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NYC TAXI AND LIMOUSINE COMMISSION

PUBLIC MEETING

held on Monday, September 10, 2007

40 Rector Street

5th Floor

New York, New York

1 Public Meeting convened at 9:30 a.m:

2

P R E S E N T:

3

4 MATTHEW W. DAUS, COMMISSIONER/CHAIR

5 ELIAS AROUT, COMMISSIONER

6 NOACH DEAR, COMMISSIONER

7 HARRY GIANNOULIS, COMMISSIONER

8 HOWARD R. VARGAS, COMMISSIONER

9 EDWARD GONZALES, COMMISSIONER

10 LAUVIENSKA POLANCO, COMMISSIONER

11 JEFFREY KAY, COMMISSIONER

12 CHARLES FRASER, GENERAL COUNSEL

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1 CHAIRMAN DAUS: If everybody would
2 take their seats, please. We are going to get
3 started. We are going to make an even more
4 conscious effort to start as closely to as on
5 time as we possibly can in the future because
6 I know often everyone waits for 10 or 15
7 minutes and we are going to try to step up and
8 see if we can start promptly at 9:30 each day.
9 Chairs report.

10 The first item on the agenda is the
11 Chair's Report. First I would like to make a
12 few comments about the obvious taxi work
13 stoppage. I would like to first take the
14 opportunity to thank all of those taxi drivers
15 who came to work on September 5th and
16 September 6th and who continued to serve the
17 public during the limited services disruption
18 that we all experienced. Not only did you
19 help to make service available for your
20 passengers, but you earned some extra income
21 for yourselves and your families as well.

22 And I would also like to thank TLC
23 staff and also all of our government
24 colleagues who worked around the clock with us
25 on conceiving and implementing the contingency

1 plan, including OEM, the Mayor's Office of
2 Emergency Management, Commissioner Bruno and
3 his staff; the NYPD, Commissioner Kelly played
4 a role in helping protect those drivers that
5 did come to work; Department of
6 Transportation, Jeff Kay and his team at
7 operations; the MTA; the Port Authority and
8 DoITT. And in particular, there is one person
9 I would like to single out from our staff who
10 did a fantastic job, and that is David Klahr,
11 the chief of staff to our first deputy, who
12 really was the project manager and the person
13 who oversaw our plan from beginning to end
14 internally working with OEM.

15 So I want to thank David.

16 Congratulations, David, you did a great job.

17 I have the deepest respect for those
18 who use peaceful protest as a means of making
19 their opinions and their concerns known. The
20 TLC has listened, and will continue to listen
21 to the concerns of drivers. It is our
22 responsibility to do what we think is in the
23 collective best interest of the city, the
24 passengers and the industry. Even if it is
25 not everything that the drivers want or do not

1 want.

2 I hope that everyone understands and
3 appreciates that the Mayor, and all of the
4 hard-working public servants at the TLC, do
5 care very much for the drivers and have done a
6 tremendous amount over the years help them,
7 and will continue to do so.

8 That being said, please rest assured
9 that we are 100 percent committed to insuring
10 that the new technology systems work well, and
11 that any problems that arise, as they do with
12 any new system, are addressed immediately and
13 efficiently so as not to inconvenience drivers
14 or passengers.

15 Also, you have our commitment that
16 the obligations set forth in our vendor
17 contracts and TLC rules regarding the prompt
18 repair of the systems and payment to the
19 drivers for credit and debit card fares will
20 be vigorously enforced. Actually, the October
21 1st deadline is still a hard deadline. We
22 will be mailing within the next couple of
23 days, if not by the end of this week, a
24 reminder notice of all the stuff that is going
25 on this fall. There is a lot going on

1 obviously.

2 When you come in for your next
3 regularly scheduled inspection on or after
4 October 1st there are two major things that
5 you have to be aware of in addition to your
6 car passing inspection. And that is to make
7 sure that you have one of the four authorized
8 vendor units installed in your taxicab and
9 also that you have the new markings that we
10 approved at the Commission on your car ready
11 for inspection.

