. He reported current figures for all modes of transportation as: total permits-1449, surrendered permits- 661, active permits- 788, resulting in an overall 46% loss of active permits. He noted that many permit holders have opted for credit card payment for their regulatory fees and that this may have provided some financial relief. He reminded attendees that if a permit is currently surrendered, all regulatory fees must be paid in order for the permit to remain active. Mr. Fewell also reviewed the process for returning vehicles to service as 1) proof of reinstatement of insurance 2) call the vehicle inspection site for reinspection.

Public Comment

No public comment.

Committee Member Comment

Mr. Hussein inquired as to how many permit holders have notified us that they are unable to pay even the \$200 initial payment required and what MTS plans to do for those who are unable to pay. Mr. Fewell said although there have been a small number of permits that have been "voided", they have not been due to financial difficulties but rather other business decisions. He noted that this year was the first time that the payment deadline has been extended to July and the first time that MTS has offered to accept partial payments. He feels these changes have provided a great benefit, and relief, to permit holders/drivers during this period of limited work.

Action Taken

Informational item only.

6. Committee Member Communications

Garret Cooper, San Diego Department of Agriculture, Weights and Measures (SDAWM) announced that the AWM Board of Supervisors has directed the department to defer many of the fees that are typically charged for certification, such as taximeter device registration fees. Any fees due May 5, 2020 to November 5, 2020 have been deferred to the due date of November 5, 2020. All taximeter inspections have also been temporarily halted, he suggested

that anyone who is having difficulties with processing applications due to the suspension contact his office. He said he is anticipating resuming normal duties fairly soon; he will be in contact with Taxicab Administration regarding reopening. Mr. Fewell said that there will be a temporary moratorium on removing taxicabs from service for pending meter seal certification, as well as Sheriff's License renewals, for 90 days.

7. Additional Non-Agenda Public Comment

There were no additional Non-Agenda Public Comments.

8. Next Meeting – TBD

9. Adjournment

The meeting was adjourned at 11:23 am.

Accepted:

/s/Leonardo Fewell
Leonardo Fewell
Taxicab Administration Manager

Filed by:

/s/Jamila L Larkins
Jamila Larkins, Clerk of the Committee
MTS Taxicab Administration

Attachment: Roll Call Sheet

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
WORKSHOP ON REGULATORY MATTERS (WORM) MEETING
ROLL CALL

MEETING OF (DATE): June 17, 2020

CALL TO ORDER (TIME): 10:04 am

ADJOURN: 11:23 am

COMMITTEE MEMBER		(Alternate)		ORGANIZATION	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
George Abraham	<input type="checkbox"/>			Taxicab Owner/Eritrean Cab Co.		
Alfred Banks	<input checked="" type="checkbox"/>			Taxicab Lease Driver	10:18 am	11:23 am
Antonio Hueso	<input checked="" type="checkbox"/>			USA Cab, LTD	10:19 am	11:23 am
Mikail Hussein	<input checked="" type="checkbox"/>	Abebe Antallo	<input type="checkbox"/>	United Taxi Workers Federation San Diego	10:09 am	11:23 am
Akbar Majid	<input checked="" type="checkbox"/>			Taxicab Owner/SDYC Holdings, LLC	10:04 am	11:23 am
Guillermo Morquecho	<input type="checkbox"/>			Taxicab Lease Driver		
Houshang Nahavandian	<input type="checkbox"/>			Taxicab Owner/ESM Corporation		
Marc Nichols	<input checked="" type="checkbox"/>			San Diego County Regional Airport Authority	10:04 am	11:23 am
Margo Tanguay	<input type="checkbox"/>			Taxicab Lease Driver		
David Tasem	<input type="checkbox"/>			Taxicab Lease Driver		
Nasser Tehrani	<input type="checkbox"/>			Taxicab Owner/N.A.T. Cab Co.		
Garret Cooper non-voting	<input checked="" type="checkbox"/>			San Diego Department of Agriculture, Weights and Measures	10:00 am	11:23am
Sharon Cooney non-voting	<input type="checkbox"/>			MTS Chief of Staff		
Leonardo Fewell non-voting	<input type="checkbox"/>			MTS Taxicab Administration Manager	10:00 am	11:23 am
Samantha Leslie non-voting	<input type="checkbox"/>			MTS Staff Attorney/Regulatory Compliance	10:00 am	11:23 am

