



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda

TAXI 585.3

TAXICAB ADVISORY COMMITTEE MEETING
Friday, December 13, 2013
10:00 a.m.

James R. Mills Building
Board of Directors Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

1. Roll Call
2. Approval of Meeting Minutes – September 20, 2013
3. 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. Management/Member Communications
 - Contract Extension with City of San Diego
 - Insurance CSL Reduction
 - Passenger Bill of Rights



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

5. MTS Taxicab Advisory Committee Representative Appointment – Lease Driver Representative

Action would approve the appointment of Reza Solati, replacing Hussein Nuur.

6. 2014 Midyear Budget Adjustment

That the Taxicab Advisory Committee approve the Taxicab Administration 2014 Midyear Budget Adjustment.

7. Next Meeting – TBD

8. Adjournment

DSundh/Taxicab/Taxicab Advisory Committee
AGN-13-DEC13

DRAFT

METROPOLITAN TRANSIT SYSTEM Taxicab Advisory Committee Meeting

TAXI 585.3

September 20, 2013

10:00 a.m.

James R. Mills Building
Board Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego, CA 92101

Minutes

1. Roll Call

Chair Lorie Zapf called the meeting to order at 10:05 a.m. A roll call sheet is attached listing Taxicab Advisory Committee member attendance.

2. Approval of Meeting Minutes – June 14, 2013

Motion:

A motion was made by Mr. Akbar Majid to approve the meeting minutes from the meeting held on June 14, 2013. The motion was seconded by Mr. Antonio Hueso.

Vote:

The motion passed unanimously.

3. Public Comment – Non-agenda

None.

4. Committee Member and Management Communications

Mr. Kamran Hamidi addressed the chair, requesting that she use the weight of her office as City Councilmember to contact assembly member Tony Atkins and request that the Senate Bill (SB) 1534 effort regarding cameras in taxicabs be restarted. SB1534 was stalled in the state legislature last year. Ms. Zapf stated she would be happy to do so, and she would also contact Councilmember Marti Emerald.

Mr. Bill Kellerman provided the following information:

- Update – CPUC proposed rideshare decision:

Mr. Kellerman updated the Committee regarding the California Public Utilities Commission (PUC) requirements for private rideshare companies (Über, Über X, Lyft, and Sidecar), that were approved on September 19, 2013. These cars will now be required to apply with the PUC to be licensed, and will need to display a PUC number on the vehicle. Drivers would also need background checks and \$1M insurance coverage, and the vehicles would require safety inspections.

- Reminder on TAC Guidelines regarding membership eligibility requirements:

Mr. Kellerman reminded the Committee of the requirements in place to maintain eligibility for the TAC, and advised that it was recently brought to staff's attention that one of the driver representatives was no longer in possession of a Sheriff's Taxicab Driver Identification Card, and that he was not currently driving a taxicab. Therefore, he was ineligible to remain on the Committee. The next highest vote recipient would be contacted to inquire if they would be interested in serving for the remainder of the term.

Discussion:

Mr. Michele Anderson inquired as to who would be enforcing the PUC regulations for the rideshare vehicles, and Mr. Kellerman replied that since it was a state law, it was his hope that the PUC would provide enforcement, since it was the PUC's responsibility. MTS enforcement officers would also be able to provide a certain amount of enforcement, per the new additions to the MTS Ordinances. Ms. Zapf asked who would be inspecting the vehicles, and Mr. Kellerman stated there was no distinct process in place, as the PUC decision was only recently made. Ms. Zapf inquired if there were fines involved, and Mr. Kellerman replied that the companies had 60 days to comply with the requirements, and it was his hope that the state would begin to provide enforcement. There were still a number of details to work out.

Mr. Mike Staples added that the PUC would have to regulate the organizations rather than the vehicles, which would make it easier. Unless all the accreditations were met ahead of time, a driver would not be able to join one of the organizations.

Mr. Anderson asked Ms. Karen Landers if MTS could provide enforcement, and Ms. Landers replied that since the regulations had just been decided, she had not done the specific research to see if MTS would be barred from stepping in. She stated the ordinances would need to be evaluated and amended, but MTS inspectors currently had authority to enforce certain provisions listed in the ordinances. However, if they tried to enforce state law that was not listed in the ordinance, any citations issued would not stand up in court. Staff may need to coordinate with the Sheriff's Department to see what their plan is for conducting background checks.

Ms. Margo Tanguay advised that in the Union Tribune for 9/20/13, page A10, the new rules required a 19-point safety inspection of all ridesharing cars, and signs identifying their companies. She wondered if they would require business licenses in all the cities. Ms. Zapf said that this may operate the same as real estate, whereas the broker held the licenses, etc.

Mr. Hueso advised that there was a conversation at the WORM Subcommittee meeting regarding the hiring of additional enforcement officers at the expense of the industry in the form of additional regulatory fees. The function of those officers would be strictly to provide enforcement of illegal operators in the industry.

Ms. Edna Rains stated the Sheriff's Office would reach out to the PUC, and meet with them and MTS to see how enforcement would be provided, and to also educate themselves and their deputies.

Mr. Hamidi pointed out that Über was advertising on their Website as Über Taxi, and if the companies were advertising as taxis, they must have a MTS-issued number, per SB1519. Mr. Kellerman replied that MTS would take action if any of the companies were advertising without the MTS number.