12 Those are the two major things that
13 you need to do before you come in to
14 inspection. The letter that we are going to
15 be sending out is very easily worded and it is
16 a little bit of a checklist just to make sure
17 people are on track to do what they need to
18 do. So it is those two items, plus Gardens in
19 Transit, which you will be hearing more about
20 this week. I think they are going to start
21 installing a couple of the flower decals this
22 week, and they are going to be getting them on
23 the cabs. That is a voluntary project, once
24 again, but it is a nice project and I hope
25 everybody helps out and participates in it. I

1 think it is going to be great for the city.

2 And last but not least, we are going
3 to hear a lot today about the Medallion
4 auctions. We have our final auction that is
5 going to be dealing with the sale of 150
6 accessible Medallions. We are going to have a
7 presentation today to go over some of those
8 details, but the important details that all
9 Medallion owners or potential buyers need to
10 know is going to be set forth in a letter
11 telling them where, if they are interested,
12 they can go to get more info.

13 Today also we have a special guest
14 joining us. There has been a lot of talk and a
15 lot questions from the Commissioners about the
16 Rules RFP or the Rule Project, the revamping
17 of our rules to make them easy to understand,
18 reorganize them and set forth priorities and a
19 vision.

20 The contract was, I am happy to
21 report, was registered with the Comptroller
22 and the contract is ready to go. We have the
23 present CEO of the company here with us today,
24 Ken Murray. Ken, could you please stand so
25 everybody knows who you are.

1 Ken is the present CEO of TATC
2 Consulting, Technical Assistance and Training
3 Corp. He brings a tremendous resume with a
4 lot of work dealing with government agencies,
5 especially at the federal government level.
6 And he is here to observe his first Commission
7 meeting, see how we work and how we operate.
8 And shortly thereafter, after setting out a
9 timeline and a workflow plan, we are going to
10 be meeting, as we promised, with each and
11 every Commissioner individually so that they
12 can some one-on-one time with the consultant
13 to explain what they believe our vision should
14 be.

15 Also I have two dates for you to
16 record down, two upcoming Commission meetings.
17 We haven't set the agendas yet, but the next
18 two are on Thursday, October 11, 2007 and
19 Thursday, November 8th. So we are going to
20 get back on our regular schedule of the second
21 Thursday of every month.

22 Also I would like to conclude with
23 some personnel announcements. First, I would
24 like to announce the appointment of Sara
25 Meyers officially as Assistant Commissioner

1 for the Division of Licensing Standards.

2 Sara, congratulations.

3 Sara has been working with us since
4 October of '04, and she first started as
5 Director of Special Projects in the FDC's
6 office. In March of '06, she was transferred
7 to the business base unit in Long Island City.
8 She assisted Deputy Commissioner Gary Weiss,
9 who supervises her work, in further improving
10 customer service and communication with our
11 applicants and licensees. She has an MPA from
12 NYU's Robert Wagner Graduate School of Public
13 Service. She is committed to public service
14 and we are happy that you are going to stay
15 with us.

16 And as many committed public servants
17 in the city, has gone through a special
18 program, which my first deputy has as well and
19 several other folk at the agency, the
20 Management Academy. I recommended Sara and
21 she completed the academy and she has done a
22 fantastic job and we are looking forward to
23 you making some even better changes in
24 licensing along with Gary, so congratulations.

25 We have some judicial appointments to

1 announce today. First, our Chief Judge
2 Carmina Schwekie. Carmina, welcome.

3 Carmina has enjoyed a distinguished
4 career as a sole practitioner of law, and she
5 has many years of public service including
6 service as an ALJ with the TLC for the last
7 six years, as well as at the New York City
8 Department of Environment Protection, where
9 she was also an ALJ. She has also served as
10 an arbitrator in New York City Civil Court and
11 has earned her JD from New York Law School.
12 Congratulations, Carmina, we look forward to
13 working with you.

14 And Carmina, along with Judge Cohen,
15 will be working for and reporting to Joe
16 Eckstein, our Deputy Commissioner for
17 Ajudications.

18 Also I would like announce, Sherry
19 Cohen, our Deputy Chief Administrative Law
20 Judge. Good morning, Sherry.

21 Judge Cohen served at the District
22 Attorney's office for several years, Kings
23 County District Attorney's office. Also she
24 did some very important work at the Committee
25 to Combat Police Corruption. She also was a

1 law firm associate in trade infringement and
2 merchandise counterfeiting, has a varied
3 experience. Earned her JD at Fordham Law
4 School and has been with us for several years.

