

# MINUTES

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

July 12, 2023

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

1. Roll Call

Chair Elo-Rivera called the Taxicab Advisory Committee meeting to order at 1:02 p.m. A roll call sheet listing Taxicab Advisory Committee member attendance is attached.

2. Approval of Minutes

Chair Elo-Rivera moved to approve the minutes of the May 24, 2023, MTS Taxicab Advisory Committee meeting. Peter Zschiesche seconded the motion, and the vote was 10 to 0 in favor, with David Tasem, George Abraham, Karen Higareda, Michael Trimble, Michaelene Sullivan absent.

3. Public Comments

There were no Public Comments.

### DISCUSSION ITEMS

4. For-Hire Advertisement Opportunities for Taxicabs at the San Diego Airport

Leonardo Fewell, For Hire Vehicle Administration Manager, and Ron Corbin of Clear Channel gave a joint presentation on advertisement opportunities for taxicabs at the San Diego International Airport. The presentation was made at the request of Chair Sean Elo-Rivera in an effort to find opportunities to highlight taxicabs as an available transportation provider.

The FHVA researched various advertisement media outlets at the airport, including Clear Channel, airport televisions, brochure racks, and the terminal taxicab stands.

Mr. Corbin presented on how Clear Channel works with local companies to bring their business to airports, their strategy to tailor advertisements for the taxi industry, and how customers have responded to their advertisements. Mr. Corbin also showed examples of advertisements they have built for Uber, Lyft, and other transportation services.

Mr. Fewell thanked Mr. Corbin for his presentation and asked him to stay for any questions from the committee. Mr. Fewell then continued the presentation by providing details on the other available methods of advertisement at the airport. He outlined the cost structure of \$100 per month for a brochure space and \$230 per month for magazines, across seven locations between the two terminals; there would be a minimum of 10,000 units and any materials would need to be provided to the Certified Folder Display Services. Mr. Fewell went on to demonstrate the location of current informational signage for taxicabs and how A-Frames could be deployed as a method of advertisement there.

Chair Elo-Rivera thanked Mr. Fewell for the presentation and commented that taxis have a unique advantage in being instantaneously available to customers at the airport, but that is not common knowledge to visitors to the airport.

## PUBLIC COMMENTS

No public comments.

## MEMBER COMMENTS

Peter Zschiesche asked if they could get a copy of the Clear Channel presentation. Mr. Corbin confirmed that it could be forwarded to anyone who wanted a copy and Samantha Leslie added on that the presentation would be included in the final meeting packet posted online.

Alfred Banks asked who would be paying for the advertisements. Mr. Fewell answered that MTS conducted this study to present the committee with advertisement opportunities, but that it was not the role of a regulatory agency to advertise on behalf of the industry. He continued to say that it was the responsibility of industry stakeholders to use the information presented, but that MTS would not provide funding. Mr. Banks asked if this was the responsibility of individual permit holders. Mr. Fewell answered that it could be individual permit holders or dispatch services. Chair Elo-Rivera also clarified that individual drivers could advertise on their own or they could collectively pool resources to advertise on behalf of the industry.

David Tasem asked Mr. Corbin what the cost was for signage above the luggage carousel, and whether that fee was for each individual carousel. Mr. Corbin replied that the fee was per “network” and per “period”; the price would be dependent on how many networks you selected and for how long. Mr. Tasem asked Mr. Fewell if the \$110 brochure space fee was per stand or for all the stands at the airport. Mr. Fewell answered that it was for all the stands. Mr. Tasem also asked if there was an initial set up fee, and Mr. Fewell answered that there was not.

Mr. Tasem also commented to Mike Anderson that the signage at the Terminal 1 taxi stand had incorrect contact information for many of the listed radio dispatch services, and that he had brought this to the attention of Marc Nichols more than a year ago. Mr. Anderson replied that he would look into the issue.