Mr. Majid said Über Taxi had not yet launched in San Diego, but were in other places and would soon be in San Diego.

Ms. Zapf said that the City needed to look into this, since the number of taxicab permits was limited in the City in order to avoid too much competition. She felt it was not right or fair that these companies could just flood the market, and requested that a more in-depth report be provided for the next meeting. Mr. Kellerman stated he would provide an update at that time.

Mr. Hueso said Nordstrom's had already formed a relationship with Über, and since Nordstrom's was in San Diego, perhaps the SB could be enforced from that angle.

5. MTS Taxicab Advisory Committee Representative Appointment – San Diego Tourism Bureau (formerly ConVis)

Mr. Darren Pudgil, the representative appointed from the San Diego Tourism Bureau at the last TAC meeting, left the Bureau. A written request was received from Mr. Joe Terzi, CEO, proposing that the seat now be filled by Mr. Brian Hilemon, with Mr. Terzi as his alternate.

Motion:

A motion was made by Ms. Namara Mercer to approve the appointment of Mr. Brian Hilemon to the San Diego Tourism Bureau seat previously held by Mr. Darren Pudgil. The motion was seconded by Mr. Akbar Majid. Neither Mr. Hilemon, nor Mr. Terzi were present.

Vote:

The motion passed unanimously.

6. MTS Taxicab Advisory Committee Representative Appointment – San Diego County Regional Airport Authority (SDCRAA)

Because Mr. Clarke Galvin was no longer with the SDCRAA, a written request was received by the Authority proposing that the vacant seat be filled by Mr. David Boenitz.

Motion:

A motion was made by Mr. Hueso to approve the appointment of Mr. David Boenitz to the SDCRAA seat previously held by Mr. Clarke Galvin. The motion was seconded by Ms. Margo Tanguay.

Vote:

The motion passed unanimously.

7. Proposed Passenger Bill of Rights

Mr. Kellerman presented the proposed Passenger Bill of Rights that was discussed at the WORM Subcommittee meeting, stating it was very similar to what the airport currently had in place, and that it would be used at the airport, as well as in other non-airport vehicles. He said if approved, the new Passenger Bill of Rights would be on a contrasting background for easier readability.

Public Comment:

Mr. Abebe Anatallo – 4265 Fairmount Avenue, Suite 180 – 619.200.6245

Mr. Anatallo conceded his three minutes to Ms. Sara Saez.

Sara Saez – United Taxi Workers of San Diego – 4265 Fairmount Avenue, Suite 180

Ms. Saez began by stating that she felt it was inappropriate that Mr. Anderson was alternate for Anthony Palmeri on the Traveler's Aid Society, since both of them owned permits, and that she would be following up with both MTS legal counsel and the City.

Ms. Saez stated that she would be submitting her verbal statement, in writing to MTS, regarding the fact that since drivers were considered independent businessmen, the fact that the Bill of Rights stated a passenger had the right to "an English-speaking driver" was unfair, and did not appear anywhere in the Ordinance. The fact that the driver was required to take the training class and pass an English proficiency test meant that it was understood that the driver spoke English. It was her opinion that leaving this in the Bill of Rights would cause a more stressful work environment. She added that the item regarding passengers having the right to expect assistance with their luggage should be stricken, since the Ordinance specifically stated in Section 2.4(c), (2) and (3) that a driver did not have to lift bags over 25 lbs., nor lift them at all if they had a medical condition. She provided a handout of a driver bill of rights from Los Angeles, and said she felt drivers deserved to have the same treatment as passengers.

Discussion:

Mr. Hueso said that regarding assisting passengers with luggage, the Ordinance gave the driver an opportunity to exclude him- or herself for the reasons listed in that section (heavier than 25 lbs., or that the driver is unable to lift because of medical issues), and the driver had the option of citing that section. He asked that Ms. Landers address the issue from a legal point of view. Ms. Landers replied that regarding requiring a driver to speak English, she had not done any specific research, but the list was meant to summarize the requirements, some of which were in the Ordinance, and some of which were in the driver training program. If it was not currently stated in the Ordinance, it could certainly be added. There is a certain level of English necessary in order to pass the tests.

Ms. Zapf said that the Bill of Rights did not specify "only English-speaking," and she did not feel that it would imply that someone must only speak English. She stated she would feel more comfortable if she could communicate with a taxi driver.

Mr. Hamidi requested the addition of MTS Ordinance No. 11, Section 2.4(c) (1), which states, "*A driver is not obligated to transport any person who is verbally or otherwise abusive to the driver,*" at the end of the document.

Ms. Zapf also suggested that the wording be more condensed so that it did not take up more space than necessary.

Ms. Tanguay requested that "unless music is requested by the passenger" be deleted.

Motion:

A motion was made by Mr. Hamidi, and seconded by Ms. Tanguay, to accept the proposed Passenger Bill of Rights with the deletion of the wording, "unless music is requested by the passenger," and the addition of the portion of Section 2.4(c) (1), and forward a recommendation to the MTS Board for approval.

Vote:

The motion passed unanimously.