5 We look forward to working with each
6 and every one of you to make the tribunal
7 better. It has been something that has been
8 on our minds, just raising the bar in every
9 aspect of what we do in all of our
10 departments. So thank you and welcome to the
11 team. Congratulations.

12 That concludes my report. I am happy
13 we have a quorum, Commissioner Dear has joined
14 us. Any questions on the report? Comments?

15 COMM. DEAR: I just want to
16 congratulate you. I called you about that and
17 I want to congratulate you, the staff for the
18 wonderful job did over this, I don't know what
19 strike there was, I don't know what everyone
20 is talking about, but whatever news event it
21 was. And I want to thank, and I know I was in
22 touch with Jeff Kay, working closely and
23 giving some ideas.

24 In particular, also the industry and
25 all those drivers. I made it my business

1 during that two-day period to stop drivers and
2 talk to them and thank them. In fact, I saw a
3 few cars parked and I saw them walking out,
4 the drivers, and asked them, "Are you on
5 strike?"

6 They said, "No, no. We just finished
7 the night shift," and we talked about things.
8 One of the things we talked about, and I know
9 I had this conversation with Commissioner Kay,
10 and you as well, is that we should have an
11 outlet for drivers to be able to communicate
12 with us directly. I don't know if it is
13 through the 311 system that the driver can
14 talk to somebody. It can be in
15 confidentiality. That means if they want to
16 in confidence tell us something, that they
17 want to complain but they are afraid of
18 retribution, so they can tell us without any
19 problems, without any retribution. And if
20 not, they can reach out to us to be able to
21 talk to us.

22 Because I have to tell you, many
23 times you get good ideas from the people who
24 are on the street, and I feel it's very
25 important, and something that I have been

1 advocating many times, maybe after every
2 Commissioner meeting, if it doesn't get out of
3 hand, if we could have some sort of public
4 time where people could come in, like we did
5 on the City Council on the budget and many
6 other issues, where the public could come in
7 and register and speak to us and tell us what
8 the issues are and everything else. And we
9 should take it seriously.

10 I think if that word gets out, I
11 think a lot of these tensions that are taking
12 place out in the street, which I think some of
13 it is obviously made up and some of it is for
14 self-serving reasons, I think we can make a
15 difference and improve the relationship we
16 should have with the drivers.

17 Remember that the drivers are people
18 that we desperately need. We always talk
19 about the drivers, we give them so much, but
20 if they don't know -- if we have to announce
21 now that we gave you a 26 percent increase,
22 then something is wrong in our communication.
23 They are getting it in their pockets, money,
24 so something is wrong if they are not
25 appreciative or they don't understand.

1 I remember when I stopped one of the
2 drivers, he was a little concerned. He looked
3 at me, I realized, I showed them ID, I said,
4 "I am not coming to report you or anything
5 like that. I just want to have a conversation
6 with you. I live in the neighborhood. You
7 can always reach out to me personally if you
8 have to." And he felt good afterwards, and I
9 remember a group gathered afterwards and we
10 talked about the issues and everything else.

11 So I think it is important that we do
12 have that relationship and that we get the
13 message out. I think it is also important
14 that we recognize that. I guess this was a
15 good eye opener for us to see who we can deal
16 with this in this past time that we had, two
17 days that we had, more noise than action. And
18 we know what we have to do and who our friends
19 are and who we can work with and who we can
20 trust.

21 And at this time also, besides all
22 the drivers, I think a big faction here, a big
23 group that helped us a lot was the fleet
24 owners. And I would like to publicly
25 acknowledge the fact that the fleet owners

1 came forward, stepped forward, did what they
2 had to to get those cars out. And I know also
3 LOMTO worked closely with you. They went out
4 and got the message out. And the Taxi Safety
5 Group also got their people out. So everybody
6 was out there, so I think collectively we had
7 a great response to something which could have
8 been a big crisis.

9 CHAIRMAN DAUS: Thank you. Those are
10 fair points. Any other questions or comments?

11 (No response.)

12 CHAIRMAN DAUS: Thank you,
13 Commissioner, for the compliments.

14 The next item on the agenda is the
15 adoption of the minutes. Does anybody have
16 any comments or corrections to the minutes?

