



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

Agenda

Taxicab Advisory Committee Meeting

TAXI 585.3

July 2, 2015

10:00 a.m.

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

1. Roll Call
2. Approval of Meeting Minutes – March 26, 2015
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. Please give a completed *Request to Speak* form to the Clerk of the Committee prior to roll call.

4. Committee Member and Management Communications

A. New City of San Diego Taxicab Permit Update
B. TAC Lease Driver Representative Vacancies
C. Taxicab Administration Staffing Update

5. MTS Administrative Penalty Guidelines

Action would make a recommendation to the MTS Board of Directors to approve proposed revisions to the *MTS Administrative Penalty Guidelines*.



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.

6. MTS Taxicab and For-hire Vehicle Insurance Requirements

Action would make a recommendation to the MTS Board of Directors to approve the proposed changes to the *MTS Taxicab and For-Hire Vehicle Insurance Requirements*, and MTS Ordinance No. 11, Section 1.9 (a) (1).

7. MTS Taxicab Administration Fiscal Year (FY) 2016 Budget

Action would receive the MTS Taxicab Administration FY 2016 Budget approved by the MTS Board of Directors on May 14, 2015.

8. Next Meeting - Thursday, September 24, 2015, 10:00 a.m.

9. Adjournment

DSundh/Taxicab
AGN-15-JUL2



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DRAFT

San Diego Metropolitan Transit System Taxicab Advisory Committee Meeting

TAXI 585.3

March 26, 2015

10:00 a.m.

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

Minutes

Note: Due to technical problems with recording, the following minutes for the Taxicab Advisory Committee meeting have been composed using MTS Taxicab Administration staff notes taken during the meeting. **Please refer to A17 and A18, regarding permit holder and lease driver elections.** During this vote, there was one member abstaining; however, the name of the member was not recorded. In order to correct this record, please assist the Clerk of the Committee by providing the identity of this member. In addition, if it is felt any other important items have been omitted and should be included, please contact MTS staff at 619.595.7034 prior to the meeting scheduled for Thursday, July 2, 2015.

1. Roll Call

The chair called the meeting to order at 10:03 a.m. A roll call sheet is attached listing Taxicab Advisory Committee member attendance.

2. Approval of Meeting Minutes – November 19, 2014

A motion was made to approve the meeting minutes from November 19, 2014.

Vote:

The motion passed unanimously.

Yay: Abraham, Boenitz, Hamidi, Haratian, Hilemon, Hueso, Lemma, Majid, Nahavandian, Palmeri, Solati

Nay: 0

Abstain: 0

Absent: Gebreselassie, Layne, Mercer, Staples, Tanguay



3. Non-agenda Public Comment

Mr. Mikail Hussein, UTWSD, 4265 Fairmount Avenue, #180, San Diego, CA 92105, 619.255.7355

Mr. Hussein stated that he felt that although many of the issues had been resolved, there were still many more issues. He said it was his hope that MTS and the UTWSD would continue working together to resolve those issues.

4. Committee Member and Management Communications

Member Communications:

Mr. Kamran Hamidi - Mr. Hamidi stated that at a previous meeting, it was discussed that Ms. Cole would take the issue of lowering the insurance requirements to the City Council. Ms. Sharon Cooney replied that there was a meeting scheduled for that day, and that she would report the results back to the Committee.

Management Communications:

Mr. Bill Kellerman – Verbal Report

Update – New City of San Diego permitting process - Mr. Kellerman first introduced Ms. Samantha Leslie, MTS Staff Attorney. He then provided an update regarding the new City of San Diego permitting process, stating that as of the date of the meeting, there had been over 800 Interest Forms received, most of which were from those persons requesting single permits. He said it was hoped that the application process would begin the second week of April.

Public Comment:

Ms. Sarah Saez, Program Director, UTWSD, 4265 Fairmount Avenue, #180, San Diego, CA 92105

Ms. Saez expressed concern regarding the permitting process, and said the one-on-one method was too time-consuming, and thought holding a group meeting would be better. She also felt the policy needed to be changed to allow applicants to bring a representative with them to assist with the process. Ms. Cooney replied that staff had discussed this issue, and were willing to allow an interpreter, but that staff felt the one-on-one method worked best.

Mr. Anthony Palmeri – Mr. Palmeri wondered if an interpreter was required to be certified by the court, and Mr. Kellerman replied that it was not necessary. Ms. Cooney added that staff had consulted with General Counsel, and that all that was required was for the interpreter to sign off.

Mr. Hamidi – Mr. Hamidi inquired as to the timeline regarding the pending lawsuit, and Ms. Leslie replied that staff could not comment, as the lawsuit was still in process.

Mr. Berhanu Lemma – Mr. Lemma stated he felt that MTS could have done a better job of communicating the permit interest form process, as most drivers believed there would be no more permits issued after March 31.

5. Taxicab Advisory Committee Proposed 2015 Meeting Schedule

Motion:

A motion was made by Mr. Antonio Hueso to approve the proposed Taxicab Advisory Committee meeting schedule for 2015. The motion was seconded by Mr. Camron Haratian.

Vote:

The motion passed unanimously.

Yay: Abraham, Boenitz, Hamidi, Haratian, Hilemon, Hueso, Lemma, Majid, Nahavandian, Palmeri, Solati

Nay: 0

Abstain: 0

Absent: Gebreselassie, Layne, Mercer, Staples, Tanguay

The approved meeting schedule for 2015 is as follows:

<u>Meeting Date</u>	<u>Time</u>
Thursday, March 26, 2015	10:00 a.m.
Thursday, June 25, 2015	10:00 a.m.
Thursday, September 24, 2015	10:00 a.m.
Thursday, December 17, 2015	10:00 a.m.