CLERK OF THE WORM: 

TAXICAB ADMINISTRATION MANAGER: 

Taxicab Advisory Committee Workshop on Regulatory Matters

Wednesday, July 29, 2020

ACTION
RECOMMENDED

1. Roll Call
2. Approval of Minutes – January 3, 2020 and June 17, 2020 Approve
3. Non-Agenda Public Comment
The public may address the Committee regarding a matter not on the agenda.
Each speaker has three minutes to speak. Give a completed *Request to Speak* form to the Clerk of the Committee.
4. Proposed Revisions to City Council Policy No. 500-02 Approve
Action would forward a recommendation to the City Council of San Diego to review and approve proposed revisions to City Council Policy No. 500-02.
5. Committee Member Communications
Brief comment on any taxicab related item not included in the Agenda.
6. Next Meeting: TBD



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Agenda Item No. 4

MEETING OF THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM WORKSHOP ON REGULATORY MATTERS

July 29, 2020

SUBJECT:

PROPOSED REVISIONS TO CITY COUNCIL POLICY NO. 500-02

RECOMMENDATION:

That the Workshop on Regulatory Matter forward a recommendation to the City Council of San Diego to review and approve proposed revisions to City Council Policy No. 500-02.

Budget Impact:

None with this item.

DISCUSSION:

The City of San Diego (City) contracts with San Diego Metropolitan Transit System (MTS) to regulate for-hire vehicles, such as taxicabs, within the City's jurisdiction. The City of San Diego (City) retains the right to make decisions or provide recommendations to MTS regarding fundamental policy decisions. City Council Policy No. 500-02 (Policy No. 500-02) sets forth the overall policy framework for taxicab permits.

The taxicab industry has requested that MTS Taxicab Administration remove and/or reduce regulations in order to maintain the economic viability of the taxicab market. MTS Taxicab Administration has identified several proposed revisions to Policy No. 500-02 that would address concerns while also meeting MTS's goals of ensuring public safety and consumer protections.

These revisions were presented to the Taxicab Advisory Committee on July 15, 2020. At that meeting, it was recommended staff present the revisions to a Workshop on Regulatory Matters for further feedback.

MTS Taxicab Administration recommends the following revisions to Policy No. 500-02 requirements.



1. Six (6) month commercial driving experience for permit applicants

Proposal: Remove requirement in Policy No. 500-02, Section 1(A)(b) that applicant must “provide evidence of at least six-months’ experience driving a taxicab, TNC, charter party carrier service, or similar service-oriented transportation or managing a demand responsive transportation service, or similar service-oriented business”.

Background: Unnecessary and restrictive barrier to entering into the taxicab business.

Alternative: MTS would require permit holder applicants to take MTS driving training course to ensure applicants are aware of the basic principles associated with operating a taxicab business. The MTS driver training program covers topics such as: laws and regulations, permit holder and lease driver responsibilities, customer service, the Americans with Disabilities Act (ADA), driver safety and crime prevention.

2. Evidence of ability to meet insurance requirements

Proposal: Remove requirement in Policy No. 500-02, Section 1(A)(c-d) that applicant must “provide evidence of ability to meet insurance requirements”.

Background: Previously, some taxicab operators enrolled in high deductible insurance plans or insurance pools. These are no longer used.

Alternative: MTS would provide applicants with current estimated costs of insurance premiums to assist applicants in their decision on whether to proceed with permit application.

3. Evidence of financial ability to meet permit holder requirements

Proposal: Remove requirement in Policy No. 500-02, Section 1(A)(d) that applicant must “provide evidence of ability to finance the meeting of Screening Criteria and regulatory requirements”.

Background: There are privacy concerns with reviewing bank statements and unclear how much money is necessary to be financially stable to operate.