8. Insurance Requirements

Ms. Landers addressed the Committee, stating that lowering the insurance rates would be a major policy decision, and would need to go through the City of San Diego to their committees and to the City Council, before MTS would take any action. Currently, MTS only had a one-year contract with the City of San Diego. Since the City's last communication with MTS stated they intended to take back taxicab regulation effective July 1, 2014, subject to the City needing additional time for transition, MTS would not be in a position to make major policy decisions until such time as that decision had been made. If the City took back taxicab regulation, it would be a decision made purely at the City level. If the City decided to continue to have MTS regulate taxicabs, the procedure would be to have a recommendation from the TAC, which would go to the City (probably the Public Safety and Neighborhood Services (PS&NS) Committee); then to the City Council for approval, and back to the MTS Board for approval. She recommended that

the matter be deferred to the next TAC meeting with the hope that by then the City would have advised if they intended to take back taxicab regulation, or negotiate a longer-term agreement with MTS, at which point, MTS would be more prepared to take up this issue.

Ms. Zapf suggested the Committee move this item forward as an information item. She asked for clarifying questions.

Mr. Majid corrected the WORM Subcommittee minutes, stating that the previous insurance was not \$300k CSL, but split limits of \$100-\$300-\$50. He stated the issue came up when the airport decided to increase their limits to \$1M, and the WORM and MTS staff decided it would be easier to have the same limits. The matter then went before the TAC. When the limits were raised, it never went through the City of San Diego. It was only decided at the TAC, and then went to the MTS Board, at which time it was approved and implemented **(note: this did not go to the MTS Board)**.

Ms. Landers stated that it was a lot easier to raise insurance limits, which provided additional coverage and protection to the public, than it was to lower them. MTS staff would not be comfortable having the MTS Board make a decision to lower the rates without first having it go through the City. This would be considered a potential public safety issue, and anything that was a potential political issue of that nature was a policy decision that MTS was contractually required to refer back to the San Diego City Council.

Mr. Hueso replied that he would like to recommend that the conversation continue, since this was the reason for placing it on the agenda and it was a major benchmark for the industry regarding availability of insurance. If insurance was not available at affordable rates, it would put the industry in jeopardy, and the industry would not be able to provide a service where drivers, permit holders, and the industry would benefit. Choices in carriers would be more limited, so it was a pressing matter and would affect the bottom line overall. Consumers would be affected.

Ms. Zapf stated the Committee was starting to get into discussion, and asked if there were any questions. Mr. Hamidi said he supported Mr. Majid and Mr. Hueso to keep the item as an action item. Ms. Zapf again stated the conversation was getting into discussion.

Public Comment:

Mikail Hussein – United Taxi Workers of San Diego, 4265 Fairmount Avenue, #180, San Diego, CA 92105, 619.225.7355

Mr. Hussein said that the statement in the minutes of the WORM Subcommittee regarding the fact that the increase in premiums was passed on to the drivers in their leases, or lower their leases, was not true. He said the drivers would not benefit if the insurance amount was decreased, and that the rates of fare were already set. He felt this needed to go to the public and the City Council.

Masoud Shahri – BB&T Insurance, 750 B Street, #2400, San Diego, CA, 619.525.2849

Mr. Shahri provided a handout outlining taxicab insurance requirements in various municipalities. He stated that he had been a broker for taxicab insurance for over 30 years, and that because of the \$1M CSL, the higher premiums for insurance would

actually benefit him personally, but he wanted to point out some of the problems involved with the \$1M requirement. He said there were less than ten companies that provided insurance for taxicabs, and while San Diego used to have some of the lowest rates, because of the \$1M CSL, he could not get any company to write insurance in the City, even though it had one of the lowest accident rates. He said that many of the cities on the handout were much larger and had many more taxicabs than San Diego, and that Los Angeles and New York only required \$100-\$300-\$100 split limits. Only 1 to 5 of the 10 companies would even be interested in writing taxicabs at the \$1M CSL, and those companies were imposing very strict rules as to who could have insurance. In February 2013, it was chaos when everyone's insurance renewed. Some people paid as much as \$7k, and some went to assigned risk.

Discussion:

Ms. Tanguay reminded the Committee that the reason the coverage went to \$1M was because the airport increased their requirement to \$1M. She asked Mr. Boenitz if, after hearing some of the problems, the airport would entertain lowering their requirements, and he replied that he could certainly take the issue back to the airport's legal counsel to find out the underlying issue of raising the amount, but currently the airport had no intention of lowering their insurance requirement.

Ms. Zapf inquired if the reason the amount was originally raised was to be consistent with the airport, and asked if every taxicab picking up at the airport had to have \$1M, and Mr. Boenitz stated this was accurate. She then asked if there were other taxicabs that did not pick up at the airport that could have a lower limit. Mr. Majid stated that there were in excess of 700 taxicabs that did not operate at the airport that would benefit from the lower limit and that when the requirements were first raised to \$1M, the premiums were reasonable, but they were now cost prohibitive. He also felt that the issue should go before the City Council, along with the Passenger Bill of Rights. Mr. Abraham stated the only ones benefiting were the insurance companies and it was hurting everyone else. Ms. Zapf asked if there was a written table of how much the premiums had increased, and Mr. Majid replied that the premium was between \$3200-\$3800 for the first year for \$1M, and then increased on renewal to \$6000-\$8000, and those who were only paying only \$6000 had a \$25,000 deductible. Come next renewal there may be no insurance available at all.