All meetings will be held in the San Diego Metropolitan Transit System Board of Directors meeting room Imperial Avenue, 10th Floor, San Diego, California.

6. Public Hearing: City of San Diego and Airport Maximum Allowable Taxicab Rates of Fare

Ms. Cole opened the public hearing regarding the rates of fare.

Public Comment:

There was no public comment.

Ms. Cole closed the public hearing portion of the meeting.

Mr. Kellerman reviewed the proposed rates of fare with the Committee, stating that at the November 2014 meeting, following the results of the *Fare Standardization Study*, members had voted unanimously against a standardized/uniform rate of fare and voted that everything remain the same. Since the time was again at hand to recalculate the rates of fare for both the City and the Airport, members were again requested to approve the newly-calculated 2015 rates.

Mr. Palmeri - Mr. Palmeri stated that he felt there should be a uniform rate of fare, that the airport should decide the rate, and the City should follow. He said Los Angeles also wanted a uniform rate, and it was his opinion that one meter rate would be better for the industry.

Motion:

Mr. Palmeri made a motion for the industry to have a uniform rate of fare based on the airport rate. The motion was seconded by Mr. Hueso.

Vote:

The motion passed with Mr. Hamidi opposed.

Yay: Abraham, Boenitz, Haratian, Hilemon, Hueso, Lemma, Majid, Nahavandian, Palmeri, Solati

Nay: Hamidi

Abstain: 0

Absent: Gebreselassie, Layne, Mercer, Staples, Tanguay

7. Taxicab Advisory Committee Permit Holder Member Nomination and Election Process

Mr. Kellerman reminded the Committee that at the November 2014 TAC meeting, it had been decided by unanimous vote that staff return to the TAC in March with a proposed schedule and timeline for the June elections. Mr. Kellerman suggested that since the permitting process had not yet begun for those interested in obtaining a City of San Diego taxicab permit, the Committee wait until September to hold the election.

Chris Morse, UTWSD, 4265 Fairmount Avenue, #18, San Diego, CA 92105

Mr. Morse agreed that the election should be postponed, and thought that the lease driver election process should be changed. He suggested one process for both lease drivers and permit holders.

Sara Saez, UTWSD, 4265 Fairmount Avenue, #18, San Diego, CA 92105

Ms. Saez advised that Civic San Diego was currently proposing a free shuttle in the City. She agreed it would be best not to hold the election until after the new permit issuance, and said that the UTWSD was in favor of a uniform rate of fare for both the City and the airport.

Ms. Cooney explained that the reason the driver election was held differently than the permit holder election was because staff had access to all of the current permit holder information in the Taxicab Administration database, as well as whether they were in good standing. Only the San Diego County Sheriff's Licensing Division had access to current lease driver information. It was her suggestion to review the matter of holding an election for permit holders and drivers in September, pending the new permit issuance, to see whether it would be practical to hold the elections in the near future.

Motion:

Mr. Akbar Majid moved to postpone the permit holder and lease driver elections for further review in September, pending the processing of the new applications. The motion was seconded by Mr. Hueso.

Vote:

The motion passed with one abstention.

Yay: Abraham, Boenitz, Haratian, Hilemon, Hueso, Lemma, Majid, Nahavandian, Palmeri, Solati

Nay: Hamidi

Abstain: Unknown

Absent: Gebreselassie, Layne, Mercer, Staples, Tanguay

Councilmember Myrtle Cole suggested that MTS staff and representatives of the UTWSD meet sometime in the future to discuss the election process. Mr. Lemma advised that driver addresses were available through the Sheriff's Department.

8. Taxicab Advisory Committee Lease Driver Member Nomination and Election Process

See above.

Motion:

Mr. Akbar Majid moved to postpone the permit holder election and the lease driver election for further review in September pending the processing of the new applications. The motion was seconded by Mr. Hueso.

Vote:

The motion passed with one abstention.

Yay: Abraham, Boenitz, Haratian, Hilemon, Hueso, Lemma, Majid, Nahavandian, Palmeri, Solati

Nay: 0

Abstain: Unknown

Absent: Gebreselassie, Layne, Mercer, Staples, Tanguay

9. Next Meeting – Thursday, June 25, 2015, 10:00 a.m.

10. Adjournment

The meeting was adjourned at 10:43 a.m.

Accepted:

Filed by:

Myrtle Cole, Chair
MTS Taxicab Advisory Committee

Office of the Clerk
MTS Taxicab Administration

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

DATE: THURSDAY, MARCH 26, 2015

CALL TO ORDER TIME: 10:03

ADJOURN TIME: 10:43

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

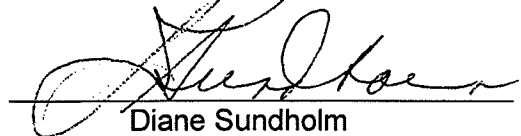
MTS Representatives Present (nonvoting):

Others Present (nonvoting):

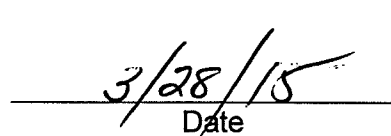
PAUL C. JABLONSKI, MTS Chief Executive Officer	☐	STEVE CELNIKER, City of S.D. Liaison/ SANDAG	☐
SHARON COONEY, MTS Chief of Staff	☒	EDNA RAINS, S.D. County Sheriff (nonvoting member)	☒
BILL KELLERMAN, MTS Taxicab Administration Manager	☒	SAMANTHA LESLIE, MTS Staff Attorney/Regulatory Compliance	☒
KAREN LANDERS, MTS General Counsel	☐		

CLERK OF THE TAXICAB COMMITTEE:

TAXICAB ADMINISTRATION MANAGER:


Diane Sundholm


Bill Kellerman


Date



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TAXI 585.3

Agenda

Item No. 5

Taxicab Advisory Committee

July 2, 2015

Subject:

ADMINISTRATIVE PENALTY GUIDELINES

RECOMMENDATION:

Action would make a recommendation to the MTS Board of Directors to approve the proposed revisions to the MTS *Taxicab Administrative Penalty Guidelines*.