Alternative: MTS would provide permit applicants the estimated costs to operate taxicabs to assist applicants in their decision on whether to proceed with the permit application.

4. Accessible vehicle requirement when applying for second vehicle permit

Proposal: Replace requirement in Policy No. 500-02, Section 1(B)(c) that vehicles must “be ADA-compliant (applies to first permit, thereafter 50% of vehicles must comply)” with “meet ADA requirements” and add “be consistent with MTS Taxicab Administration regulations and policies involving accessible vehicles (i.e. wheelchair accessible)”.

Background: This requirement was added in 2012 and has shown to be an ineffective way to increase the number of accessible vehicles. Permit holders not applying for a second taxicab permit due to decline in business and high costs of accessible vehicles. Currently, there are only 3 accessible taxicabs in operation.

Alternative: MTS would continue to require compliance with ADA (e.g. allowing service animals, stowing foldable mobility devices) and also work with community groups, industry stakeholders, and other taxicab regulatory agencies to develop a MTS Taxicab Administration Accessible Taxicab Vehicle Plan that would establish innovative ideas to increase the number of accessible taxicab vehicles in the San Diego region.

5. Global Positioning System (GPS) equipped vehicles

Proposal: Replace requirement in Policy No. 500-02, Section 1(B)(d) that vehicles must “be equipped with a Global Positioning System (GPS)” with requirement that Operation and Customer Service Plans include “utilization of GPS”.

Background: Equipping the vehicle with a GPS transponder represents an unnecessary cost in terms of hardware equipment and subscription costs to permit holders. Advances in technology now allow smartphones to use GPS applications.

Alternative: Allow drivers to use smartphones with GPS functionality, or GPS equipped vehicles while in operation.

6. Security Cameras

Proposal: Replace the requirement in Policy No. 500-02, Section 1(B)(e) that vehicles must “be equipped with security cameras” with requirement that Operation and Customer Service Plan include “safety and security measures for drivers and passengers (e.g. security cameras, emergency signaling device, or other emergency electronic communications)”.

Background: This requirement was added in 2012 after incidents of violence against taxicab drivers. MTS Taxi Administration has never enforced due to conflicting requirements regarding video event recorder within California Vehicle Code section 26708 subdivision (a). Security cameras may also be costly to buy, install and maintain.

Alternative: Recognizing that there are many ways to ensure safety of drivers and passengers, security cameras would become an optional requirement. Customer service plans would now describe what types of safety and security measures will be used (e.g. emergency signaling devices on taxicabs, distress electronic communications to dispatch).

7. Vehicles be no older than 10 years of the model age.

Proposal: Remove the requirement in Policy No. 500-02, Section 1(B)(f-g) that vehicle must “be no older than 10 years of the model age”.

Background: Many permit holders have expressed their financial inability to purchase newer vehicles given the current market. This restriction forces permit holders to replace a vehicle that may otherwise be low-mileage, in good condition, and passes MTS’s comprehensive 49 safety point vehicle yearly inspections.

Alternative: Recognizing that how old the vehicle model age does not necessarily correlate with how the safe the vehicle is, MTS recommends removing model age requirement and give permit holders the discretion when to replace their vehicles as a business decision. Existing requirements relating to California Air Resource Board emission standards would still be enforced.

8. Restriction on salvage title.

Proposal: Remove the requirement in Policy No. 500-02, Section 1(B)(g) that vehicle must “not have a salvage title”.

Background: A revived salvage title is a vehicle that was considered a total loss by the owner or insurance company and then restored back to operational condition. The California Department of Motor Vehicles (DMV) requires every salvage vehicle to undergo a vehicle safety inspection to ascertain the brakes, airbags, headlights, lamps and other safety equipment is functional. Only then will it issue a registration

card. This inspection by the DMV, as well as the 49-safety point vehicle inspection by MTS Taxicab Administration, ensure that even a vehicle with a salvage title is safe.

Alternative: Since whether or not a vehicle has a revived salvage title does not necessarily deem a vehicle unsafe, MTS recommends removing this requirement and continuing to require current proof of vehicle registration and annual vehicle inspections and field inspections as necessary.