17 (No response.)

18 CHAIRMAN DAUS: Okay, do I have a
19 motion to approve?

20 A second?

21 All in favor?

22 (Chorus of "Ayes.")

23 CHAIRMAN DAUS: So approved.

24 Item 3, Base License Application
25 Review. Do we have a rep from Licensing?

1 MS. STEELE-RADWAY: Good morning.

2 CHAIRMAN DAUS: Good morning.

3 Please state your name for the court reporter.

4 MS. STEELE-RADWAY: Georgia

5 Steele-Radway. Licensing would like to

6 present before the Commission 19 bases with a

7 recommendation for approval.

8 CHAIRMAN DAUS: Are there any

9 issues?

10 COMM. DEAR: Are these already -- are

11 we on round two now or still round one yet on

12 the approvals?

13 MS. STEELE-RADWAY: These are round

14 two.

15 COMM. DEAR: These are already round

16 two. Are we finding with round two that we

17 are getting more compliance and we are not

18 having those problems that we had in the past?

19 MS. STEELE-RADWAY: Well, now that we

20 are doing the inspections with Commissioner

21 Pansy and we are working with the bases, we

22 are finding that they are keeping in

23 compliance with our rules, or at least they

24 are trying.

25 COMM. DEAR: Also, remember, we had

1 problems with people sending in applications
2 -- well, we sent them letters, they didn't
3 respond and all that. Are we getting better
4 responses now?

5 MS. STEELE-RADWAY: We are following
6 up with them on that.

7 COMM. DEAR: All right. Because we
8 had one case where we totally, I don't know if
9 you were here, it's a while back ago, where we
10 realized it was totally a lack of -- a
11 communication gap. You know, they just didn't
12 understand us and everything else. So we are
13 obviously reaching out?

14 MS. STEELE-RADWAY: Yes, we are.

15 CHAIRMAN DAUS: These are requests
16 for approval, not the denials; correct?

17 MS. STEELE-RADWAY: Correct.

18 CHAIRMAN DAUS: Okay, do I have a
19 motion to approve those bases on the agenda?

20 A second?

21 All in favor?

22 (Chorus of "Ayes.")

23 CHAIRMAN DAUS: And you have two
24 denials?

25 MS. STEELE-RADWAY: Yes, there are

1 two bases that Licensing is recommending for
2 denial with a request that the Commission
3 grants an additional 30 days so that they may
4 present the outstanding items.

5 COMM. DEAR: What's a T Summons, by
6 the way?

7 CHAIRMAN DAUS: A T Summons, it's an
8 internally generated summons; correct?

9 Commissioner Mullin?

10 COMMISSIONER MULLIN: It's generally
11 a summons from our Complaint Investigation
12 Unit if someone failed to submit information
13 for us where we are looking for the
14 identification of a driver.

15 COMM. DEAR: I realize now, just
16 opening this book, I'm sorry, I didn't have a
17 chance. You used to tell us what the
18 violations are. Now you are giving us the
19 code -- no, I'm sorry. You still have it.

20 CHAIRMAN DAUS: It's there as well
21 on the second page.

22 COMM. DEAR: I have it.

23 CHAIRMAN DAUS: Yes, the field
24 enforcement summonses, we have different
25 designations.

1 COMM. DEAR: And what does
2 enforcement mean, I'm sorry?

3 It's also TLC?

4 COMMISSIONER MULENS: Yes.

5 CHAIRMAN DAUS: It's a denomination
6 of where the summons was generated, from what
7 department. Like the consumer complaint
8 process leads to what is called a C Summons
9 for complaint. It is just an internal
10 tracking code.

11 COMM. DEAR: I am just curious. What
12 is, "A licensee shall not act against the best
13 interest of the public"?

14 What does that mean?

15 COMMISSIONER MULENS: That is a
16 catch all.

17 CHAIRMAN DAUS: I guess that's one
18 of the rules that our consultant will be
19 looking at.

20 COMM. MULLIN: It is our catch-all
21 for where there is no rule specifically saying
22 it, but it's against the public interest.