Ms. Landers said there was a lot more information that would need to be provided before the matter went before the Board or to the City, and that she had seen no supportive reports or data about the effects on the rates and the ability to get insurance, nor any loss runs regarding if the full limits over \$300k had been used in any cases in San Diego since the \$1M had gone into effect. She stated those were all things that the Board and the City Council would have questions about before they made a decision to lower any limits. She suggested that those interested submit some of this documentation to Mr. Kellerman so staff could be working on this issue while they figured out whether it was going solely to the City, since the City was taking over taxicab administration, or would it go to the City and back to MTS. Ms. Zapf stated that while there was no word yet, the interim mayor, Todd Gloria, was looking at this issue and she was hopeful there would be a decision in the near future.

Ms. Sharon Cooney assured the Committee that the dialog should continue on the issue as it was important to the industry, but as it was the TAC that proposed the rise in the levels of insurance, MTS wanted it to be fully vetted, and to have the other cities that MTS served be involved in the process. She said the dialog should be continued, and

the Committee would be informed as the issue moved forward. Ms. Zapf asked if the City of San Diego was sued, and one of the members said that it was. Ms. Cooney stated that the City indemnified MTS, and that any decisions made by MTS were indemnified by the City of San Diego and the other cities MTS served.

Mr. Hamidi said that his recollection was that the Stingaree accident happened after the limits were raised. He also said that in the 1990's there was an insurance issue and everyone was out of service. He felt that if this issue got delayed going to the City and through all of the other channels, companies would again go out of business, if the limits were not lowered by February 2014. He also said that he would like loss run reports to be required to be provided to MTS at the end of each year by each insurance company to show exactly how much was paid out in insurance claims each year. This would allow MTS to do an accurate risk assessment.

Ms. Zapf suggested taking action as to what the Committee, as a body, would wish, but to defer to staff as to when to put it on the agenda, since more factual backup information was required.

Ms. Landers said the Committee could make a recommendation, and that staff could put together a presentation and work with the City to determine to which committees it would go, but either way, it must go to the City first, regardless of whether the City was taking over taxicab regulation. She said she would work with Mr. Kellerman to come up with the type of evidence needed to support the issue when it went to the City so that there was information on record to support the action. She agreed with Mr. Hamidi that the loss run report would be a significant piece of information. If there were evidence that the \$1M limits had never been exhausted, it would help support the fact that the public would not be harmed by lowering the limits. Board members would need to have that type of information before they made that decision. Ms. Landers said she would work with Mr. Kellerman to come up with a list to issue to the permit holders requesting them to submit information to support this decision, and if there were not enough responses, potentially it could be assumed that those that did not respond had high loss runs that they did not want to disclose. There would need to be a sufficient amount of participation in order to provide the information required by the Board to make the decision.

Mr. Majid stated that he agreed with Ms. Landers, and would supply all of the backup information as needed, and whenever Mr. Kellerman needed the information, it could be supplied. He moved that the Committee accept the recommendation of the WORM to lower the insurance limits to \$500k.

Ms. Cooney said that the Board's agenda was set by the Executive Committee with the Chair of the Board and even if the TAC voted to recommend putting it on the Board agenda, staff would not recommend it as an action item for the Board of Directors. It would need to go through the process that counsel had recommended. She said that the TAC could vote, but the ultimate outcome could not be decided by that vote. Mr. Anderson said that was understood, and he thought members were comfortable with that, but he felt it would be good that the Board members understood the will and spirit of the Committee.

Mr. Hueso referenced Mr. Hussein's public statement that drivers did not benefit, and said that some members of the industry did not increase their leases when the premiums increased, and the insurance did affect drivers because if a permit holder could not replace his vehicle because he was paying high insurance rates, it impacted the drivers because they would not get a higher quality vehicle. He also said that there was

actuarial data available already. He said there were attorneys that would sue for the highest limit.

Mr. Boenitz once again stated that the airport had no intention of reviewing their insurance limit requirements, so whatever was decided would ultimately need to go to the airport board for consideration.

Ms. Zapf said she would be happy to expedite putting the item on the City Council and/or appropriate committee agenda at the City once she had the information. Mr. Hueso asked Ms. Zapf for guidance as to where to take the issue first, and Ms. Zapf replied that once the information was available, since she was the vice-chair of the PS&NS Committee, she could get the item on that agenda. She said she thought there was a meeting scheduled for the end of October, but she would double-check and advise. She suggested the information be compiled in time for that meeting.

Mr. Hamidi said that when MTS went to \$1M, the county also raised their requirement to \$1M. He suggested that MTS take the loss run report to the county and to the airport so everyone could do it together. When it increased to \$1M, there was a meeting at the county that Mr. Anthony Palmeri and Mr. Majid attended, so the county would need to "play along" as well.

Motion:

A motion was made by Mr. Majid and seconded by Mr. Hamidi to forward a recommendation that the minimum requirement be reduced to \$500k CSL coverage and the parties that were able to provide the loss run reports submit the information to MTS to support the recommendation moving forward through the City of San Diego and the MTS Board of Directors.

Vote:

The motion passed, with two opposed; Mr. Mike Staples and Mr. David Boenitz. Mr. Brian Hilemon was absent, and there was one driver representative vacancy on the Committee.

9. Next Meeting – December 13, 2013, 10:00 a.m.

10. Adjournment

The meeting was adjourned at 11:20 a.m.

Accepted:

Filed by:

Lorie Zapf, Chair
MTS Taxicab Advisory Committee

Office of the Clerk
MTS Taxicab Administration

DSUNDH/Taxicab/Taxicab Committee/2013/MIN
MIN-13-SEPT20

**METROPOLITAN TRANSIT SYSTEM
TAXICAB COMMITTEE MEETING
ROLL CALL SHEET**

DATE: SEPTEMBER 20, 2013

CALL TO ORDER TIME: 10:05 A.M.