9. Adequate administrative facilities

Proposal: Replace the requirement in Policy No. 500-02, Section 1(C)(a) that “adequate facilities must be demonstrated for administrative functions” with a requirement that Operation and Customer Service Plan include “where administrative functions will be conducted”.

Background: Whether a permit holder has an office or uses their home as their workplace for administrative matters does not have an impact on safety of vehicle or customer protections. Also due to COVID-19, flexibility on where work environments are located is necessary.

Alternative: MTS would allow permit holders to use home address as business address or if concerns that home address would be a disclosable public record, home address will be kept confidential if provided one of the following business addresses: Post Office Box address, dispatch service address or office address.

10. Adequate vehicle maintenance facilities

Proposal: Replace the requirement in Policy No. 500-02, Section 1(C)(b) that “adequate facilities must be demonstrated for vehicle maintenance” with requirement that Operation and Customer Service Plan include “vehicle maintenance plan”.

Background: Whether an applicant plans on using their own maintenance shops (historically the case for larger permit holders) or pay a commercial repair shop for a vehicle maintenance is not pertinent to MTS Taxicab Administration review of a permit application. What is pertinent, is when vehicles are identified to have safety issues, they are addressed appropriately at certified mechanics.

Alternative: Applicants would be required to incorporate a general vehicle service plan (e.g. frequency and types of preventative maintenance the vehicle will undergo) as part of their operation and customer service plan. MTS would continue, at its discretion, to request copies of repair invoices as necessary to confirm repairs completed accordingly.

11. Off-street vehicle storage when not in service

Proposal: Remove the requirement in Policy No. 500-02, Section 1(C)(c) that adequate facilities must be demonstrated for “off-street vehicle storage when not in service”.

Background: MTS has not prioritized the enforcement of this requirement unless a complaint received. No records of such complaints have been received in recent years. Off-street parking may not be available nearby a permit holder’s home or if it is, it may be cost prohibitive. In addition, many permit holders and lease drivers utilize their taxicab as a family vehicle or for personal use when not in operation.

Alternative: Rely on existing city parking and vehicle code regulations relating to parking within residential streets (e.g. 72-hour parking requirement).

12. 24-hour dispatch staffing.

Proposal: Replace the requirement in Policy No. 500-02, Section 1(D)(a) that dispatch must be “staffed 24 hours” with “able to receive and respond to service requests or other operational questions” and add requirement to include within Operational and Customer Service Plan “lost and found procedures”.

Background: Dispatch service requests, along with operational requests (e.g. lost and found inquiries) have declined and with the reduction in business, it can be costly and impractical to physically staff storefront dispatch offices 24 hours a day.

Alternative: MTS will continue to require that the public has the ability to communicate with dispatch services at all times. MTS will work with taxicab industry to determine more appropriate solutions than requiring storefront dispatch offices staffed 24 hours a day (e.g. storefront business hours; require all lost and found items to be returned to dispatch by next business day; call forwards after hours).

13. Permits held by corporations or limited liability companies (LLCs) to comply with current screening criteria.

Proposal: Replace the requirement in Policy No. 500-02, Section “Policy” that “all permits held by corporations and LLCs shall comply with Screening Criteria within five years of the adoption of this Policy” with “all existing permits shall comply with Screening Criteria within five years of the effective date of this Policy”.

Background: February 12, 2020 was the previous deadline for all existing permits held by corporations or LLCs to comply with Policy No. 500-02 (e.g. salvage title, model vehicle age). On January 15, 2020, MTS Taxicab Administration approved a moratorium until January 1, 2021 to provide additional time to review whether revisions to Policy No. 500-02 are appropriate. Some permit holders are concerned that corporations and LLCs are being unfairly targeted with compliance, compared to partnerships and sole proprietorships.

Alternative: Regardless of ownership type, all existing permit holders would need to comply with screening criteria within five years of the revised Policy No. 500-02 effective date (to be determined). For instance, if the above proposed revisions are approved, all existing permit holders would have to ensure within five years they had a vehicle no older than 15 years at all times.