Budget Impact:

None at this time.

DISCUSSION:

On February 12, 2015, the MTS Board of Directors approved amendments to Ordinance 11 that included changes to Sections 1.8(q) and 2.3(g). These sections now read as follows:

Equipment and Operating Regulations

*1.8(q) The driver **shall** offer each passenger a receipt upon payment of the fare. The receipt shall accurately show the date, the amount of the fare, the medallion number, the trade name, and the name and signature of the driver.*

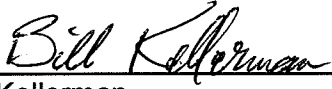
Equipment and Specifications:

2.3(g) Each permit holder shall equip each permitted taxicab with a device capable of electronically processing credit card transactions. The device must be visible to all passengers and must allow the passenger to operate the payment device independently of the driver, without having to hand the credit card to the driver. The device must be electronically linked to the taxicab fare meter.



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On May 19, 2015, the Workshop on Regulatory Matters (WORM) Subcommittee voted unanimously to forward staff's recommendations to the TAC (Attachment B). Staff is proposing a change in the penalty guidelines to reflect recent amendments to Ordinance 11 that became effective April 1, 2015. The recommended penalties for each section are reflected in the attached Administrative Penalty Guidelines draft.



Bill Kellerman

Taxicab Administration Manager

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

Attachments: A. Draft-Administrative Penalty Guidelines
B. WORM Subcommittee meeting minutes dated May 19, 2015

DSUNDH/Taxicab
AI-15-JUL2 TAC-ADMINISTRATIVE PENALTY GUIDELINES

DRAFT

ADMINISTRATIVE PENALTY GUIDELINES

In accordance with MTDB Ordinance No. 11, Section 1.19, the Chief Executive Officer has adopted this schedule to implement the provisions of Ordinance No. 11 concerning taxicab and other for-hire vehicles and drivers.

In accordance with Sections 1.13 (a) and 1.14 (a), permit holders' permits and drivers' identification cards may be suspended or revoked by the Chief Executive Officer. As provided for in Sections 1.13 (a) and 1.13 (d), penalties may be applied to a driver independently of, or in conjunction with, a penalty applied to a permit holder.

Drivers: As the San Diego County Sheriff's Licensing Division is responsible for the issuance of private-hire driver identification cards, the penalties outlined in this document will not preclude the Sheriff's Licensing Division from issuing additional penalties.

***RTC – Removed until corrected:** This penalty shall require the temporary removal of the medallion(s) of vehicle(s) specified in the penalty, or the temporary suspension of a driver's identification card until the violation is corrected. Vehicles under the effect of this penalty may not be placed in service until they have been re-inspected by MTS. Driver identification cards may not be reinstated until the driver has provided proof to MTS that the violation has been corrected. The "temporary" nature of this penalty shall normally be construed to mean a 72-hour period. Extensions may be granted on a case-by-case basis. All re-inspections or reinstatements may be subject to applicable administrative fees.

****In addition to other penalties, may be assessed 150 percent of the assigned risk cost per day.**

<u>Section No.</u>	<u>Item Description</u>	<u>First Offense/Second Offense</u>
1.2 a	No vehicle operating permit	Driver Ineligible to Apply for MTS Permit for 5 Years, Plus 5-Day Suspension/Revocation
1.5 a, b	Failure to request approval from MTS to transfer permit	Permit Revocation
1.8 c	Failure to notify MTS within 48 hrs. of change of business address/phone	*RTC/3-Day Permit Suspension
1.8 d	Failure to have vehicle inspected as instructed per field request/Field Report	*RTC/5-Day Permit Suspension
1.8 f (1-12)	Unsafe vehicle	*RTC/5-Day Permit Suspension
1.8 f (1-12)	<u>Intentional</u> unsafe vehicle	*RTC, Plus 5-Day Permit Suspension/10-Day Permit Suspension
1.8 h (1-14)	Unsuitable vehicle not repaired and passed inspection within 72 hours	*RTC*/5-Day Permit Suspension
1.8 j	Failure to immediately notify MTS when a spare vehicle is in use	*RTC, Plus 5-Day Permit Suspension/Permit Revocation
1.8 l	Lost and found card not displayed	Field Report (Warning)/*RTC