Mr. Anderson commented that the wayfinding signage at the airport was provided at no cost by the San Diego International Airport. Mr. Anderson also asked if Mr. Corbin could clarify what restrictions there were on advertisements. Mr. Corbin answered that mainly cannabis and tobacco advertisements were not allowed, but that he was unsure how that related to taxicabs. Mr. Anderson went on to say that the airport currently does not allow any form of advertising on taxicabs or TNC’s at all, but that they do have rules regarding advertisements that are on the airport’s property even if they are not actually in the terminal. Mr. Fewell interjected that the next agenda item would provide more clarity on the topic.

Zewdu Girma asked why it was necessary to advertise inside the airport, if they could advertise on the rooftop of their taxicabs. Mr. Girma also asked Mr. Anderson if permit holders could have advertisements on the top of their taxis at the airport, as long as the advertisement did not contain marijuana or alcohol. Mrs. Leslie reiterated that any questions regarding advertising on taxicabs should be held until the next agenda item.

Mr. Girma also mentioned that the governing rules of the taxicab stand meant that customers could not choose individual taxicabs, they were required to take the taxicab that was at the front of the queue – so he could not understand how advertising in the airport would be beneficial. Mr. Corbin said that many people, especially younger people, do not even know that taxicabs are an option available at the airport, and that capturing their attention before they leave the terminal may steer them away from other forms of transportation. Chair Elo-Rivera shared that many of the people he travels with do not know that there are taxicabs available and waiting at

the airport, and that the point of this exercise was to explore ways to make that more common knowledge.

Akbar Majid commented that advertising at an airport could be financially strenuous and that effective advertisements need to have an incentive component. Mr. Majid went on to say that advertisements are not enough to drive business to the taxicab industry unless a decision is made to lower fares in order to compete with TNC's.

Mr. Zschiesche said that he would like to see MTS put out a Public Service Announcement on behalf of the taxicab industry promoting them as part of the regulated transit system. Mr. Zschiesche also said that he would like to see the airport explore a generic form of promoting the taxicab industry, rather than having individual permit holders or drivers pay an outside company to create advertisements.

Mr. Banks agreed that advertisements are not necessary at the airport, and that it would not make sense for individuals to advertise at the airport. Chair Elo-Rivera reiterated that in his experience many people who fly do not even think about taxicabs as an option for transportation at the airport.

Mr. Girma commented that if individual drivers or permit holders began advertising at the airport, the sheer number of advertisements would confuse customers and create tension with larger taxicab companies. Mr. Girma also registered complaints about high wait times for drivers working at the airport and the decision to raise the maximum rates of fare.

#### Action Taken

Informational item only. No action taken.

#### 5. MTS Board Policy No. 21 Updates to Taxicab Vehicle Advertisement Content

Mr. Fewell presented on how FHVA vehicles may post advertisements, in the form of top signs (solid and digital) or wraps, with approval as long as they comply with MTS Policy 21 and Ordinance No. 11; however, no FHVA vehicles besides LSV's display advertisements. He went on to detail how MTS Policy 21 changed on June 15, 2023 to authorize a two-year pilot program which allows for alcohol advertisements as long as they include a safe drinking message. Mr. Fewell concluded the presentation by suggesting that MTS Board Policy No. 21 may not be the most appropriate way to regulate For-Hire Vehicle advertisement content, and requested feedback from the TAC on the possibility of removing all restrictions.

#### PUBLIC COMMENTS

No public comments.

#### MEMBER COMMENTS

Chair Elo-Rivera noted that the point of this agenda item was to discuss potential revenue streams for the taxicab industry.

Mr. Girma asked Mr. Anderson if the San Diego Airport would allow rooftop advertisements on taxicabs. Mr. Anderson responded that currently the airport does not allow any kind of advertisements on any ground transportation vehicles. Mr. Elo-Rivera interjected to say that electronic top signs which could be turned off while at the airport may solve this issue.