ADJOURN TIME: 11:20 A.M.

MEMBER NAME		ORGANIZATION	ALTERNATES	
LORIE ZAPF (nonvoting)	<input checked="" type="checkbox"/>	MTS Board of Directors/SD City Counsel		
GEORGE ABRAHAM	<input checked="" type="checkbox"/>	Eritrean Cab Co.		
DAVID BOENITZ	<input checked="" type="checkbox"/>	S.D. County Regional Airport Authority		
ALEXANDER GEBRESELASSIE	<input checked="" type="checkbox"/>	Cross Town Transportation, LLC		
KAMRAN HAMIDI	<input checked="" type="checkbox"/>	V.I.P. Cab		
CAMERON HARATIAN	<input checked="" type="checkbox"/>	P. B. Cab	ANOOSH AMAN, Space Cab	<input type="checkbox"/>
BRIAN HILEMON	<input type="checkbox"/>	S.D. Tourism Authority	JOE TERZI	<input type="checkbox"/>
TONY HUESO	<input checked="" type="checkbox"/>	USA Cab LTD		
JOSH LAYNE	<input type="checkbox"/>	S.D. Convention Center	DARYL MAYEKAWA	<input checked="" type="checkbox"/>
BERHANU LEMMA	<input checked="" type="checkbox"/>	Lease Driver Representative		
AKBAR MAJID	<input checked="" type="checkbox"/>	SDYC Holdings, LLC		
NAMARA MERCER	<input checked="" type="checkbox"/>	Greater S.D. Hotel/Motel Association		
HUSHANG NAHAVANDIAN	<input checked="" type="checkbox"/>	ESM Corp.		
OPEN	<input type="checkbox"/>	Lease Driver Representative		
TONY PALMERI	<input type="checkbox"/>	S.D. Travelers Aid Society	MICHEL ANDERSON	<input checked="" type="checkbox"/>
MIKE STAPLES	<input checked="" type="checkbox"/>	Greater S.D. Hotel/Motel Association Catamaran Hotel		
MARGO TANGUAY	<input checked="" type="checkbox"/>	Lease Driver Representative		

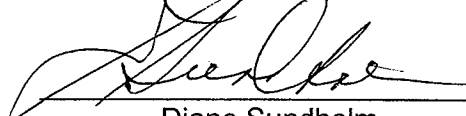
MTS Representatives Present (nonvoting):

Others Present (nonvoting): ☒

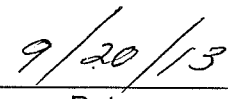
PAUL C. JABLONSKI, MTS Chief Executive Officer	<input type="checkbox"/>	STEVE CELNIKER, City of S.D. Liaison/ SANDAG	<input checked="" type="checkbox"/>
SHARON COONEY, MTS Chief of Staff	<input checked="" type="checkbox"/>	PETER KANELOS, City of S.D.	<input checked="" type="checkbox"/>
BILL KELLERMAN, MTS Taxicab Administration Manager	<input checked="" type="checkbox"/>	EDNA RAINS, S.D. County Sheriff (nonvoting member)	<input checked="" type="checkbox"/>
KAREN LANDERS, MTS General Counsel	<input checked="" type="checkbox"/>		

CLERK OF THE TAXICAB COMMITTEE:

TAXICAB ADMINISTRATION MANAGER:


Diane Sundholm


Bill Kellerman


Date



1255 Imperial Avenue, Suite 1000
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TAXI 585.3

Agenda

Item No. 5

Taxicab Advisory Committee

December 13, 2013

Subject:

MTS TAXICAB ADVISORY COMMITTEE REPRESENTATIVE APPOINTMENT –
LEASE DRIVER REPRESENTATIVE

RECOMMENDATION:

Action would approve the appointment of Reza Solati, replacing Hussein Nuur.

Budget Impact:

None.

DISCUSSION:

Staff requests the Taxicab Advisory Committee accept Mr. Resa Solati as the lease driver representative on the Committee (Attachment A). Mr. Solati would fill the seat formerly held by Mr. Hussein Nuur.

Bill Kellerman
Taxicab Administration Manager

Key Staff Contact: Bill Kellerman, 619.595.7034, Bill.Kellerman@sdmts.com

Attachment: A. MTS Taxicab Administration staff Lease Driver replacement log

DSUNDH/Taxicab
13-DEC13.AI5-LEASE DRVR. REP.-R.SOLATI



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc. in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.



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Memorandum

TAXI 585.3 (TAC), 585.11

DATE: December 2, 2013

TO: File, MTS Taxicab Advisory Committee

FROM: Diane Sundholm, Clerk
MTS Taxicab Advisory Committee

SUBJECT: TAXICAB ADVISORY COMMITTEE – LEASE DRIVER REPRESENTATIVE
REPLACEMENT EFFORTS

November 2011

Mr. Hussein Nuur was elected in a special election in November 2011 as a TAC Lease Driver Representative to serve on the TAC for the remainder of the 3-year term 1/2012 through 12/2013.

September 16, 2013

Certified letter sent to Mr. Hussein Nuur advising him that he was no longer eligible to sit on the TAC because the Sheriff's Licensing Division advised Mr. Nuur did not have a current San Diego County Sheriff *Taxicab Driver Identification Card*, and was no longer driving a taxicab in the MTS areas of jurisdiction.