<u>Section No.</u>	<u>Item Description</u>	<u>First Offense/Second Offense</u>
1.8 m	Map not current	Field Report (Warning)/3-Day Driver I.D. Suspension
* 1.8 q	Driver did not offer passenger a receipt, or did not provide a printed receipt containing all required elements	1-Day Driver I.D. Suspension/3-Day Driver I.D. Suspension
1.8 t	Driver failure to comply with lawful order	10-Day Driver I.D. Suspension/Driver I.D. Revocation
1.8 t	Owner/operator failure to comply with lawful order	10-Day Driver I.D. & Permit Suspension/Driver I.D. & Permit Revocation
1.8 u	More passengers than manufacturer rating	Field Report (Warning)/5-Day Driver I.D. Suspension
1.8 v	Driver pay or accept compensation for trip referral	3-Day Driver I.D. Suspension/Driver I.D. Revocation
1.8 v	Owner/operator pay or accept compensation for trip referral	3-Day Driver I.D. & Permit Suspension/Driver I.D. & Permit Revocation
1.8 w	Not wearing name tag	Field Report (Warning)/3-Day Driver I.D. Suspension
1.8 x	Improper driver dress/appearance	Field Report (Warning)/3-Day Driver I.D. Suspension
1.8 z	Noncompliance w/Calif. Vehicle Code, e.g., red zones	Field Report (Warning)/3-Day Driver I.D. Suspension
1.9 a	Lapse of insurance coverage	*RTC(**)/Permit Revocation
1.9 b	Proof of insurance not timely	*RTC, Plus 3-Day Permit Suspension/10-Day Permit Suspension
1.9 b	Inadequate proof of insurance	RTC, Plus 3-Day Permit Suspension/10-Day Permit Suspension
1.10 b, c, d	Failure to provide records	10-Day Permit Suspension/Permit Revocation
1.10 b, c, d	Incomplete records	*RTC, Plus 3-Day Permit Suspension/10-Day Permit Suspension
1.10 e	Late filing of Annual Statement	*RTC/Permit Revocation
1.10 e	Failure to file Annual Statement	Permit Revocation

<u>Section No.</u>	<u>Item Description</u>	<u>First Offense/Second Offense</u>
1.11 c	Markings not removed prior to disposal of vehicle	*RTC, Plus 3-Day Permit Suspension/5-Day Permit Suspension
1.12 a	No Taxicab Driver/Paratransit I.D. card issued	*RTC/5-Day Permit Suspension
1.12 a	Driver I.D. not displayed	Field Report (Warning)/*RTC
1.12 b	Permit holder employing driver without approved I.D. card	*RTC/5-Day Permit Suspension
1.12 d	Incorrect company name, or company name not on driver I.D. Card	*RTC/3-Day Suspension
1.20	Noncompliance with Americans with Disabilities Act	Field Report (Warning)/Permit Revocation
2.2 e (7)	Tire size and pressure not posted	Field Report (Warning)/*RTC
2.2 e (7)	Tires are not proper size	*RTC/5-Day Permit Suspension
2.2 f	Meter not engaged	5-Day Driver I.D. Suspension/Driver I.D. Revocation
2.2 h, l	Overcharge of filed rate	5-Day Driver I.D. Suspension, Plus Restitution/Driver I.D. Revocation
2.3 b	For-hire lights not operating (both)	*RTC/3-Day Permit Suspension
2.3 f	Scanner in vehicle	5-Day Driver I.D. Suspension/Driver I.D. Revocation
* 2.3 g	Credit card machine cannot process transactions electronically, is not linked to the fare meter, is not visible to all passengers, or requires passenger to hand credit card to driver	*RTC/3 Day Suspension
2.4 b	Long hauling	5-Day Driver I.D. Suspension, Plus Restitution/Driver I.D. Revocation
2.4 c, d	Refusal to transport	5-Day Driver I.D. Suspension/Driver I.D. Revocation
2.4 c, d	Discourage passenger	3-Day Driver I.D. Suspension/5-Day Driver I.D. Suspension
2.4 e	Taxicab stopped, parked, or left standing on same side of street in same block	Field Report (Warning)/3-Day Driver I.D. Suspension
2.4 f	Taxicab stopped, parked, or left standing within 100 ft. of another taxicab	Field Report (Warning)/3-Day Driver I.D. Suspension
2.4 g	Taxicab stopped, parked, or left standing within 15 ft. of fire hydrant	Field Report (Warning)/3-Day Driver I.D. Suspension

<u>Section No.</u>	<u>Item Description</u>	<u>First Offense/Second Offense</u>
2.4 h	Out of service sign not posted	Field Report (Warning)/5-Day Driver I.D. Suspension
2.4 i, j	Interfering with or impeding traffic	Field Report (Warning)/3-Day Driver I.D. Suspension
2.4 k	Driver solicited passengers	3-Day Driver I.D. Suspension/Driver I.D. Revocation
2.4 m	Driver more than 12 feet from vehicle	Field Report (Warning)/3-Day Driver I.D. Suspension
2.4 p	No trip sheet	Field Report (Warning)/3-Day Driver I.D. Suspension
2.4 p	Incomplete trip sheet	Field Report (Warning)/3-Day Driver I.D. Suspension
2.5 d	Non-taxicab MTS-regulated vehicle occupying a taxi zone	Field Report (Warning)/3-Day Driver I.D. Suspension
2.7 a	Missing, improper, or malfunctioning safety equipment	*RTC, Plus 3-Day Permit Suspension/5-Day Permit Suspension
2.7 b	Window tinting, shades or markings that interfere with view into vehicle	*RTC/3-Day Permit Suspension
3.1 d	Charter not prearranged in writing	*RTC, Plus 3-Day Permit Suspension/Permit Revocation
3.2 b	(Charter) Soliciting passengers	3-Day Driver I.D. Suspension/Driver I.D. Revocation
4.2 b	(Sightseeing) Soliciting passengers	3-Day Driver I.D. Suspension/Driver I.D. Revocation
6.2 c	Operating without jitney route sign	Field Report (Warning)/3-Day Driver I.D. Suspension
6.2 c	Operating with unapproved jitney route sign	Field Report (Warning)/3-Day Driver I.D. Suspension
6.2 c	Operating with wrong route sign	Field Report (Warning)/3-Day Driver I.D. Suspension
6.3 b	(Jitney) Soliciting passengers	3-Day Driver I.D. Suspension/Driver I.D. Revocation
6.3 d	(Jitney) Driver more than 12 feet from vehicle	Field Report (Warning)/3-Day Driver I.D. Suspension
6.3 e	Operating unauthorized jitney route	3-Day Driver I.D. Suspension/Driver I.D. Revocation