23 COMM. DEAR: I got you.

24 CHAIRMAN DAUS: It was upheld
25 actually by Judge Garriman, just so you know,

1 Commissioner.

2 Does anybody want to make a motion to
3 deny those two licenses, with, obviously, the
4 leave to get it done with within 30 days.

5 Do I have a motion?

6 A second?

7 All in favor?

8 (Chorus of "Ayes.")

9 CHAIRMAN DAUS: Okay, very good.
10 Thank you, Georgia.

11 MS. STEELE-RADWAY: Thank you.

12 CHAIRMAN DAUS: Item 4a of the
13 agenda. First of all, this is about -- I
14 don't know if you recall that we have had some
15 discussions about the iconic taxicab RFP, the
16 Cab of the Future, we had the Design Trust.
17 We had all these different projects floating
18 out there, but finally we have renamed the
19 project because the future is too far away.
20 It is going to be called the Taxicab of
21 Tomorrow.

22 And there are a lot of things in the
23 mix on this and we have some great staff
24 presentations that we are working on. But
25 first I would like to call up Rit Agrawal, who

1 is here with us, the primary architect of Plan
2 NYC, which the Mayor had announced several
3 months ago, and of which the TLC plays a vital
4 role.

5 Rit is in charge of the Mayor's
6 Office of Operations Long-Term Planning and
7 Sustainability Division. So welcome, Rit. It
8 is great to have you here and we are looking
9 forward to your presentation.

10 MR. AGRAWAL: Thank you, Mr.
11 Chairman. And thank you to the Commission for
12 inviting me to present.

13 What I would like to talk about today
14 is set a little bit of the context for the
15 efficiency aspect of the Taxi of Tomorrow
16 project. As I am sure many of you know, last
17 April on Earth Day, Mayor Bloomberg unveiled
18 Plan NYC, which is our effort to make New York
19 City sustainable by the year 2030. And as we
20 put it, to create a greater, greener New York
21 City.

22 Taxicabs are an important part of New
23 York City, and, therefore, they are an
24 important part of the plan, but I think it's
25 important to understand the context for why we

1 identify taxis as an area that can contribute
2 to several of the goals in the plan and lay
3 out why we thought there was a major
4 opportunity there.

5 As you see before you, the ten goals
6 that the Mayor laid out range from creating
7 enough housing to accommodate our growing
8 population, through open space, through
9 thinking about transportation on our streets
10 and in our transit system, to air quality and
11 water quality. And in some ways what wraps it
12 all together is to make our city, as a whole,
13 more efficient. And, thus, reduce our carbon
14 footprint which contribute to global warming.
15 And this will put New York City part of and,
16 in fact, as one of the leaders of the global
17 effort to mitigate climate change, which is a
18 very real risk to our city.

19 On the next slide, one of the key
20 things, of course, that launched the whole
21 effort was the simple fact that our population
22 is growing. We hit a population record in
23 2000. For the first time in 30 years, New
24 York City had more people than ever before in
25 its history. Even with the attacks of

1 September 11th, that trend did not change. We
2 grew again into 2005. We now have we estimate
3 more than 8.25 million residents, on our way
4 to 8.4 by 2010, and we expect 9.1 million
5 residents by 2030.

6 What that really requires of us, and
7 what the Mayor has asked us all to do, as New
8 Yorkers, is to think differently about how we
9 manage how we plan for our city. Because
10 unlike the last generation where we were
11 really rebuilding from the decline in
12 population that we experienced in the 1970s,
13 what we now have to do is think about how do
14 we make this city that is for as long as many
15 of us have been alive, never had to
16 accommodate more than 8 million people or
17 thereabouts, how do we make it so much more
18 efficient that it can handle this kind of
19 growth.

20 But population was not the only thing
21 that we realized we had to deal with. One of
22 the big challenges we face as a city is that
23 our air quality remains one of the very worst
24 in the nation. In fact, what you have before
25 you is how New York City stacks up to the

1 other largest cities in the United States with
2 respect to one of the several key pollutants
3 in the air, which is soot or particulate
4 matter.