If the Workshop on Regulatory Matters approves the proposed revisions to Policy No. 500-02, MTS would submit the revisions to a future City Council Meeting for review and approval. If approved by the City, MTS Taxicab Administration would then propose Ordinance No. 11 revisions to implement the updated Policy No. 500-02. The proposed revisions to Ordinance No. 11 would be submitted to Taxicab Advisory Committee and MTS Board of Directors for approval.

/s/ Leonardo Fewell

Leonardo Fewell

Taxicab Administration Manager

Key Staff Contact: Leonardo Fewell, 619.235.2643, Leonardo.Fewell@sdmts.com

Attachment A. Proposed Changes to Policy No. 500-02 (red-line) version

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

SUBJECT: TAXICAB PERMITS
POLICY NO.: 500-02
EFFECTIVE DATE: ~~March 14, 2015~~ TBD

BACKGROUND:

Regulation of taxicab service is in the interest of providing residents and visitors to the City of San Diego with a good quality local transportation service. Towards this end, the City finds it desirable to regulate the issuance of taxicab permits.

PURPOSE:

To establish a policy for the issuance of additional taxicab permits, for the purpose of expanding the taxi industry to meet growing demand for taxi service throughout the City, and providing opportunity for both existing and new taxi operators and for experienced drivers.

POLICY:

The City will issue taxicab permits to applicants who can demonstrate that they have the experience and resources to provide outstanding quality service to customers and the community.

New permits will be issued on a full cost recovery basis. All applicants will first have to submit an application and satisfy Screening Criteria based on quality and customer service standards.

Permit holders of newly awarded permits must demonstrate that they are in compliance with Screening Criteria as a condition of annual permit renewal or the permit may be suspended or revoked.

When any taxicab permit is transferred, the transferee must satisfy Screening Criteria at time of transfer and thereafter as a condition of annual permit renewal or the permit may be suspended or revoked.

All existing permits ~~held by corporations or limited liability companies~~ shall comply with Screening Criteria within five years of the ~~adoption effective date~~ of this Policy.

CITY OF SAN DIEGO, CALIFORNIA
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CURRENT

IMPLEMENTATION:

Screening Criteria will be evaluated on a pass-fail basis. Each element must be a “pass” in order for the applicant to have been considered to have satisfied the screening. Applicants are responsible for providing complete and accurate information needed for the screening evaluations.

1. Screening Criteria

A. Applicants must:

- a. Meet regulatory requirements for a taxicab permit holder and operator specified in ordinance and regulation.
- ~~b. Provide evidence of at least six months’ experience driving a taxicab, transportation network vehicle, charter party carrier services, or similar service-oriented transportation or managing a demand responsive transportation service, or similar service-oriented business.~~
- ~~c. Provide evidence of ability to meet insurance requirements.~~
- ~~d. Provide evidence of ability to finance the meeting of screening criteria and regulatory requirements.~~

B. Vehicles must:

- a. Meet regulatory and ordinance requirements
- b. Meet California Air Resources Board criteria for Zero Emission Vehicle or Low Emission Vehicle
- ~~c. Be Meet ADA requirements -compliant (applies to first permit, thereafter at least 50% of vehicles must comply)~~
- ~~e.d. Be consistent with MTS Taxicab Administration regulations and policies involving accessible vehicles (i.e. wheelchair accessible).~~
- ~~d. Be equipped with a Global Positioning System (GPS)~~
- ~~e. Be equipped with security cameras~~
- ~~f. Be no older than 10 years of the model age~~
- ~~g. Not have a salvage title~~

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

~~C.~~ Adequate facilities must be demonstrated for:

~~a.~~ Administrative functions

~~b.~~ Vehicle maintenance

~~c.~~ Off street vehicle storage when not in service

~~D.C.~~ Dispatch must be:

a. ~~Staffed able to receive and respond to service requests or other operational questions 24 hours a day~~

b. Computerized

c. Utilize a Global Positioning System (GPS)

~~E.D.~~ Operation and Customer service plan must include:

a. Acceptance of credit cards

b. Customer complaint system

~~c.~~ Record keeping of every call, dispatch, trip, and complaint.