<u>Section No.</u>	<u>Item Description</u>	<u>First Offense/Second Offense</u>
6.4 g	MTS-regulated non-jitney vehicle occupying jitney stop or zone	Field Report (Warning)/3-Day Driver I.D. Suspension
Other	Items not listed	Penalties to be evaluated on case-by-case basis.
All	Accumulated various items	Penalties to be evaluated on case-by-case basis.
All	Repeated or various driver items	Permit holder to be penalized for pattern(s) of driver violations. Penalties to be evaluated on a case-by-case basis.
Various	Driver operating requirements	May be referred to MTS-approved training class in lieu of a penalty, on case-by-case basis and at driver's expense.

Date: _____

Paul C. Jablonski
Chief Executive Officer

DSundh/G:\GLOBAL\SUPPORT STAFF\GENFORM\TAXICAB ADMIN
F- PENALTY GUIDELINES.15.BKELLERMAN
Rev. 5.12.15



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TAXICAB ADMINISTRATION

TAXI 585.3

WORKSHOP ON REGULATORY MATTERS (WORM) SUBCOMMITTEE

Tuesday, May 19, 2015
 10:00 a.m.

1501 National Avenue
 San Diego, CA 92113-1029

MINUTES

Attendance

Members Present: Michel Anderson (alt./A. Palmeri), George Abraham, Antonio Hueso, Akbar Majid
 Members Absent: David Boenitz, Alexander Gebreselassie, Anthony Palmeri, Margo Tanguay
 Interested Parties: Kamran Hamidi
 MTS Staff/Other: Bill Kellerman, Diane Sundholm, Susan Lockwood

1. Call to Order

The meeting was called to order at 10:11 a.m. by Mr. Bill Kellerman. An attendance sheet is attached documenting member attendance.

2. Public Comment

Agenda Item 3 - Mr. Kamran Hamidi suggested that permit holders needed more time in which to comply with Ordinance No. 11 Section 1.8(q) and 2.3(g). Mr. Kellerman explained that permit holders had been notified regarding the new sections, which became effective April 1, and they would soon be held accountable. He explained that penalties would be administered per the new *Administrative Penalty Guidelines* had been presented to the Taxicab Advisory Committee and then forwarded to the MTS Board of Directors for approval; however, those vehicles that were not in compliance would not be able to pass their vehicle inspections and return to service until they were.



Agenda Item 4 – Mr. Hamidi said that he hoped that the amount of insurance coverage could be reduced to \$500k for City cabs. He thought it was interesting that the City did not need to approve lowering the rates of fare, but they needed to approve lower insurance coverage. Mr. Kellerman said that the agenda item before the subcommittee was regarding allowing insurance companies that were not California companies, and that the CSL was a separate item.

3. Administrative Penalty Guidelines

Mr. Kellerman began the discussion by explaining the new penalties that were to be added to the *Administrative Penalty Guidelines* to reflect the recent changes by the City Council to their Policy 500-02.

Discussion:

Mr. Antonio Hueso thought that the airport and MTS should be uniform in their requirements. He suggested that regarding issuing receipts, there should be a warning first, then a 1-day suspension, and then a 3-day suspension. Mr. Kellerman replied that he did not feel that a warning was enough of a deterrent to assure drivers would comply. Mr. Hueso felt there were a number of drivers who did not know about providing receipts, and thought there should be a handout provided. Mr. Kellerman stated that a memo was sent to all permit holders, but not to drivers. The memo was sent to the Sheriff, Airport Ground Transportation, and the Foundation Community Services. He said the public did not know that they were supposed to receive a receipt, so this needed to go into effect as soon as possible. Mr. Hueso suggested that a grace period be provided. Mr. Michel Anderson said that after a few drivers received a penalty, word would get around quickly. Mr. Akbar Majid suggested a memo from MTS stating that it would be going into effect. Mr. Kellerman replied that he could not send a memo to every driver, but could send it to the radio services, the Sheriff's Department, and the training facility. Mr. Hueso said he felt it should also be posted at Taxicab Administration so when they come for inspection, the driver or permit holder should be aware of the information because there were people who did not use their resources. Mr. Kellerman said MTS would do everything possible to publicize what the new penalty could be, and that there should be at least a month and a half to do that. He stated that the inspectors could do some outreach in the field and in the inspection facility to let the drivers know that it is coming so to be aware. He pointed out that a receipt did not have to be given for each transaction, but the drivers needed to offer a receipt to all passengers. The passenger had the right to decline.

Motion:

A motion was made by Mr. Majid to accept staff's recommendations to forward the proposed changes to the *Administrative Penalty Guidelines* to the Taxicab Advisory Committee (TAC). The motion was seconded by Mr. Anderson.

Vote:

The motion passed unanimously.

4. Taxicab Insurance Requirements

Mr. Kellerman explained that the current agenda item would allow non-California admitted companies to insure for-hire vehicles, providing more options for permit holders to obtain insurance.

