

**NEW YORK CITY**  
**TAXI AND LIMOUSINE COMMISSION**

**Minutes of Commission Meeting**  
**November 17, 2005**

**Present:**

Matthew W. Daus, *Commissioner/Chair*  
Elias Arout, *Commissioner*  
Noach Dear, *Commissioner*  
Harry Giannoulis, *Commissioner*  
Edward Gonzales, *Commissioner*  
Elliot Sander, *Commissioner*  
Howard R. Vargas, *Commissioner*  
Iris Weinshall, *Commissioner*  
Charles Fraser, *General Counsel*

1. The Chair called the meeting to order and welcomed two new TLC Commissioners, Howard R. Vargas and Edward Gonzales. Commissioner Vargas was appointed upon the recommendation of the Bronx City Council delegation to serve a term that will expire on January 31, 2008. Commissioner Gonzales was appointed by Mayor Bloomberg to serve a term that will expire on January 31, 2012. The Chair thanked former Commissioner Rubinstein for his years of service. (Tr.: pp. 3-4)
2. The Chair reported that six Ford Escapes had been hacked-up and were operating as taxicabs. The Chair further reported that 18 Ford Escapes, 2 Toyota Priuses and 1 Toyota Highlander are expected to be operating as taxicabs in the near future. The Chair noted that the next medallion sale would include the sale of additional alternative fuel medallions. (Tr.: pp. 4-5)
3. The Chair reported that his testimony on November 14, 2005 before the City Council Transportation Committee on Intro. 734 and Intro. 735 was posted on the TLC's website<sup>1</sup>. While the TLC opposed these bills, TLC staff was collecting, reviewing and analyzing hybrid-electric vehicle data to explore additional ideas with the City Council and Council Member Yassky. (Tr.: p. 5)
4. The Chair commended the Design Trust for Public Space for their innovative exhibit on taxi design at the Parsons New School for Design, located at 2 West 13<sup>th</sup> Street, and which will run into January 2006. (Tr.: pp. 6-7)

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<sup>1</sup> <http://home.nyc.gov/html/tlc/html/news/testimony111405.shtml>

5. The Chair reported that the TLC had received and denied four rulemaking petitions. The first petition was from the *Livery Owners Coalition of New York* requesting the TLC to reduce the minimum insurance coverage requirements that were adopted in 1998. This petition was denied because the TLC Commissioners' questions raised at the October 2004 Commission meeting remained unanswered by the petitioner. The other three petitions pertained to fuel surcharge requests. Considering the variety and importance of this issue to the industry, the petitions were denied in order to bring the discussion before the TLC Commissioners and the public at this Commission meeting. (Tr.: pp. 7-9)
6. The Chair noted that the *Black Car Assistance Corporation* was seeking a preliminary injunction to bar enforcement of the newly enacted Nassau County ordinance that requires TLC licensees to obtain a Nassau County permit to (1) drop-off in Nassau County and (2) to pick up in Nassau County and drop-off in New York City. The ordinance also requires bases to relocate within Nassau County to engage in point-to-point pick-up and drop-off within Nassau County; and imposes a \$300 fee on non-County based TLC licensees instead of the \$5 fee imposed on Nassau County based licensees. (Tr.: pp. 9-11)
7. Commissioner Dear requested that the TLC revisit the issue of lowering insurance limits. Commissioner Weinshall stated that the insurance industry had not been completely honest with the TLC at its October 2004 hearing, that the TLC did not regulate the insurance industry and that this matter was better left to the State Insurance Department. The Chair stated that the TLC had increased enforcement to combat insurance fraud and indicated that he would invite Superintendent Mills to speak before the Commission. (Tr.: pp. 12-15)
8. Commissioner Dear expressed concern over the Port Authority's RFP that would allow a single contractor to regulate the livery industry at the airports. Commissioner Dear noted that when this happened in Los Angeles, 12 or 14 companies went out of business. The Chair thanked Commissioner Dear for his concern and indicated that it would be the subject of a report at the next Commission meeting. (Tr.: pp. 15-18)
9. The Commissioners then reviewed the minutes of the September 8, 2005 Commission Meeting. Commissioner Gonzales made a motion to accept them. Commissioner Weinshall seconded the motion, which passed unanimously. (Tr.: p. 18)
10. Andrew Salkin, *First Deputy Commissioner*, then discussed the fuel surcharge proposals. Mr. Salkin began his presentation (available on the TLC website<sup>2</sup>) with a slide showing the taxicab fares before and after the May 2004 fare increase and the impact of the fare increase on passengers, drivers and medallion owners. In response to a question from Commissioner Sander, Mr. Salkin estimated that taxicab drivers earned on average \$35,000 to \$45,000 per year. Mr. Salkin then dis-