Mr. Girma followed up to ask Mr. Fewell and Mr. Anderson to consider removing the restriction on taxicabs with top sign advertisements. Mr. Anderson responded that he did not oversee the regulation of the advertisements at the airport, but that he had concerns because each advertisement would have to be individually screened. Mr. Anderson also pointed out that allowing taxicabs to advertise might create issues with Uber and Lyft, who had previously also requested that the airport allow advertisements on their vehicles and had been turned down. Chair Elo-Rivera asked if that had been a board decision and Mr. Anderson confirmed that it was.

Mr. Majid recalled that taxicabs had previously used electronic top signs, and that in his experience the revenue generated was not worth the issues that came with the installation and maintenance of the signs.

Mr. Banks noted that advertisements may cause issues with the airport.

Margo Tanguay expressed concerns over cannabis advertisements, as many of the taxicab customers were military who might take issue with the content. She also agreed with Mr. Majid that top signs or advertisements that obscure windows might drive customers away.

Mr. Girma explained that electronic top signs can be controlled with a cell phone or tablet, and could be turned off upon arrival at the airport. He also asked Mr. Majid if he was discouraging permit holders and drivers from using advertisements. Mr. Girma went on to ask Mr. Majid why he was upset with the high rates of fare, when his radio service was charging exorbitant fees.

Mr. Majid responded that he was not trying to discourage anyone from advertising, but rather just offering advice based on his experience.

Chair Elo-Rivera directed the TAC members to Mr. Fewell's request for feedback on whether MTS should step in and regulate the content of advertisements on taxicabs or if the decision should be left up to permit holders.

Able Seifu expressed concerns over how best to represent the wishes and opinions of the drivers regarding this topic.

Mr. Zschiesche noted that it was the responsibility of the TAC to make decisions on topics such as these. He proposed that as a committee they could set up meetings to gather opinions from permit holders, but that ultimately the organization and direction of any research was the responsibility of TAC members as industry representatives.

Chair Elo-Rivera reiterated that the question being asked was whether or not MTS should put in place rules regulating the content of advertisements on individual taxicabs; and though had never seen this particular situation, the ensuing conversation regarding why regulations might be necessary is important.

Mr. Zschiesche stated that MTS created this issue by attempting to overregulate private operators, and that it speaks to larger conflicts of how much oversight is allowed to a regulator who will not acknowledge or advertise on the behalf of the taxicab industry. He acknowledged Mr. Seifu's earlier comment by saying that any true representation of the industry would have to consult the drivers on what rules or regulations they would prefer.

Mr. Fewell stated that MTS has been proactive about finding additional streams of revenue for the taxicab industry. He said that this topic has come up because media companies have reached out to the FHVA, particularly regarding cannabis. He continued on that any pricing or

specific revenue would be between the permit holders and media companies. He said that this was meant to be an update regarding MTS policy regarding alcohol advertising, but that it brings up underlying questions of whether taxicabs should be beholden to those policies. Mr. Fewell did note that any decisions made by MTS would only be applicable the nine cities under MTS jurisdiction, not the airport which is governed by the Regional Airport Authority.

Antonio Hueso commented that he felt the committee was moving away from the topic presented, which was that there are options available for advertisement.

Chair Elo-Rivera agreed with Mr. Hueso that the presentation simply meant to show options that are already available for advertisement and what rules MTS should consider changing in order to regulate or not regulate the content of the advertisements.

Mr. Fewell agreed that the only changes would be content-wise. Mr. Zschiesche asked if Policy No. 21 is applicable to taxicabs. Mr. Fewell confirmed that all advertisement content on taxicabs was subject to Policy No. 21, and that MTS was requesting feedback on whether the industry would like it to remain that way in the future.