Discussion:

Mr. Majid stated that this would not help the industry a whole lot. He stated that TAC picked a random amount for which each vehicle should be insured and ended up with \$1M CSL. He stated that in the past the conversation had centered on decreasing that amount. Mr. Kellerman explained that issue was not in the agenda item, and it was agreed there should be an ad hoc committee formed to discuss the insurance amount with the City. Mr. Kellerman stated this was a policy issue that would need to be decided by the City. He said he would approach the TAC chair regarding this matter, but this issue was to make a recommendation to allow non-California admitted companies. Ms. Susan Lockwood agreed that there needed to be a dialog with the City regarding the amount of insurance required along with all of the other cities that were in the MTS areas of jurisdiction. Since the increase to \$1M was in the best interest of the public safety, she could understand why the matter did not need to go to the City, but there did need to be dialog with the City to decrease the amount. She offered to be present during any discussion of the matter. Mr. Anderson stated that the only entity that had benefitted from the \$1M requirement was the insurance companies.

Motion:

A motion was made by Mr. Hueso to forward staff's recommendation to the Taxicab Advisory Committee to allow non-California admitted carriers with the premise that staff would attempt to establish dialog with the City to lower the insurance limits. The motion was seconded by Mr. Majid.

Vote:

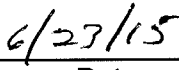
The motion passed unanimously.

5. Adjournment

Approved:



Bill Kellerman
MTS Taxicab Administration Manager



Date

Attachments: Attendance sheet dated May 19, 2015

DSUNDH/Taxicab
MIN-15-MAY19. WORM

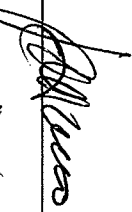
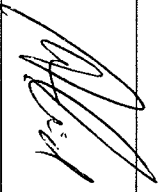
METROPOLITAN TRANSIT SYSTEM
TAXICAB ADMINISTRATION
WORKSHOP ON REGULATORY MATTERS
1501 National Avenue, Suite 100
San Diego, CA 92113

B-4

Start: 10:15 a

Date: Tuesday, May 19, 2015

Adjourn: 10:49

PRINTED NAME	SIGNATURE	COMPANY NAME	EMAIL	TELEPHONE
Tony Russo		USA Cab	USA Cab @ theglobal.net	619-231-1144
MICHEL ANDERSON		SDTA	CONSULTMA@EARTHINK.NET	619 232 0045
Arthur Mejid		Yellow	Arthur AMASID@DRIVEU.com	619 338-2333
Bill Kelleher		MTS		
GEORGE ABRAHAM		San Diego cab	San Diego cab	619 978-0611
Susan Lockwood		MTS	Susan.Lockwood@sdmts.com	619 557-4502
		MTS	diane.sundt@sdmts.com	



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TAXI 585.3

Agenda

Item No. 6

Taxicab Advisory Committee

July 2, 2015

Subject:

MTS TAXICAB AND FOR-HIRE VEHICLE INSURANCE REQUIREMENTS

RECOMMENDATION:

Action would make a recommendation to the MTS Board of Directors to approve the proposed changes to the *MTS Taxicab and For-Hire Vehicle Insurance Requirements*, and MTS Ordinance No. 11, Section 1.9 (a) (1).

Budget Impact:

None at this time.

DISCUSSION:

The current *MTS Taxicab and For-Hire Vehicle Insurance Requirements* include a minimum standard that acceptable insurance companies be admitted in California, as contained in Section 4, as follows:

Insurance Company Minimum Standards

Insurer must be admitted in California by the California Department of Insurance, must have a minimum A. M. Best rating of A-minus (A-) or above, and a financial size category of not less than VII (seven), or a similar Standard and Poor's rating. Companies providing Assigned Risk Insurance Policies will be evaluated on an individual basis and may be considered if they have a financial size category of not less than VI (six), or a similar Standard and Poor's rating. Contact MTS Taxicab Administration for additional information.



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.

There has been frequent discussion at recent TAC meetings surrounding the difficulty of finding affordable premiums while still complying with MTS Insurance Requirements. By allowing non-California admitted insurance companies to offer for-hire vehicle insurance for MTS permit holders, more opportunities may become available for permit holders to shop for vehicle insurance (Attachment A).

On May 19, 2015, the Workshop on Regulatory Matters (WORM) Subcommittee meeting voted unanimously to forward staff's recommendation to the TAC to allow non-California admitted carriers (see AI5, Attachment B). If approved, the amended Section 4 would read as follows:

Must have a minimum A. M. Best rating of A-minus (A-) or above, and a financial size category of not less than VII (seven), or a similar Standard and Poor's rating. Companies providing Assigned Risk Insurance Policies will be evaluated on an individual basis and may be considered if they have a financial size category of not less than VI (six), or a similar Standard and Poor's rating. Contact MTS Taxicab Administration for additional information.

There is no consideration of other changes to the current For-Hire Vehicle Insurance Requirements at this time.



Bill Kellerman
Taxicab Administration Manager

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

Attachments: A. Draft- *MTS Taxicab and For-Hire Vehicle Insurance Requirements*

DSUNDH/Taxicab
AI6-15-JUL2. TAC-INS. REQ.

DRAFT

TAXI 530.1

INSURER'S VERIFICATION OF COMPLIANCE

Metropolitan Transit System (MTS), a California Public Agency, requires the following verification of insurance be submitted along with the Acord Certificate of Liability Insurance.

Insurer must sign below, which warrants the insurance policy provides coverage that meets or exceeds state and local laws and ordinances governing financial responsibility for ownership, use, maintenance, and operation of covered vehicles, specifically:

- **MTS Ordinance No. 11, Section 1.9 – Public Liability**

(a) It shall be unlawful to operate a for-hire vehicle unless the permit holder establishes and maintains in effect one of the forms of financial responsibility specified in this section.