Mr. Abebe Anatallo, the recipient of the next highest number of votes, was ineligible because he no longer held a San Diego County Sheriff *Taxicab Driver Identification Card*, and was not currently a lease driver in the MTS areas of jurisdiction, according to the Sheriff's Licensing Division.

October 1, 2013

Certified letter sent to Mr. Noor Tayeser, the recipient of the next highest number of votes, inviting him to serve on the TAC. Mr. Tayeser called Bill Kellerman and stated it was no longer his desire to serve.

October 28, 2013

Certified letter sent to Mr. Mohamed Hussein, the recipient of the next highest number of votes, inviting him to serve on the TAC as Lease Driver Representative.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

November 15, 2013

No response to letter as of this date. Telephone call made by staff (619.288.1369) in an attempt to contact Mr. Mohamed Hussein. Voicemail message left, including a callback number, requesting that Mr. Hussein return the call to the Taxicab Administration office regarding his availability and desire to serve on the TAC.

November 21, 2013

No response to telephone call of November 15. Staff called again, and left second voicemail message outlining purpose of call, and including name and callback number.

November 25, 2013

No response to second telephone call of November 21 to Mr. Mohamed Hussein.

November 25, 2013

Certified letter sent to Mr. Reza Solati, the recipient of the next highest number of votes, inviting him to serve on the TAC as Lease Driver Representative.

December 2, 2013

Mr. Reza Solati telephoned Bill Kellerman and accepted the invitation to sit as replacement Lease Driver Representative, replacing Mr. Hussein Nuur.

DSUNDH/Taxicab
M-FILE-TAC DRVR. REP. REPLACEMENT



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda Item

Item No. **6**

Taxicab Advisory Committee

December 5, 2013

SUBJECT:

MTS: FY 2014 MIDYEAR ADJUSTMENT

RECOMMENDATION:

That the Taxicab Advisory Committee approve the Taxicab Administration FY 2014 Midyear Budget Adjustment

Budget Impact

The midyear budget amendment will increase the operating expense budget by \$37,000.

DISCUSSION:

FY 2014 Midyear Adjustment

Revenues. Taxicab Administration receives operating revenue from annual regulatory fees and other processing fees. The total budgeted operating revenue is \$865,000, and remains unchanged in the midyear adjustment.

The Taxicab Administration budget requires full cost recovery. When expenses exceed revenues, funds from the contingency reserves are used to balance the budget. The midyear budget assumes \$196,000 of contingency reserves, an increase of \$37,000 from the original budget.

Expenses. Total operating expenses resulted in a \$37,000 unfavorable midyear adjustment, increasing the operating budget to \$940,000.



Total outside services are projected to increase by \$37,000 with the amended midyear budget. \$25,000 of this increase is due to the unspent funds for the approved Fare Study, the funds in the FY 2013 Budget were not spent. \$15,000 of this increase is due to an IT project that has been carried forward from the FY 2013 Budget. Staff projects a favorable midyear adjustment of \$4,000 for management training and an unfavorable midyear adjustment of \$1,000 for operating training.

At this time, staff has no projected changes for the MTS overhead allocation and this costs remains at \$121,000. However, as MTS completes its midyear budget adjustment in March of 2014, this amount may change as appropriate, which will be offset by a corresponding adjustment to the contingency reserves.

Contingency Reserves. The original FY 2014 budget projected a contingency reserve balance of \$72,000 for the end of FY 2014. The audited results for FY 2013 produced a favorable variance to contingency reserves of \$62,000. The adjusted FY 2013 year-end contingency reserve balance was \$292,000. The original FY 2014 budget provided for a usage of \$159,000 in contingency reserves. The midyear budget adjustment increases the usage of contingency reserves by \$37,000 totaling \$196,000. The adjusted FY 2014 contingency reserve balance is projected to be \$97,000.



Bill Kellerman

Taxicab Administration Manager

Key Staff Contact: Key Staff Contact: Bill Kellerman, 619.595.7034, bill.kellerman@sdmts.com

Attachment: A. Summary report of the FY 2014 midyear budget adjustment
B. Detailed report of the FY 2014 midyear budget
C. Contingency reserve balance report
D. Comparison of FY 2014 Actual to Budget

DSUNDH/Taxicab
AI6-13-DEC13-FY14 MIDYEAR BUDGET

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADMINISTRATION (761)
OPERATING BUDGET - CONSOLIDATED
FISCAL YEAR 2014**