5 And as you see, there are two
6 startling facts, I think. One is that we are
7 still well above the standard that was set in
8 1980 in the Clean Air Act. So we are still in
9 violation of federal law in terms of air
10 quality. And, second, that we are second only
11 to Los Angeles in terms of the amount of soot
12 in our air. So, clearly, as we think about
13 the future, if we want to create a more
14 sustainable city, if we want to think about
15 the health of our city and think about the
16 quality of our lives, we have to address air
17 quality and we have to do so even more
18 concertedly than we have in the past.

19 Here we have one of the reasons that
20 compels us to take air quality seriously,
21 which is the fact that increasingly we face
22 health issues related to respiratory systems
23 and others issues that are caused by poor air
24 quality. We know that New York City as a
25 whole has one of the highest incidences of

1 childhood asthma hospitalizations in the
2 country. We know that those are concentrated
3 and particularly among our poorest
4 neighborhoods. And so this is the kind of
5 thing, it is one of several reasons that we
6 have to act to improve air quality.

7 In addition, if we are going to
8 address the overall efficiency of our city, if
9 we are going to think about how can we use
10 less fuel, how can we use less electricity,
11 one of the reasons to do that is to think
12 about our overall carbon footprint. I am sure
13 all of you have heard about the concept of the
14 carbon footprint. Basically it is effectively
15 how much of carbon dioxide emissions are our
16 economic activities responsible for.

17 New York City, of course, is a very
18 efficient city. The average New Yorker only
19 is responsible for less than 30 percent of the
20 carbon dioxide emissions of the average
21 American. That stems from the fact we live in
22 smaller homes, we rely more on transit, we
23 have a relatively but not in a leading way, a
24 relatively efficient set of power plants that
25 support us.

1 However, the fact is that with
2 population growth and with economic growth,
3 our carbon footprint is increasing. And
4 although transportation is not the largest
5 segment of our carbon dioxide emissions, it
6 is a sizable segment. It is roughly 20
7 percent of our total carbon footprint of this
8 city is related to transportation.

9 As a result, the plan included 127
10 distinct initiatives. They range, as you
11 might imagine, from housing issues, addressing
12 that portion of the Mayor's goals, through
13 open space, you may have heard about our
14 schoolyards to playgrounds initiative, through
15 water quality, we are undertaking a task force
16 to deal with storm water management, through,
17 as I am sure you are all aware, a proposal for
18 congestion pricing and a host of other
19 concepts.

20 What you have before you, and I
21 realize, particularly for you all in the
22 audience, it is unreadable on the screen. But
23 I assure you it is a long list of many things
24 that we seek to do that will have significant
25 impacts on both air quality and carbon

1 efficiency. They range from transportation
2 through buildings, through energy supply,
3 which are the three key areas in which we
4 create air pollution. And only one of them is
5 taxis, but we do have to address taxis.

6 One of the things that I think is
7 surprising is if we think about our total
8 emissions related to transportation in terms
9 of carbon dioxide, which is a proxy and a very
10 good proxy for total fuel consumption, more
11 than ten percent of all New York City's
12 transportation related consumption of fuel
13 occurs in our taxi, livery and black car
14 fleets. Over ten percent.

15 So if we are going to have a
16 measurable improvement in our overall fuel
17 efficiency as a city, we cannot avoid to ask
18 the taxi industry to become more efficient.
19 We also know that efficiencies are there to be
20 had. I think it's widely understood, and
21 these are the official EPA fuel efficiency
22 statistics, which I think we all know are
23 probably optimistic for performance in New
24 York City, but our standard vehicle, the Crown
25 Vic, is one of the least efficient automobiles

1 on the road today. And if we look at some of
2 the more efficient, particularly the hybrid
3 vehicles that are in the fleet today, with
4 more than 500 of them today, we can increase
5 our fuel efficiencies by more than double in
6 some cases related to what is actually being
7 experienced by the Crown Vic out on the roads.

8 So we know that not only are taxis a
9 major portion of total fuel efficiency, and,
10 thus, in fact, a major portion of our air
11 pollution, but they are also a place where the
12 answers are there, where the opportunity
13 really exists.

14 We also believe, and I know the TLC
15 staff will present after this and will go into
16 this in greater detail, that by making our
17 taxi fleet more efficient, we will achieve
18 benefits for everybody. The residents of the
19 city will experience cleaner air. The city as
20 a whole will have its carbon footprint
21 significantly reduced. The drivers, every
22 driver I talk to who has a hybrid, loves the
23 fact that the cost of fuel per shift has gone
24 down dramatically, and we believe that this is
25 a real opportunity for the fleet owners to

1 enhance the value of their fleets. And so,
2 this is not, I think, a zero sum game. I
3 think this is a very clear win-win opportunity
4 for all of us.