* (1) This requirement may be met by maintaining a valid policy of insurance executed and delivered by a company authorized to carry on an insurance business in the State of California, the financial responsibility of which company has been approved by the Chief Executive Officer. The terms of the policy shall provide that the insurance company assumes financial responsibility for injuries to persons or property caused by the operation of the for-hire vehicle in an amount determined by the Chief Executive Officer.

(2) The permit holder may also meet this requirement by obtaining a certificate of self-insurance for a specified amount approved by the Board and pursuant to the applicable provisions of the California Vehicle Code.

"Insurance Requirements" as listed on the other side of this form.

- **California's Financial Responsibility Law, California Vehicle Code Sections 16000 through 16560, inclusive (does not apply to un-motorized vehicles).**

Insurer further warrants that any modification to the policy will not reduce coverage such that it fails to meet the requirements of applicable state and local laws and ordinances.

Insured (MTS vehicle permit holder): _____

Vehicles: Refer to the current Acord Certificate of Liability Insurance for description of the covered automobiles.

Insurer: _____

Policy No.: _____ Policy Term: _____ to _____

Limits: _____

Name: _____ Telephone Number: _____

Title: _____

Address: _____

Signature

Date

Note: Signature of the agent or broker will not be accepted. Signatory must be a current officer or employee of the insurance company who is duly authorized to sign on its behalf. The signature must be an original. Signature stamps are unacceptable.

MTS TAXICAB ADMINISTRATION
MTS Taxicab and For-Hire Vehicle Insurance Requirements

Metropolitan Transit System (MTS), a California Public Agency, has the following taxicab and for-hire vehicle insurance requirements:

1. MINIMUM REQUIRED PUBLIC LIABILITY INSURANCE LIMITS

	Vehicle Seating Capacity (Including Driver)	Combined Single Limit
1.1	9 passengers or less	\$1,000,000
1.2	10-15 passengers	2,000,000
1.3	16 passengers or more	5,000,000

2. SPECIFIC INFORMATION REQUIRED FOR ACORD CERTIFICATE OF LIABILITY INSURANCE (OTHER THAN ASSIGNED RISK)

- 2.1 Full name of insurance company (insurer), which must be pre-approved by MTS Taxicab Administration, and must meet the minimum standards in Section 4 (see Section 3 for assigned risk requirements).
- 2.2 Name and current address of insured, who must be the permit holder, including company name (DBA) (PO boxes not acceptable).
- 2.3 Insurance policy number with effective and expiration dates.
- 2.4 Type(s) and limit(s) of liability coverage.
- 2.5 Vehicle description (make/year), vehicle identification number (VIN) and medallion number of each insured vehicle.
- 2.6 Certificate issue date and NAIC#.
- 2.7 Statement that insurer shall notify MTS Taxicab Administration, in writing by registered mail to the address on the letterhead at least 30 days prior to cancellation or termination of coverage. Statements to the effect that issuing company will "Endeavor to Mail Notice" or "Intends to Notify" are not acceptable.
- 2.8 Original (wet) signature of an agent who has been authorized by the insurer.
- 2.9 Certificate of insurance shall name San Diego Metropolitan Transit System (MTS) as certificate holder. Certificate must be an original with no alterations, type-overs, or white-outs.

3. SPECIFIC INFORMATION REQUIRED FOR ASSIGNED RISK INSURANCE (PRE-APPROVAL REQUIRED)

- 3.1 Complete copy of the application for insurance. Must contain the same information as is required by Items 2.2 through 2.9.
- 3.2 Proof of payment by copy of the agent's check, or copy of insured's cashier's check or money order, for a minimum of 25 percent of the annual premium.
- 3.3 Proof of policy issuance from the assigned insurer must be received by MTS Taxicab Administration within 30 days from the date on the assigned risk application. Evidence of insurance must contain all items listed in Section 2.
- 3.4 Evidence of insurance must be an original with no alterations, type-overs, or whiteouts.

4. INSURANCE COMPANY MINIMUM STANDARDS

- * Insurer must ~~be admitted in California by the California Department of Insurance~~ have a minimum A. M. Best rating of A-minus (A-) or above, and a financial size category of not less than VII (seven), or a similar *Standard and Poor's* rating. Companies providing Assigned Risk Insurance Policies will be evaluated on an individual basis and may be considered if they have a financial size category of not less than VI (six), or a similar *Standard and Poor's* rating. Contact MTS Taxicab Administration for additional information.

5. POLICY PROVISIONS

Policies must comply with MTS Ordinance No. 11, Section 1.9. Unacceptable policy provisions include, but are not limited to, the following:

- 5.1 Self-insured retentions (unless the insured is a state-certified self-insurer under the California Vehicle Code)
- 5.2 Nonstandard deductible endorsements
- 5.3 Territorial restrictions
- 5.4 Named driver/operator policies
- 5.5 Aggregate limits
- 5.6 "Indemnity only" contracts



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Agenda Item No. 7

Taxicab Advisory Committee

July 2, 2015

SUBJECT:

MTS TAXICAB ADMINISTRATION FISCAL YEAR 2016 BUDGET

RECOMMENDATION:

That the Taxicab Advisory Committee receive the MTS Taxicab Administration Fiscal Year (FY) 2016 Budget approved by the MTS Board of Directors on May 14, 2015.

Budget Impact

None at this time.

DISCUSSION:

FY 2016 Budget

Revenues. Please refer to Attachment A for the consolidated budget. In total, combined revenues are increasing by \$397,000 (38.7 percent) to \$1,423,000.

Taxicab Administration receives operating revenue from annual regulatory fees and other processing fees. The fiscal year 2016 budget projects an increase in the total operating revenue by \$343,000 (32.7 percent) to \$1,390,000. The increase in operating revenue is based on the new permit issuance guidelines and projected using the information known during the budget process.