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<sup>2</sup> [http://home.nyc.gov/html/tlc/downloads/pdf/fuel\\_price\\_update.pdf](http://home.nyc.gov/html/tlc/downloads/pdf/fuel_price_update.pdf)

cussed the effect of fuel costs on driver wages and noted an inverse correlation between the two after the fare increase. Mr. Salkin then explained the New York City and national trend in fuel prices, pre- and post- Hurricane Katrina. Mr. Salkin stated that irrespective of the ups and downs of gas prices, drivers currently carried the burden of payment. Mr. Salkin explained that the TLC could ease this burden by imposing a fuel surcharge, reducing lease caps or adopting a combination of these two as had been proposed in the various petitions submitted to the TLC. (Tr.: pp. 18-28)

11. In response to a question by Commissioner Giannoulis, Mr. Salkin replied that the average fuel cost per shift was approximately \$24 to \$45, assuming an average of 125 miles and 12 gallons of gas consumed per shift. Mr. Salkin stated that there was a general rule of thumb that could be used, namely, that driver gas costs are approximately 40% of the cost of gas. (Tr.: pp. 28-30)
12. Ms. Samara Epstein, *Director of Constituent Management*, continued the presentation by discussing various cities that had adopted fuel surcharges, namely, Baltimore, Los Angeles, Milwaukee, Philadelphia, Seattle, St. Louis and Washington, DC. Other cities, namely, Boston, Chicago, Las Vegas, London, Miami, San Francisco and Toronto, had not adopted fuel surcharges. Ms. Epstein noted that Los Angeles was one of the few cities that based their surcharge on the *Consumer Price Index (CPI)*. Ms. Epstein then explained the composition of a surcharge, namely that it could be linked to an established average (e.g., the *CPI*); it could be in lieu of or in addition to a fare increase; it could be a percentage, flat fee or arbitrarily set based on little or no economic analysis; it could expire, fluctuate periodically, or continue without any review mechanism (i.e., a fare increase); and/or it could be programmed into the meter (preferred by drivers to avoid a decrease in tips) or added to a metered rate. Ms. Epstein noted that Los Angeles, Philadelphia and Seattle had adopted both a fuel surcharge and fare increase. (Tr.: pp. 30-34)
13. Mr. Salkin then discussed the three petitions that had been submitted to the TLC. Petitions were received from the *New York Federation of Taxi Drivers (FTD)*, the *League of Mutual Taxi Owners (LOMTO)* and the *New York Taxi Workers Alliance (TWA)*. The *FTD* petitioned for a \$1.50 surcharge when the price of gas would be between \$2.00 and \$4.00 and a \$2.00 surcharge when the price of gas exceeded \$4.00. *LOMTO* petitioned for a \$1.00 surcharge when the price of gas was between \$1.90 and \$3.00 and for an additional \$.50 surcharge for every \$.50 increase in the price of gas. The *TWA* proposed a tiered surcharge (\$.50 when the price of gas would be between \$2.00 and \$3.00; \$1.00 when the price of gas would be between \$3.00 and \$4.00; \$1.50 when the price of gas would be between \$4.00 and \$5.00; and \$2.00 when the price of gas would be between \$5.00 and \$6.00). None of the proposed surcharges had expiration dates. The *TWA* also requested that the service improvement requirements be suspended when the price of gas rose to \$2.00/gallon, that the vehicle retirement dates be suspended and that lease cap reductions be adopted when the price of gas reached \$4.00/gallon. (Tr.: pp. 35-36)