~~d.~~ Utilization of GPS

~~e.~~ Safety and security measures for drivers and passengers (e.g. security cameras, emergency signaling device, or other emergency electronic communications)

~~f.~~ Lost and found procedures

~~g.~~ Where administrative functions will be conducted

~~e.h.~~ Vehicle maintenance plan

~~F.E.~~ Additional screening criteria may be added as needed by regulatory action to fulfill the purpose of improving industry standards and customer service and keeping current with technology.

HISTORY:

“Taxicabs - Certificates of Convenience and Necessity”

Adopted by Resolution R-72292 - 08/21/1962

Amended by Resolution R-216590 - 08/11/1976

Amended by Resolution R-217293 - 12/15/1976

Amended by Resolution R-222474 - 12/19/1978

Repealed by Resolution R-258090 - 03/14/1983

“Taxicabs - Permits”

Added by Resolution R-260636 - 05/07/1984

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Amended by Resolution R-261739 - 10/15/1984
Amended by Resolution R-271307 - 06/28/1988
Amended by Resolution R-295355 - 08/06/2001
Amended by Resolution R-302130 - 12/06/2006
Amended by Resolution R-307494 - 06/26/2012
Amended by Resolution R-309308 - 11/25/2014
Amended by Resolution TBD

Item # 4: Proposed Revisions to City Council Policy No. 500-02

1. Six (6) month commercial driving experience for permit applicants
 - Unnecessary and restrictive barrier to entering in to the taxicab business
 - Require applicants to take an MTS approved training program covering the basic principles associated with operating a taxicab business
2. Evidence of ability to meet insurance requirements
 - High deductible plans or insurance pools no longer used
 - MTS would provide applicants with current estimated costs of insurance premiums to assist applicants with their decision to proceed with permit application

Item # 4: Proposed Revisions to City Council Policy No. 500-02

3. Evidence of financial ability to meet permit permit holder requirements

- Privacy concerns with reviewing bank statements and unclear how much money is necessary to be financially stable to operate.
- MTS would provide permit applicants the estimated costs to operate taxicabs to assist applicants in their decision on whether to proceed with the permit application.

Item # 4: Proposed Revisions to City Council Policy No. 500-02

4. Accessible vehicle requirement when applying for second permit

- shown to be an ineffective way to increase the number of accessible vehicles. Permit holders not applying for a second taxicab permit due to decline in business and high costs of accessible vehicles. Currently, there are only 3 accessible taxicabs in operation.
- MTS would continue to require compliance with ADA (e.g. allowing service animals, stowing foldable mobility devices) and also work with community groups, industry stakeholders, to develop a MTS Taxicab Administration Accessible Taxicab Vehicle Plan that would establish innovative ideas to increase the number of accessible taxicab vehicles in the San Diego region.

Item # 4: Proposed Revisions to City Council Policy No. 500-02

5. Global Positioning System (GPS) equipped vehicles

- Represents an unnecessary cost in terms of hardware equipment and subscription costs to permit holders. Advances in technology now allow smartphones to use GPS applications
- Allow drivers to use smartphones with GPS functionality, or GPS equipped vehicles while in operation

6. Security Cameras

- MTS Taxi Administration has never enforced due to conflicting requirements regarding video event recorder within California Vehicle Code section 26708 subdivision (a).
- Become an optional requirement. Customer service plans would now describe what types of safety and security measures will be used (e.g. emergency signaling devices on taxicabs, distress electronic communications to dispatch).

Item # 4: Proposed Revisions to City Council Policy No. 500-02

7. Vehicles be no older than 10 years of the model age

- Financial inability to purchase newer vehicles given current market. Forces permit holders to replace a vehicle that may otherwise be in good, clean and safe condition.
- Remove the requirement that vehicle must be no older than 10 years of the model age. California Air Resources Board emission standards would still apply

8. Restrictions on salvage title

- DMV requires every salvage vehicle to undergo a vehicle safety inspection to ascertain the brakes, airbags, headlights, lamps and other safety equipment is functional. MTS 49-safety point vehicle inspection ensure vehicle is safe
- MTS will continuing to require current proof of vehicle registration and annual vehicle inspections and field inspections as necessary.