The Taxicab Administration budget requires full cost recovery. When expenses exceed revenues, funds from the contingency reserves are used to balance the budget. The fiscal year 2016 budget projects a \$33,000 usage of contingency reserves, opposed to a contribution of \$21,000 from the fiscal year 2015 midyear amended budget. The contingency reserve balance at the end of fiscal year 2016 is projected to be \$229,000.

Expenses. As indicated within Attachment A, operating expenses total \$1,218,000 for the proposed fiscal year 2016 budget, an increase of \$304,000 (33.2 percent).



Personnel-related expenses increased by \$290,000 (41.9 percent) to \$980,000. The increase is due the annualized cost of 2 additional positions in the fiscal year 2015 amended budget and 4 additional positions added in the fiscal year 2016 budget.

Total outside service expenses increased by \$7,000 (7.7 percent) to \$92,000.

Total energy expenses increased by \$3,000.

General and Administrative expenses increased by \$5,000.

Total materials and supplies costs remain unchanged at \$19,000.

The MTS overhead allocation is projected to increase by \$94,000, or 84 percent, to \$205,000 for fiscal year 2016. This increase is primarily due to the increased headcount. Including the overhead allocation, total costs are increasing by \$397,000 or 38.7 percent.



Bill Kellerman
Taxicab Administration Manager

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

Attachment: A. Summary report of the FY 2016 budget
B. Contingency reserve balance report

DSUNDH/Taxicab
A17-15-JUL2.FY 2016 BUDGET

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

Fiscal Year 2013 (Audited)	
Contributions / (Usage)	(107,822)
Capital Spending	-
Contingency Balance - FY 2013 (Audited)	<u>293,203</u>
Fiscal Year 2014 (Audited)	
Contributions / (Usage)	(52,377)
Contingency Balance - FY 2014 (Audited)	<u>240,826</u>
Fiscal Year 2015 (Amended Budget)	
Contributions / (Usage)	21,426
Contingency Balance - FY 2015 (Amended Budget)	<u>262,252</u>
Fiscal Year 2016 (Projected)	
Contributions / (Usage)	(33,233)
Contingency Balance - FY 2016 (Projected)	<u>229,019</u>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TAXICAB ADMINISTRATION (761)
OPERATING BUDGET - CONSOLIDATED
FISCAL YEAR 2016**

ATT. B, AI7, TAC, 7/2/15

	ACTUAL FY14	AMENDED BUDGET FY15	PROPOSED BUDGET FY16	\$ CHANGE AMENDED/ ORIGINAL	% CHANGE AMENDED/ ORIGINAL
OPERATING REVENUE					
PASSENGER REVENUE	-	-	-	-	-
ADVERTISING REVENUE	-	-	-	-	-
CONTRACT SERVICE REVENUE	-	-	-	-	-
OTHER INCOME	938,512	1,047,180	1,390,000	342,820	32.7%
TOTAL OPERATING REVENUES	938,512	1,047,180	1,390,000	342,820	32.7%
NON OPERATING REVENUE					
SUBSIDY REVENUE	-	-	-	-	-
RESERVE REVENUE	52,377	(21,426)	33,233	54,659	-255.1%
OTHER INCOME	-	-	-	-	-
TOTAL NON OPERATING REVENUE	52,377	(21,426)	33,233	54,659	-255.1%
TOTAL COMBINED REVENUES	990,889	1,025,754	1,423,233	397,479	38.7%
OPERATING EXPENSES					
LABOR EXPENSES	446,295	511,185	713,661	202,476	39.6%
FRINGE EXPENSES	154,988	179,507	266,568	87,061	48.5%
TOTAL PERSONNEL EXPENSES	601,284	690,692	980,228	289,537	41.9%
SECURITY EXPENSES	-	-	-	-	-
REPAIR/MAINTENANCE SERVICES	4,102	6,000	6,000	-	0.0%
ENGINE AND TRANSMISSION REBUILD	-	-	-	-	-
OTHER OUTSIDE SERVICES	156,806	79,510	86,110	6,600	8.3%
PURCHASED TRANSPORTATION	-	-	-	-	-
TOTAL OUTSIDE SERVICES	160,907	85,510	92,110	6,600	7.7%
LUBRICANTS	-	-	-	-	-
TIRES	-	-	-	-	-
OTHER MATERIALS AND SUPPLIES	6,349	19,000	19,000	-	0.0%
TOTAL MATERIALS AND SUPPLIES	6,349	19,000	19,000	-	0.0%
DIESEL FUEL	4,522	5,850	7,500	1,650	28.2%
CNG	-	-	-	-	-
TRACTION POWER	-	-	-	-	-
UTILITIES	6,020	6,000	7,000	1,000	16.7%
TOTAL ENERGY	10,542	11,850	14,500	2,650	22.4%
RISK MANAGEMENT	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	102,916	107,170	112,170	5,000	4.7%
DEBT SERVICE	-	-	-	-	-
VEHICLE / FACILITY LEASE	-	-	-	-	-
TOTAL OPERATING EXPENSES	881,998	914,222	1,218,008	303,787	33.2%
NET OPERATING SUBSIDY	56,514	132,958	171,992	39,033	-29.4%
OVERHEAD ALLOCATION	(108,891)	(111,532)	(205,224)	(93,693)	84.0%
ADJUSTED NET OPERATING SUBSIDY	(52,377)	21,426	(33,233)	(54,659)	255.1%
TOTAL REVENUES LESS TOTAL EXPENSES	-	-	-	-	-