Chair Elo-Rivera elaborated that if the committee decided that taxicabs should not be subject to Policy No. 21, then he would present this to the board for their review. Mr. Hueso said that this presentation was listed as an informational item only, and this conflicted with that. Mr. Elo-Rivera responded that an action item would have to be approved at a later date by the TAC before being presented to the board.

Mr. Majid noted that there is historical precedent for the rules and regulations governing the content that can be advertised on taxicabs, going back to when there were advertisements for gentlemen's clubs. Mr. Hueso agreed and Mr. Fewell said that he would be interested in hearing about this background information.

Mr. Seifu expressed that he felt the regulations should stay the same.

Mr. Girma stated that this topic was irrelevant if the airport would not allow advertisement. Mr. Hueso responded that Marc Nichols had always been open to following changes made by MTS.

Ms. Tanguay asked that the committee should consider if CBX has any restrictions on the content advertised on taxicabs.

#### Action Taken

Informational item only. No action taken.

#### 6. Review of Dispatch Service Technology and Requirements

Mr. Fewell continued a previous presentation regarding dispatch service technology which began at the May 24, 2023 TAC meeting and led to an ad hoc working group on June 29, 2023. Based on research done, Mr. Fewell explained that the FHVA found disparities in the way dispatch services operate: not all dispatch services have 24-hour phone lines, many rely on third party messaging apps to communicate with drivers, and most do not have GPS capabilities beyond the driver's cell phones. These findings do not currently meet industry standards.

Feedback from dispatch services at the ad hoc working group included: many drivers do not wish to receive dispatched rides and would rather work at the airport, that few calls are received after hours, that dispatch services are integral to coordinating the return of lost and found items, most dispatch services do not use soft-meter technology, most dispatch services are not the

merchant of record for credit card transactions, and that they offer a wide variety of subscription prices.

Feedback from drivers at the ad hoc meeting included: drivers receive few calls from dispatch services and trips outside the airport are minimal, subscription costs are high and unnecessary for no substantial benefit, that dispatch services should be optional, that they should be able to subscribe to remote dispatch service, and that they welcome soft meter technology.

Going forward, using this feedback, the FHVA will conduct additional ad hoc working groups on this topic and work with the dispatch services to ensure compliance with City of San Diego Policy 500-2 and MTS Ordinance No. 11.

#### PUBLIC COMMENTS

Izzy Aala, from Flywheel Technologies, explained how Flywheel provides the technology for end-to-end full-service dispatch; which includes soft meter, cameras, and printers, as well as back office technology. He also explained that Flywheel has capabilities for self-service ride requests through Interactive Voice Response (IVR) or the Flywheel e-hail app. He concluded his comment by expressing his interest in learning the requirements to operate in San Diego.

William Alozie commented that the presentation highlighted the issues with radio dispatch services. He went on to say that many of the services provided by dispatch services are obsolete; lost and found services are provided by the airport and cell phones have made it possible for drivers to call 911 on their own. He suggested that subscription to a radio dispatch service be made optional.

#### MEMBER COMMENTS

Chair Elo-Rivera reminded the TAC members that there were still several other agenda items to present and requested that speakers keep their comments concise.

Mr. Banks asked Mr. Aala if he was a full radio dispatch service or if he only provided the equipment that goes in the vehicles. Mr. Aala responded that they are a software provider with partners who can supply hardware. Mr. Banks followed up by asking who would provide the hardware. Mr. Aala responded that the responsibility belonged to the owner who could purchase the hardware elsewhere if it met their operating requirements or from Flywheel's partners. Mr. Banks commented on how this might be a financial burden, to which Mr. Aala responded that the benefits to soft meter technology like flat rates more than make up for the cost. Mr. Banks asked if the customer will be able to see the flat rate on the meter and Mr. Aala confirmed that they would be. Mr. Banks continued on by saying that this would be another cost that new owners will have to take on. Mr. Aala commiserated that he understood that this was an additional cost, but that based on his research into the San Diego taxi industry he saw that there was an opportunity for drivers to see a return on their investment.