Att. A., AI6, TAC, 12/13/13

	ACTUAL FY13	ORIGINAL BUDGET FY14	AMENDED BUDGET FY14	\$ CHANGE AMENDED/ ORIGINAL	% CHANGE AMENDED/ ORIGINAL
OPERATING REVENUE					
PASSENGER REVENUE	-	-	-	-	-
ADVERTISING REVENUE	-	-	-	-	-
CONTRACT SERVICE REVENUE	-	-	-	-	-
OTHER INCOME	883,985	865,000	865,000	-	0.0%
TOTAL OPERATING REVENUES	883,985	865,000	865,000	-	0.0%
NON OPERATING REVENUE					
SUBSIDY REVENUE	-	-	-	-	-
RESERVE REVENUE	107,822	159,241	195,901	36,660	23.0%
OTHER INCOME	-	-	-	-	-
TOTAL NON OPERATING REVENUE	107,822	159,241	195,901	36,660	23.0%
TOTAL COMBINED REVENUES	991,807	1,024,241	1,060,901	36,660	3.6%
OPERATING EXPENSES					
LABOR EXPENSES	448,938	457,926	457,926	-	0.0%
FRINGE EXPENSES	145,491	152,634	152,635	0	0.0%
TOTAL PERSONNEL EXPENSES	594,429	610,561	610,561	0	0.0%
SECURITY EXPENSES	-	-	-	-	-
REPAIR/MAINTENANCE SERVICES	10,695	10,000	10,000	-	0.0%
ENGINE AND TRANSMISSION REBUILD	-	-	-	-	-
OTHER OUTSIDE SERVICES	146,729	157,500	194,160	36,660	23.3%
PURCHASED TRANSPORTATION	-	-	-	-	-
TOTAL OUTSIDE SERVICES	157,424	167,500	204,160	36,660	21.9%
LUBRICANTS	-	-	-	-	-
TIRES	-	-	-	-	-
OTHER MATERIALS AND SUPPLIES	21,113	7,000	7,000	-	0.0%
TOTAL MATERIALS AND SUPPLIES	21,113	7,000	7,000	-	0.0%
DIESEL FUEL	3,868	5,000	5,000	-	0.0%
CNG	-	-	-	-	-
TRACTION POWER	-	-	-	-	-
UTILITIES	5,597	5,000	5,000	-	0.0%
TOTAL ENERGY	9,465	10,000	10,000	-	0.0%
RISK MANAGEMENT	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	103,161	108,370	108,370	-	0.0%
DEBT SERVICE	-	-	-	-	-
VEHICLE / FACILITY LEASE	-	-	-	-	-
TOTAL OPERATING EXPENSES	885,592	903,431	940,091	36,660	4.1%
NET OPERATING SUBSIDY	(1,607)	(38,431)	(75,091)	(36,660)	-95.4%
OVERHEAD ALLOCATION	(106,215)	(120,810)	(120,810)	-	0.0%
ADJUSTED NET OPERATING SUBSIDY	(107,822)	(159,241)	(195,901)	(36,660)	-23.0%
TOTAL REVENUES LESS TOTAL EXPENSES	0	(0)	(0)	0	100.0%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADMINISTRATION (761)
OPERATING BUDGET - DETAIL
FISCAL YEAR 2014**

	ACTUAL FY13	ORIGINAL BUDGET FY14	AMENDED BUDGET FY14	\$ CHANGE BUDGET/ AMENDED	% CHANGE BUDGET/ AMENDED
OPERATING REVENUE					
OTHER INCOME					
42410 TAXI VEHICLE ANNUAL REGULATORY FEES	628,500	620,000	620,000	-	0.0%
42420 TAXI PROCESSING FEES	241,475	225,000	225,000	-	0.0%
42990 OTHER INCOME	14,010	20,000	20,000	-	0.0%
TOTAL OTHER INCOME	883,985	865,000	865,000	-	0.0%
TOTAL OPERATING REVENUES	883,985	865,000	865,000	-	0.0%
NON OPERATING REVENUE					
49110 CONTINGENCY RESERVES	107,822	159,241	195,901	36,660	23.0%
TOTAL NON OPERATING REVENUE	107,822	159,241	195,901	36,660	23.0%
TOTAL COMBINED REVENUES	991,807	1,024,241	1,060,901	36,660	0
OPERATING EXPENSES					
LABOR EXPENSES					
50201 ADMINISTRATIVE WAGES REGULAR	447,194	455,555	455,555	-	0.0%
50202 ADMINISTRATIVE WAGES OVERTIME	1,744	2,371	2,371	-	0.0%
TOTAL LABOR EXPENSES	448,938	457,926	457,926	-	0.0%
FRINGE EXPENSES					
52310 HEALTH & WELFARE - MGMT	87,654	93,790	93,790	0	0.0%
52420 VACATION - REGULAR CASH BASIS	31,404	32,692	32,692	-	0.0%
52430 HOLIDAY	25,714	26,153	26,153	-	0.0%
52490 OTHER PAID ABSENCE	719	-	-	-	-
TOTAL FRINGE EXPENSES	145,491	152,634	152,635	0	0.0%
TOTAL PERSONNEL EXPENSES	594,429	610,561	610,561	0	0.0%
OUTSIDE SERVICES EXPENSES					
REPAIR/MAINTENANCE SERVICES					
53620 NON REV VEHICLE MAINTENANCE SERVICES	3,863	2,000	2,000	-	0.0%
53630 FACILITY MAINTENANCE REPAIR SVC	6,325	6,000	6,000	-	0.0%
53650 EQUIP MAINTENANCE REPAIR SVC	506	2,000	2,000	-	0.0%
TOTAL REPAIR/MAINTENANCE SERVICES	10,695	10,000	10,000	-	0.0%
OTHER OUTSIDE SERVICES					
53110 GENERAL LEGAL EXPENSES	74,428	20,000	20,000	-	0.0%
53114 PROFESSIONAL SERVICES	1,097	2,000	17,000	15,000	750.0%
53430 MANAGEMENT TRAINING	-	-	800	800	-
53450 OPERATOR TRAINING	13,695	18,000	13,860	(4,140)	-23.0%
53720 GENERAL SERVICE AGREEMENTS	1,460	-	-	-	-
53750 OTHER PRINTING SERVICES	2,668	2,500	2,500	-	0.0%
53910 GENERAL OUTSIDE SERVICES	53,261	115,000	140,000	25,000	21.7%
53940 UNIFORM CLEANING	-	-	-	-	-
TOTAL OTHER OUTSIDE SERVICES	146,729	157,500	194,160	36,660	23.3%
TOTAL OUTSIDE SERVICES	157,424	167,500	204,160	36,660	21.9%
MATERIALS AND SUPPLIES					
OTHER MATERIALS AND SUPPLIES					
54530 MAINTENANCE SUPPLIES (NON REV VEHICLES)	8,074	2,000	2,000	-	0.0%
54540 MAINTENANCE SUPPLIES (FACILITIES)	13,039	5,000	5,000	-	0.0%
TOTAL OTHER MATERIALS AND SUPPLIES	21,113	7,000	7,000	-	0.0%
TOTAL MATERIALS AND SUPPLIES	21,113	7,000	7,000	-	0.0%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADMINISTRATION (761)
OPERATING BUDGET - DETAIL
FISCAL YEAR 2014**