Taxi vehicles by model age

- 1998: 2 (0.2%) 1999: 1 (0.1%) 2002: 4 (0.4%)
- 2003: 10 (1.2%) 2004: 6 (0.7%) 2005: 16 (1.9%)
- 2006: 17 (2%) 2007: 41 (4.9%) 2008: 58 (6.9%)
- 2009: 41 (4.9%) 2010: 77 (9.1%) 2011: 81 (9.6%)
- 2012: 194 (22.5%) 2013: 92 (10.5%)
- 2014: 109 (13%) 2015: 86 (10.2%)
- 2016: 10 (1.2%) 2017: 3 (0.3%)
- 2018: 1 (0.1%) 2019: 1 (0.1%)

CALIFORNIA AIR RESOURCES BOARD

- Criteria for zero or low-emission vehicle (verified by a certificate affixed to the vehicle)
- LEV
- ULEV
- SULEV
- TZEV
- PZEV
- ZEV

Certificate of Conformity (low or zero emissions)

TOYOTA		VEHICLE EMISSION CONTROL INFORMATION	
		TOYOTA MOTOR CORPORATION	
Conforms to regulations 2015MY HEV		TEST GROUP : FTYXV01.8HC3 EVAP FAMILY : FTYXR0110P42	
U. S. EPA : T2B3 LDV		OBD : CAII Fuel : Gasoline	
California : AT PZEV PC		OBD : CAII Fuel : Gasoline	
No adjustments needed.		SFI, EGR, EGRC, WR-HO2S, TWC(2), HO2S	
NONE OF THE PERFORMANCE WARRANTY TESTS OF 40 CFR PART 85, SUBPART W, IS TO BE PERFORMED.			
37320		2ZR-FXE	
		TU	

Item # 4: Proposed Revisions to City Council Policy No. 500-02

9. Adequate administrative facilities

- Whether a permit holder has an office or uses their home as their workplace for administrative matters does not have an impact on safety of vehicle or customer protections. Also due to COVID-19, flexibility on where work environments are located is necessary.
- Allow permit holders to use home address as business address or if concerns that home address would be a disclosable public record, home address will be kept confidential if provided one of the following business addresses: Post Office Box address, dispatch service address or office address.

Item #4: Proposed Revisions to City Council Policy No. 500-02

10. Adequate vehicle maintenance facilities

- Whether an applicant plans on using their own maintenance shops or a commercial repair shop for a vehicle maintenance is not pertinent. What is pertinent are repairs by certified mechanics.
- Incorporate a general vehicle service plan (e.g. frequency and types of preventative maintenance the vehicle will undergo) as part of their operation and customer service plan.

11. Off-street vehicle storage when not in service

- No records of such complaints have been received in recent years. Many permit holders and lease drivers utilize their taxicab as a family vehicle or for personal use when not in operation.
- Rely on existing city parking and vehicle code regulations relating to parking within residential streets (e.g. 72-hrs)

Item #4: Proposed Revisions to City Council Policy No. 500-02

12. 24-hour dispatch staffing

- With the reduction in business, it can be costly and impractical to physically staff storefront dispatch offices 24 hours a day
- Continue to require that the public has the ability to communicate with dispatch services at all times. MTS will work with taxicab industry to determine more appropriate solutions than requiring storefront dispatch offices staffed 24 hours a day (e.g. storefront business hours; require all lost and found items to be returned to dispatch by next business day; call forwards after hours).

Item # 4: Proposed Revisions to City Council Policy No. 500-02

13. Permits held by corporations or limited liability companies (LLCs) to comply with current screening criteria

- February 12, 2020 was the previous deadline for all existing permits held by corporations or LLCs to comply with Policy No. 500-02 (e.g. salvage title, model vehicle age).
- Regardless of ownership type, all existing permit holders would need to comply with screening criteria within five years of the revised Policy No. 500-02 effective date (to be determined).