14. Mr. Salkin then discussed the impact of a fuel surcharge on passengers. Adding a \$.50 surcharge to a ride of \$9.31 would equate to a 36% fare increase; adding a \$1.00 surcharge to a ride of \$9.81 would equate to a 41% fare increase; and adding a \$1.50 surcharge to a ride of \$10.31 would equate to a 48% fare increase. Mr. Salkin stated that drivers were currently losing approximately \$6 a day due to higher fuel costs, or the equivalent of 3.5% of their income. To make up this difference, drivers would need to make an additional \$.20 per ride to be made whole. In sum, Mr. Salkin stated that, notwithstanding higher fuel costs, drivers were earning more money after the May 2004 fare increase than they did before and that it would be for the Commissioners to determine changes, if any, in the fare structure. (Tr.: pp. 36-43)
15. The Chair then turned it over to the petitioners for discussion. The first speaker was Vincent Sapone of *LOMTO*. Mr. Sapone requested an immediate fuel surcharge or fare increase in view of the adoption by other U.S. cities' of a fuel surcharge. (Tr.: pp. 43-49)
16. The next speaker was Bharavi Desai from the *TWA*. She requested that Shazadur Ramman, who remained in a coma after being assaulted over a month ago, be remembered in everyone's prayers. Ms. Desai stated that major U.S. companies like Wal-Mart, American Airlines, New York Waterway and Domino's Pizza had imposed fuel surcharges and that it was time for taxicab drivers to obtain a raise. Ms. Desai stated that it costs drivers an average of \$16 a day to fill their tanks. (Tr.: pp. 50-57)
17. Jennifer Palmer, *Assistant Director of Constituent Management*, stated that the TLC had been monitoring four gas price websites: *Gas Buddy* or *NewYork-GasPrices.com* that was referred to by the *TWA*, the *AAA Fuel Gage Report*, the *CPI* and the *Energy Information Administration (EIA)*. Ms. Palmer stated that *Gas Buddy* (where consumers phoned in gas prices) was in the middle of the price range, as was the *AAA*; higher prices were listed on *EIA* with the *CPI* showing the highest prices. (Tr.: pp. 58-62)
18. Since there was a discrepancy between the various assumptions used, the Chair requested that the petitioners submit their data to the TLC for clarification. He noted, however, that the drivers were earning a living wage and that gas prices had stabilized. (Tr.: pp. 62-63)
19. Commissioner Sander stated that the gas price situation should be revisited when the Commissioners return next year to determine whether circumstances warrant another fare increase. Commissioner Sander also stated that any fare increase could be made retroactive. Commissioner Dear stated that he would prefer not to have to revisit the issue periodically and would like to create a built-in mechanism whereby fuel surcharge increases would become automatic upon a pre-established trigger. The Chair agreed that this idea should be further explored, but added that the Commission should likewise consider a reduction of fares if fuel prices declined. (Tr.: pp. 63-67)

20. William Carter, *Executive Director for Licensing*, then provided an update on the base licensing application review process. Mr. Carter stated that there were two new base license applications, 23 base license renewal applications, 1 application for base relocation, 4 change of ownership requests, 1 base license renewal and ownership change and 7 base license renewal applications that were being recommended for disapproval for failure to timely submit the necessary paperwork, as follows :