Mr. Banks also clarified that although the airport has a lost and found, that many customers and drivers still rely upon the dispatch services to route lost items.

Mr. Majid wanted to refute some of the negative feedback from the presentation and stated that it did not apply to all radio services. Mr. Majid also wanted to make it clear that IVR was a good thing, but that it was not an adequate replacement for a full call center with staff.

Mr. Seifu commented that it was not true that drivers were unwilling to take dispatch calls, especially when they were frustrated by 5-6 hour waits at the airport. Mr. Seifu also asked that

MTS be flexible with companies such as Uber and Flywheel, as he felt that they were the solution to the industries problems. Mr. Seifu shared that another driver in San Francisco was choosing to work with Flywheel because they had better rates. He finished by expressing his concern for the survival of the taxicab industry when frustrated drivers are providing poor customer service.

Agustin Hodoyan commented that he was not sure why this was such a big issue, when drivers can choose to accept or decline rides at the airport.

Mr. Hueso commented that he does not believe call centers can continue to exist while adhering to the requirements outlined in the presentation, and that they have already had to cut certain services to adjust with the demands of the industry. He finished by saying that this conversation needed to be continued long-term, as the transportation industry as it exists now has become oversaturated and in order to survive changes must be made.

#### Action Taken

Informational item only. No action taken.

#### 7. For-Hire Vehicle Industry Emerging Topic: Partnerships Between Taxicabs and Transportation Network Companies

Mr. Fewell continued his presentation on the future of partnerships between taxicabs and Transportation Network Companies, focusing on the upcoming partnership between Yellow Cab and Uber. He mentioned potential benefits for both drivers and passengers, which included: increased rides, increased flexibility for booking rides, and increased access to transportation. Mr. Fewell said that all trips would be considered taxi trips, but that third party trips would be based off TNC pricing. He presented several MTS Ordinance No. 11 revisions to enable taxicab/TNC partnerships including a provision which removes requirements for maximum rates of fare and refusal penalties for TNC trips, as well as a provision defining a "Third-Party Trip Provider". Mr. Fewell requested feedback on these proposed revisions in order to finalize changes before the next TAC meeting.

#### PUBLIC COMMENTS

Mr. Aala commented that Flywheel has created a way for customers to request a taxi via the UberX option, which has dramatically increased e-hail rides for taxis.

Mr. Alozie commented that this was a large partnership and necessitated a lot of consideration, and that it could be detrimental to independent taxi drivers who value the freedom in the profession.

#### MEMBER COMMENTS

Chair Elo-Rivera and Mr. Fewell asked that TAC members who wished to comment to send an email to the FHVA with their feedback.

Mr. Zschiesche asked if there could be a working group for this topic. Chair Elo-Rivera responded that it would be a great idea, and just asked that they adhere to the Brown Act by not having a quorum.

Mr. Girma attempted to ask Mr. Anderson a question, but Chair Elo-Rivera asked him to limit comments to the current topic.

Mr. Majid commented that this is a business decision that needed to be considered individually, not something that will be forced on everyone. He confirmed that they were in the final stages with plans to launch in Los Angeles, Orange County, and San Diego simultaneously.

Chair Elo-Rivera asked Mr. Fewell to follow up with the TAC members who wished to participate in the working committee in order to have a robust conversation on this topic during the next committee meeting.

8. For-Hire Vehicle Administration Operations Update

This agenda item was tabled and members were directed to the materials which were posted online.

PUBLIC COMMENTS

No public comments.

MEMBER COMMENTS

No member comments.

9. Topics for Next Taxicab Advisory Committee Meeting

This agenda item was tabled and members were directed to the materials which were posted online.

PUBLIC COMMENTS

No public comments.

MEMBER COMMENTS

Mr. Hueso recommended that if we have a robust agenda during the next meeting, to perhaps limit the number of items.

Action Taken

Informational item only. No action taken.

