

San Diego Metropolitan Transit System
Taxicab Advisory Committee Meeting (TAC)
Workshop on Regulatory Matters (WORM)

August 13, 2019

10:00 am

MTS Taxicab Administration Office
1501 National Avenue, San Diego, CA 92113

1. Roll Call

Mr. Nelson, Chair of the Committee, called the Workshop on Regulatory Matters (WORM) meeting to order at 10:00 a.m. A roll call sheet listing WORM member attendance is attached.

2. Approval of Meeting Minutes – May 22, 2019

Mr. Tasem moved to approve the minutes of the May 22, 2019 WORM meeting. Mr. Tehrani seconded the motion, and the vote was 7 to 0 in favor with Mr. Nahavandian and Mr. Nichols absent, and 3 vacant seats.

3. Non-Agenda Public Comment

There were no non-agenda public comments.

4. Revisions to MTS Ordinance No. 11. Sections 2.3(h) and 1.8(r)

Mr. Nelson reviewed the proposed revisions to MTS Ordinance No. 11 section 2.3(h) and 1.8(r); the changes state that whichever electronic payment device is used, it must be connected to meter, directly available to the customer without driver touching card, and provide printed, or electronically conveyed, receipts.

Mr. Nelson explained that the primary reason for the proposed changes is due to customer complaints about not receiving receipts and overcharges. Mr. Tasem noted that this change seemed to go back to the prior VeriFone requirements and would no longer allow for the use of Square. Mr. Nelson stated that due to the increase in the number of complaints over the past two years related to the use of Square, or other devices not connected to the meter, a revision to the Ordinance is required. He reiterated that there is not a limitation to the device used. The Taxicab Administration is not trying to prevent, or promote, any particular device usage but it must meet the requirements of providing a machine printed or electronically conveyed receipt, must not require drivers to handle passenger credit cards and is directly connected to the meter. Mr. Tasem said he doesn't believe that Square has Bluetooth connection capabilities; Mr. Palmeri stated that it can be connected via Bluetooth. Mr. Palmeri stated that his primary concern is not with the proposed changes, but with the likelihood of enforcement of noncompliance.

Mr. Banks wanted clarification on the ability of connecting Square to the meter. Mr. Majid said that it is possible, but it is something that would require an IT Technician. Mr. Majid did clarify that there are some Radio Services that already have the capability to connect Square to the meter. Mr. Banks wanted to know if this change was going to force drivers to join Yellow,

USA, or another service, as a way to meet the requirement. Mr. Banks feels this will be inconvenient and costly for drivers to meet this requirement.

Mr. Nelson stated that the changes are being proposed to bring the San Diego Taxi Industry up to current industry standard and not for the purpose of favoring one Dispatch Service over another.

Mr. Banks said he would like to see Permit Holders/Drivers that don't use Square properly held personally responsible and possibly further training providing. He suggested MTS Vehicle Inspector Tom Lee check Square functions at the time of the annual vehicle inspection. He doesn't feel all drivers should be penalized for others mistakes and thinks this is just going to push more drivers away from keeping permits.

Mr. Nelson acknowledged that the number of permits has gone down, which in turn means less revenue. He noted that in the past two years he has cut three Inspector positions and this has resulted in less available field enforcement to address such matters.

Mr. Nelson also acknowledged that the Industry has been negatively impacted by the TNC's but stated that one way to combat that is to provide a better level customer service. He stressed that payment convenience is one way to do that. He said that unfortunately there is not an app for taxis but MTS is working on seeing if they can provide a solution for that but that is further down the line in development.

Mr. Majid and Mr. Palmeri said this Ordinance change is not an issue for them as they are already in compliance through either VeriFone or application development. They don't believe it is their responsibility to figure out how Square may, or may not, be connected via Bluetooth for others. Mr. Majid, Mr. Palmeri and Mr. Nelson agreed that the drivers will need to organize, and research, on their own behalf to find viable solutions.

Mr. Tehrani asked how many complaints MTS has received, Mr. Nelson said there have been twenty (20) complaints this year related to credit cards. He said there have been at least one hundred (100) others related to behavior, unsafe drive, fare refusal and other items.

Mr. Tasem would like there to be a time frame for implementation of the changes, Mr. Nelson agreed and noted that it wouldn't go before the MTS Board until October. Mr. Nelson did say that drivers should start looking into solutions now so they have time for implementation. Mr. Banks asked Mr. Nelson to share more industry information from other states; Mr. Nelson explained that typically the experiences he refers to occur using taxi's while on vacation but will share any information he may receive.

Mr. Majid asked that the record reflect that he is not promoting VeriFone and that he, in fact, will be discontinuing use himself.

Action Taken

Mr. Tasem moved to approve the recommendation that the Taxicab Administration Committee (TAC) approve revisions to MTS Ordinance No. 11 regarding devices and software capable of electronically processing credit card transactions and issuance of electronically printed or digitally conveyed receipts., Mr. Palmeri seconded the motion, and the vote was 6 to 1 in favor, with Mr. Nahavandian and Mr. Nichols absent.