**NEW APPLICATIONS:**

**Discovery Transportation Corp. (B02129)**

**Emery Vasquez dba Wall Street Executive Car & Limo. Service (B02128)**

**RENEWAL APPLICATIONS:**

**Acapulco Car Service, Inc. (B00968)**

**Amadi U. Kate dba Kexpress Car Service (B01703)**

**Blu-White Associated Transportation Service Inc. (B00492)**

**Broad Dyckman Car Service Inc. (B01083)**

**Century Car Service Inc. (B01679)**

**Community Quisqueya Car Service, Inc. (B00900)**

**Concorde Express of N.Y., Inc. (B01751)**

**Delancey Car Service Inc. (B00225)**

**Family San Juan Radio Dispatch, Inc. (B01538)**

**Fernando Nuesi dba Atlantic Car Service (B00821)**

**FJA Livery Corp dba Village Car Service (B00023)**

**Joe M. Leasing Corp. dba Four Twos Private Car Service (B00445)**

**Lil D'Dispatch Inc. (B01308)**

**Mauser Service Inc dba Nu Nu Car Service (B01028)**

**Mobil Car Service Inc. (B01492)**

**N.Y. Saeta dba New Commando Car Service (B01738)**

**Pak-Eagle Inc. dba Jewel Car Service (B00128)**

**Prestij Transportation Inc. (B01289)**

**Queens Lincoln Car & Limousine Service, Inc. (B01589)**

**Santo Domingo Car Service, Inc. (B01176)**

**T.J.Q. Car Service Inc. dba Quality Car Service (B00975)**

**Victory Car & Limo Service Inc. (B01642)**

**Yours Car Service Inc. (B01601)**

**RELOCATIONS:**

**Lil'd Dispatch, Inc. (B01308)**

**CHANGE OF OWNERSHIP:**

**7 Ocean Express, Inc. (B00559)**

**Early Bird Car Service Inc. (B00485)**

**Tremont Dispatching Corp. (B00030)**

**Tremont Dispatching Corp. (B00401)**

**COMBINATIONS:**

**Parsons Car Service (renewal & owner change) (B01510)**

**RENEWAL APPLICATIONS RECOMMENDED FOR DISAPPROVAL:**

**3210 Webster Avenue (B01338)**

**G.D.R. Car & Limo (B01482)**

**God Bless America (B01955)**

**Hoyt Limo (B01506)**

**MOF Transportation (B01864)**

**New Special (B01760)**

**Year 2000 (Y2K) (B01799)**

21. Mr. Carter recommended for approval the base license application of **Discovery Transportation Corp.** Commissioner Giannoulis stated that since it had been TLC practice in the recent past to deny base licenses when there had been opposition in the community, Discovery Transportation's application should be denied because of opposition from the Community Board, the local Councilman and the Manhattan Borough President. The Chair then made a motion to approve this base's license application. Commissioner Weinshall seconded the motion, which passed 6 to 2 with Commissioners Giannoulis and Vargas voting against. Commissioner Arout then clarified his vote: he stated that it was conditioned on the requirement that within one month of operating as a base, the Commission receive a full report on any Community impact and that prompt and decisive action be taken to correct any traffic or safety issues. The Chair concurred with Commissioner Arout and amended his motion to approve the base's application conditioned on a Community impact report. The Chair and Commissioners Sander, Dear, Weinshall, Gonzales and Arout voted in favor of the amended motion. Commissioners Vargas and Giannoulis voted in opposition. (Tr.: pp. 67-95)
22. Mr. Carter then recommended the new base application of **Emery Vasquez dba Wall Street Executive Car & Limo. Service (B02128)** for approval. The Chair then asked if any of the Commissioners had any concerns about this new base license application. None expressed any concerns. Mr. Carter then turned to the 23 base renewal applications. The Chair asked if any of the Commissioners had any concerns with respect to any of the 23 renewal applicants. The Chair noted that ten of the base renewal applicants had one or more convictions of dispatching unlicensed or suspended drivers and made a motion to approve the 10 base license renewal applications listed below provided that they submit a revised business plan outlining procedures to avoid the recurrence of violations such as dispatching unlicensed or suspended drivers:

**Acapulco Car Service, Inc. (B00968)**

**Century Car Service Inc. (B01679)**

**Delancey Car Service Inc. (B00225)**

**Family San Juan Radio Dispatch, Inc. (B01538)**

**Fernando Nuesi dba Atlantic Car Service (B00821)**

**Joe M. Leasing Corp. dba Four Twos Private Car Service (B00445)**

**Lil D'Dispatch Inc. (B01308)**

**N.Y. Saeta dba New Commando Car Service (B01738)**

**Pak-Eagle Inc. dba Jewel Car Service (B00128)**  
**Yours Car Service Inc. (B01601)**

Commissioner Sander seconded the motion, which passed unanimously. (Tr.: pp. 95-97)

The Chair then made a motion to approve the new base application of **Emery Vasquez dba Wall Street Executive Car & Limo. Service** and the remaining 13 base license renewal applications listed below that had been left out from the prior vote:

**Amadi U. Kate dba Kexpress Car Service (B01703)**  
**Blu-White Associated Transportation Service Inc. (B00492)**  
**Broad Dyckman Car Service Inc. (B01083)**  
**Community Quisqueya Car Service, Inc. (B00900)**  
**Concorde Express of N.Y., Inc. (B01751)**  
**FJA Livery Corp dba Village Car Service (B00023)**  
**Mauser Service Inc dba Nu Nu Car Service (B01028)**  
**Mobil Car Service Inc. (B01492)**  
**Prestij Transportation Inc. (B01289)**  
**Queens Lincoln Car & Limousine Service, Inc. (B01589)**  
**Santo Domingo Car Service, Inc. (B01176)**  
**T.J.Q. Car Service Inc. dba Quality Car Service (B00975)**  
**Victory Car & Limo Service Inc. (B01642)**

Commissioner Dear seconded the motion, which passed unanimously. (Tr.: p. 97)

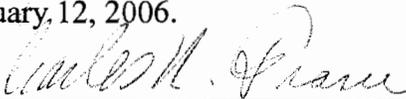
Commissioner Arout then made a motion to approve the relocation of **Lil'd Dispatch, Inc. (B01308)**, the change of ownership of **7 Ocean Express, Inc. (B00559)**, **Early Bird Car Service Inc. (B00485)**, **Tremont Dispatching Corp. (B00030)** and **Tremont Dispatching Corp. (B00401)** and the base license renewal application and ownership change of **Parsons Car Service (B01510)**. The Chair seconded the motion, which passed unanimously. (Tr.: p. 98)

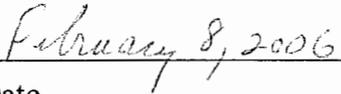
The Chair then made a motion that the 7 base license renewal applications listed below that were recommended for disapproval be granted 30 calendar days to complete their application and that their application be reviewed at the next Commission meeting. Commissioner Weinshall seconded the motion, which passed unanimously. (Tr.: pp. 98-103)

**3210 Webster Avenue (B01338)**  
**G.D.R. Car & Limo (B01482)**  
**God Bless America (B01955)**  
**Hoyt Limo (B01506)**  
**MOF Transportation (B01864)**  
**New Special (B01760)**  
**Year 2000 (Y2K) (B01799)**

23. The TLC's *General Counsel*, Charles Fraser, then discussed the expedited rule-making for annual drug testing of taxicab and FHV drivers. Mr. Fraser explained that currently, a license may be suspended only after notice and an opportunity to contest the basis for the suspension. A license may also be suspended if there is an imminent threat to public health and safety, provided that the TLC seeks to revoke the suspended license. The proposed rule would therefore authorize the TLC to suspend a license for failure to submit to mandatory annual drug testing, pending compliance with the drug test requirement (or successful contest of the suspension), without having to commence license revocation proceedings. As an additional incentive for drivers to comply, those who comply within 30 days of their suspension will not be fined; those who do not will be subject to a \$200 fine for violation of the drug testing rule. The expedited nature of the rulemaking was necessary because of the importance to public safety of strict enforcement of the Commission's drug testing requirements for licensed taxicab and FHV drivers. Commissioner Vargas noted a discrepancy between "may" versus "shall be suspended" in Rule §8-17(a)(1). The Chair stated that the final rule would be corrected to state "shall". The Chair then asked the Commissioners to vote on the emergency rule. The Commissioners unanimously adopted the new rule. (Tr.: pp. 103-107)
24. Commissioner Dear requested that Pansy Mullings, *Deputy Commissioner Uniformed Services Bureau*, head-up a task force to address the matter of "LA" plated vehicles. *First Deputy Commissioner* Salkin stated that the TLC had an "LA" program already in place. Commissioner Dear requested that a report be provided at the next Commission meeting. (Tr.: pp. 107-109)
25. Commissioner Dear made a motion to adjourn the Commission meeting, which passed unanimously. The time noted was 12:15 p.m. (Tr.: p.109)

Minutes as approved by the Taxi & Limousine Commission on  
January, 12, 2006.

  
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Deputy Commissioner for Legal Affairs / General Counsel

  
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Date