	ACTUAL FY13	ORIGINAL BUDGET FY14	AMENDED BUDGET FY14	\$ CHANGE BUDGET/ AMENDED	% CHANGE BUDGET/ AMENDED
ENERGY					
DIESEL FUEL					
54210 GASOLINE	3,868	5,000	5,000	-	0.0%
TOTAL DIESEL FUEL	3,868	5,000	5,000	-	0.0%
UTILITIES					
55210 FACILITY ELECTRIC	3,616	3,000	3,000	-	0.0%
55510 TELEPHONE	1,981	2,000	2,000	-	0.0%
TOTAL UTILITIES	5,597	5,000	5,000	-	0.0%
TOTAL ENERGY	9,465	10,000	10,000	-	0.0%
GENERAL AND ADMINISTRATIVE					
53130 RENT	89,000	91,670	91,670	-	0.0%
54910 OFFICE SUPPLIES	4,293	5,000	5,000	-	0.0%
59110 DUES AND SUBSCRIPTIONS	1,021	700	700	-	0.0%
59210 TRAVEL AND MEETINGS	4,384	5,000	5,000	-	0.0%
59510 POSTAGE	3,625	5,000	5,000	-	0.0%
59990 OTHER MISC.	802	1,000	1,000	-	0.0%
TOTAL GENERAL AND ADMINISTRATIVE	103,161	108,370	108,370	-	0.0%
TOTAL OPERATING EXPENSES	885,592	903,431	940,091	36,660	4.1%
NET OPERATING SUBSIDY	(1,607)	(38,431)	(75,091)	(36,660)	95.4%
OVERHEAD ALLOCATION					
53980 ALLOCATION CHARGES IN	(106,215)	(120,810)	(120,810)	-	0.0%
53990 ALLOCATION CHARGES OUT	-	-	-	-	-
TOTAL OVERHEAD ALLOCATION	(106,215)	(120,810)	(120,810)	-	0.0%
ADJUSTED NET OPERATING SUBSIDY	(107,822)	(159,241)	(195,901)	(36,660)	23.0%
TOTAL REVENUES LESS TOTAL EXPENSES	0	(0)	(0)	0	-100.0%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADMINISTRATION
RESERVES ANALYSIS**

Contingency Balance - FY 2012	401,025
Fiscal Year 2013 (Audited)	
Contributions / (Usage)	(107,822)
Capital Spending	-
Contingency Balance - FY 2013 (Audited)	293,203
Fiscal Year 2014 (Amended Budget)	
Contributions / (Usage)	(95,901)
Fare Study	(100,000)
Contingency Balance - FY 2014 (Amended Budget)	97,302

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Att. D, AI6, TAC, 12/13/13

OTHER ACTIVITIES
TAXICAB ADMINISTRATION

COMPARISON TO BUDGET - FISCAL YEAR 2014

OCTOBER 31, 2013

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	15	20	(5)	-24.2%
Total Operating Revenue	\$ 15	\$ 20	\$ (5)	-24.2%
Personnel costs	\$ 45	\$ 50	\$ 5	9.3%
Outside services	4	14	10	72.0%
Transit operations funding	-	-	-	-
Materials and supplies	0	1	0	62.5%
Energy	2	1	(1)	-116.9%
Risk management	-	-	-	-
General & administrative	10	9	(1)	-10.1%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	10	10	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 71	\$ 85	\$ 13	15.8%
Operating income (loss)	\$ (56)	\$ (64)	\$ 8	13.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (56)	\$ (64)	\$ 8	-13.1%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	74	82	(7)	-9.0%
Total Operating Revenue	\$ 74	\$ 82	\$ (7)	-9.0%
Personnel costs	\$ 192	\$ 203	\$ 10	5.1%
Outside services	13	56	43	77.0%
Transit operations funding	-	-	-	-
Materials and supplies	1	2	2	74.6%
Energy	5	3	(1)	-38.6%
Risk management	-	-	-	-
General & administrative	34	36	2	6.2%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	40	40	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 285	\$ 341	\$ 57	16.6%
Operating income (loss)	\$ (211)	\$ (260)	\$ 49	18.9%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (211)	\$ (260)	\$ 49	-18.9%