PUBLIC COMMENT

Albert Suleymanov, Lease Driver- Mr. Suleymanov spoke in opposition of agenda item 4:

Mr. Suleymanov stated that he thinks that twenty (20) complaints in comparison to the number of trips provided is really nothing. He would like to see individual drivers penalized in the same way the airport handles the complaints. He shared that he has been using Square for two years and has had no problems because it is so simple to use. He had many problems with VeriFone in the past and that many drivers he knows that use Yellow Radio service are still using Square rather than VeriFone as they do not want to be charged 6.25% fee. He feels like this would be a move backwards.

Mr. Nelson reiterated that the use of VeriFone, or any specific device, is **not** a requirement; only that the equipment is able to meet the Ordinance specifications.

5. Appointment of Antonio Hueso and George Abraham to Taxicab Advisory Committee

Mr. Nelson reviewed the proposed appointment of Antonio Hueso and George Abraham to the TAC. The three (3) year required election was held beginning April 8, 2019 through May 20, 2019 according to the required guidelines, with the subcommittee vote count taking place on May 20, 2019.

Out of the three (3) seats available for Category B, only (2) permit holders submitted self-nomination forms with only one (1) nominee receiving votes, leaving two (2) seats vacant. TAC seat vacancies hamper the ability to obtain the 51% attendance needed to reach a committee quorum for members to be able to vote and take action on agenda items. To minimize the continued lack of quorum the interim appointment of Antonio Hueso and George Abraham is recommended. They have been recommended due to their previous experience as TAC members representing Permit Holders, their commitment to providing valuable feedback during TAC meetings, industry knowledge consistent participation and showing a continued interest in being actively involved on TAC.

Mr. Tasem did note that Mr. Hueso did not vote, and that Mr. Abraham did not self-nominate or vote. Mr. Palmeri clarified that Mr. Abraham did vote but it was outside the required time. Mr. Nelson noted that they were the only ones that fell in to Category B and that a possible revision to the categories would be addressed separately.

Action Taken

Mr. Majid moved to approve the recommendation that the TAC appoint Antonio Hueso and George Abraham for vacant Taxicab Advisory Committee Category B Permit Holder seats., Ms. Tanguay seconded the motion, and the vote was 7 to 0 in favor, with Mr. Nahavandian and Mr. Nichols absent.

6. Revisions to Taxicab Advisory Committee Guidelines

Mr. Nelson reviewed the proposed revisions to the TAC Guidelines. The proposed changes include removing one hotel industry seat, reducing the number of voting members from 17 to 16, the filling the driver representative vacancy with the appointment of United Taxi Workers of San Diego (UTWSD) representative. New additions to the guidelines include allowing any member to appoint an alternate, as well as the formal process for removals and resignations. Both of these items have been recommended to deal with the continued problem of not having a quorum for TAC meetings. A formal process for subcommittees has also been proposed; standing subcommittees will require Board of

Directors approval and ad hoc committees will require the approval of the Chief Executive Officer or designee.

Ms. Tanguay and Mr. Tehrani inquired who would be the United Taxi Workers of San Diego (UTWSD) representative. Mr. Nelson clarified that it would be either Mikail Hussein or his designee. Mr. Tasem asked if there might not be other organizations to fill the vacancy. Mr. Nelson responded that the UTWSD is the only organization that approached him, and currently are the most engaged in the Taxicab Industry.

Action Taken

Mr. Palmeri moved to approve the recommendation that the TAC approve the proposed revisions to TAC Guidelines. Mr. Banks seconded the motion, and the vote was 7 to 0 in favor, with Mr. Nahavandian and Mr. Nichols absent.

7. Taxicab Advisory Committee Permit Holder Categories

Mr. Nelson said he has heard from both permit holders and industry contacts that they would like to remove the current Permit Holder seat designations from two seats for owners of one to three cabs and three seats for owners of four or more cabs. The revision would allow for five permit holder seats total irrespective of the number of permits held. As the item is informational only, Mr. Nelson requested that subcommittee members take some time to formulate their thoughts and opinions about the item for future consideration.

Action Taken

Informational item only.

8. Changes to Payment Schedule for Taxicab Administration Regulatory Fee

Mr. Nelson stated MTS Taxicab Administration staff has received multiple requests from permit holders to allow alternate payment deadlines for the once a year vehicle regulatory fee. Trial payment options include allowing bi-annual payments for fiscal year 2020, and the possibility of quarterly payments for fiscal year 2021.

These alternatives are being discussed in an effort to facilitate payment options and provide relief to the financial impact resulting from the current and only available option of paying the regulatory fee in its entirety by the determined yearly deadline.

Mr. Majid, Mr. Banks and Ms. Tanguay recommended that the payment be optionally split in to two equal payments with the full payment due by June 10, 2019 rather than the proposed mandatory 1/2 payment by January 10, 2019 and half balance remaining due June 10, 2019. Mr. Majid also inquired about the ability to pay by credit card. Mr. Nelson said that he is currently working with MTS IT on the matter. He explained that this has been made a bit more difficult due to budget constraints and needing to ensure it will not be cost prohibitive. Mr. Nelson did emphasize that there will not be any extension to payment deadlines this year. Mr. Palmeri inquired what would happen if someone made the first payment by the January deadline but had a problem with their vehicle or some other situation before the second payment deadline. Mr. Nelson clarified that there are no refunds, although if the 2nd payment is made, there are other alternatives to preventing permit loss-such as indefinite voluntary surrender.