10. Committee Member Communications and Other Business

There were no committee member communications or other business.

Action Taken

Informational item only. No action taken.

11. Next Meeting Date

The next Taxicab Advisory Committee meeting is scheduled for November 15, 2023 at 2:00 p.m.



12. Adjournment

The meeting was adjourned at 2:59 p.m.



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Chairperson  
San Diego Metropolitan Transit System



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Committee Clerk  
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

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

ROLL CALL

MEETING OF (DATE): July 12, 2023

CALL TO ORDER (TIME): 1:02 pm

ADJOURN: 2:59 pm

| COMMITTEE MEMBER                      | (Alternate)   | ORGANIZATION  | PRESENT<br>(TIME<br>ARRIVED) | ABSENT<br>(TIME<br>LEFT) |
|---------------------------------------|---|---|------------------------------|--------------------------|
| <b>Voting Committee Members</b>       |   |   |                              |                          |
| Sean Elo-Rivera<br>(Chair)            | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | MTS Board of Directors/<br>SD City Council            | 1:02 pm                      | 2:59 pm                  |
| Able Seifu                            | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Permit Holder / Odyssey Cab                           | 1:02 pm                      | 2:59 pm                  |
| Agustin Hodoyan                       | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Permit Holder / Soul Cab                              | 1:02 pm                      | 2:59 pm                  |
| Alfred Banks                          | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Taxicab Lease Driver                                  | 1:02 pm                      | 2:59 pm                  |
| Akbar Majid                           | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Permit Holder / SDYC Holdings                         | 1:02 pm                      | 2:59 pm                  |
| Antonio Hueso                         | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Permit Holder / USA Cab, LTD                          | 1:02 pm                      | 2:59 pm                  |
| David Tasem                           | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Taxicab Lease Driver                                  | 1:10 pm                      | 2:31 pm                  |
| George Abraham                        | <input type="checkbox"/> Daniel Fesshaye <input type="checkbox"/>             | Permit Holder / Eritrean Cab                          |                              |                          |
| Karen Higareda                        | <input type="checkbox"/> None <input type="checkbox"/>                        | Cross Border X-Press                                  |                              |                          |
| Louis Vasquez                         | <input checked="" type="checkbox"/> Claudia Rubio <input type="checkbox"/>    | SD Convention Center                                  | 1:02 pm                      | 2:59 pm                  |
| Marc Nichols                          | <input type="checkbox"/> Michael Anderson <input checked="" type="checkbox"/> | SD Regional Airport Authority                         | 1:02 pm                      | 2:59 pm                  |
| Margo Tanguay                         | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Taxicab Lease Driver                                  | 1:02 pm                      | 2:59 pm                  |
| Michael Trimble                       | <input type="checkbox"/> None <input type="checkbox"/>                        | SD Gaslamp Quarter<br>Association                     |                              |                          |
| Michaelene Sullivan                   | <input type="checkbox"/> None <input type="checkbox"/>                        | SD Tourism Authority                                  |                              |                          |
| Mikail Hussein                        | <input type="checkbox"/> Peter Zschiesche <input checked="" type="checkbox"/> | United Taxi Workers SD                                | 1:02 pm                      | 2:59 pm                  |
| Zewdu Girma                           | <input checked="" type="checkbox"/> None <input type="checkbox"/>             | Permit Holder / Beezee Taxi                           | 1:13 pm                      | 2:59 pm                  |
| <b>Non – Voting Committee Members</b> |   |   |                              |                          |
| Austin Shepherd                       | <input type="checkbox"/> John Kinkaid <input type="checkbox"/>                | SD Department of Agriculture,<br>Weights and Measures |                              |                          |
| Edna Rains                            | <input type="checkbox"/> Jessica Marty <input type="checkbox"/>               | SD County Sheriff's<br>Department Licensing Division  |                              |                          |

FOR COMMITTEE CLERK: 