Mr. Nelson and committee members agreed that the matter of the two payments being optional could be further discussed at the next TAC meeting.

Action Taken

Mr. Tasem moved to approve the recommendation that the TAC approve proposed changes to when the Taxicab Administration Regulatory Fee may be paid., Ms. Tanguay seconded the motion, and the vote was 6 to 1 in favor, with Mr. Nahavandian and Mr. Nichols absent.

9. Next Meeting – TBD

10. Management and Committee Member Communications

Mr. Palmeri asked if Mr. Nelson personally had any ideas of what would help the struggling industry; Mr. Nelson responded complaint reduction, better customer service-particularly with preventable complaints, TNC regulation (state or local), and reduction of insurance company rating. He also suggested that the industry meet with their local politicians and City Council representatives. Mr. Palmeri mentioned that there are many states where both TNC's and for-hire vehicles are regulated by the same entity and that perhaps that is a possibility with MTS lobbyists. Mr. Nelson said that MTS, as the "parent company", is not here to advance the Taxicab Industry cause; MTS is here to advance the cause of MTS, which is to provide public transportation efficiently and at a profit. The Taxicab Administration Department is currently the best example of something close to that due to the symbiotic relationship with the Taxi Industry. Mr. Palmeri asked if it wouldn't be in Taxi Administrations best interest to try and lobby for local TNC regulation. Mr. Nelson explained that all lobbying, and/or regulatory changes must be approved by the CEO. He said he did recently present the possibility of a City Charter change to take over driver regulation from the Sheriff's Department to MTS. Unfortunately, there was not a sponsor but there may still possibilities in the future for changes that may benefit both the Industry and Taxicab Administration.

11. Adjournment

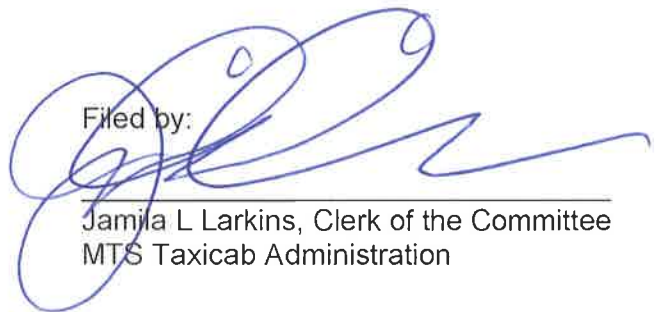
The meeting was adjourned at 10:58 am.

Accepted:



Leonardo Fewell
Taxicab Administration Manager

Filed by:



Jamila L 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): August 13, 2019

CALL TO ORDER (TIME): 10:00 a.m.

ADJOURN: 10:58 a.m.

COMMITTEE MEMBER (Alternate)	ORGANIZATION	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
Alfred Banks <input checked="" type="checkbox"/>	Taxicab Lease Driver	10:00 am	10:58 am
Akbar Majid <input checked="" type="checkbox"/>	Taxicab Owner/SDYC Holdings, LLC	10:00 am	10:58 am
Guillermo Morquecho <input checked="" type="checkbox"/> <input type="checkbox"/>	Taxicab Lease Driver	10:07 am	10:58 am
Houshang Nahavandian <input type="checkbox"/>	Taxicab Owner/ESM Corporation		
Marc Nichols <input type="checkbox"/> Michael Anderson <input type="checkbox"/>	San Diego County Regional Airport Authority		
Tony Palmeri <input checked="" type="checkbox"/> Michel Anderson <input type="checkbox"/>	San Diego Travelers Aid Society		
Margo Tanguay <input checked="" type="checkbox"/>	Taxicab Lease Driver	10:20 am	10:58 am
David Tasem <input checked="" type="checkbox"/>	Taxicab Lease Driver	10:00 am	10:58 am
Nasser Tehrani <input checked="" type="checkbox"/>	Taxicab Owner/N.A.T. Cab Co.	10:00 am	10:58 am
VACANT	Taxicab Lease Driver		
VACANT	Taxicab Owner		
VACANT	Taxicab Owner		
Sharon Cooney <input type="checkbox"/> non-voting	MTS Chief of Staff		
Leonardo Fewell <input checked="" type="checkbox"/> non-voting	MTS Taxicab Administration Regulatory Enforcement Supervisor	10:00 a.m.	10:58 am
Kenneth Nelson <input checked="" type="checkbox"/> non-voting	MTS Taxicab Administration Manager	10:00 a.m.	10:58 am
Samantha Leslie <input type="checkbox"/> non-voting	MTS Staff Attorney/Regulatory Compliance		

CLERK OF THE TAC: 

TAXICAB ADMINISTRATION MANAGER: 