5 Further, I think, and I think it's a
6 measure of the iconic nature of the New York
7 City taxicab, I think it was second only to
8 congestion pricing, that when the Mayor
9 announced his goal of doubling the efficiency
10 of the taxi fleet in the next five years, that
11 not only did it get local press attention with
12 all of the major newspapers expressing support
13 and enthusiasm, not only did it get national
14 attention in terms of, as you see here being
15 featured on The Today Show and being prominent
16 on CNN and other venues, but globally. I
17 don't know if any of you traveled abroad over
18 the summer, but I was in Europe a couple of
19 weeks ago and an awful lot of people knew
20 about our green taxi initiative.

21 So this is something that really will
22 be an example of how the taxicab is such an
23 iconic example of what New York City does and
24 it is an opportunity for New York to lead the
25 way. And with that, I would like to turn it

1 over. I am not actually sure who is following
2 me.

3 CHAIRMAN DAUS: Okay, any questions
4 for Rit?

5 (No response.)

6 CHAIRMAN DAUS: Okay. Very well
7 done. Thank you very much.

8 Our next speaker is going to be Jen
9 Palmer, and Peter Schenkman, could you join
10 us. We are actually going to talk a little
11 bit, because this dovetails with another topic
12 we have been slated to discuss for a while,
13 compliance with the Council' Local Law 53, and
14 also the Taxi of Tomorrow project. All of the
15 things we are talking about tie into not just
16 a cleaner and greener future, but what the cab
17 is going to look like, how it will operate,
18 its specifications, and doing a lot of
19 different things in tandem to reach our goal
20 of a cleaner environment in the city and a cab
21 that really works for the industry and the
22 passengers, that's accessible, et cetera.

23 So, Jen, welcome, good morning.

24 MS. PALMER: Good morning,
25 Commissioners. As Commissioner Daus

1 mentioned, we are here today to talk to you
2 about clean air vehicles with respect to Plan
3 NYC and the Taxi of Tomorrow.

4 I quickly want to go through some of
5 the history that has gotten us to where we are
6 today. In June of 2005, the City Council
7 enacted Local Law 72. That combined with the
8 Commission's vote to approve the first hybrid
9 vehicles in September of '05 were the first
10 steps in making the New York City taxi fleet
11 greener.

12 In July of 2006, the TLC auctioned
13 254 alternative fuel Medallions that were
14 placed on the vehicles that the Commission
15 approved. The Commission continued to take
16 steps by extending vehicle retirements for
17 hybrid vehicles, and the staff has continued
18 to monitor the success of these
19 implementations. And that brings us to where
20 we are today with the Mayor's announcement of
21 Plan NYC in April of this year and a total of
22 526 hybrid taxicabs on the road today.

23 Of the 526 hybrids that are on the
24 road today, there are nine different makes and
25 models: The Ford Escape, Honda Civic, Lexus,

1 Mercury Mariner, Nissan, Saturn Vue, Toyota
2 Camry, the Highlander and the Prius. You can
3 see the breakout below, but the overwhelming
4 majority of these vehicles being the Escape,
5 followed then by the Highlander.

6 It is clear today that the fleet is
7 cleaner than ever with 526 hybrids on the
8 road, the number continues to grow. Each
9 month approximately two percent of new
10 hack-ups are on hybrid vehicles, which is
11 voluntary. And since the Commission approved
12 the vehicle extensions, we have seen roughly
13 203 new hybrids since those vehicle extension
14 retirements were in place.

15 Moving forward, there are a number of
16 things that the TLC has planned that coincides
17 with both Plan NYC and the Taxi of Tomorrow.
18 With regards to Plan NYC, the Commission will
19 soon be presented with rule making
20 implementing miles per gallon standards in the
21 taxi fleets. And these standards will require
22 that by October 2008, all taxis must meet a 25
23 miles per gallon minimum, and that by 2009,
24 all taxis must meet the 30 miles per gallon
25 standards.

1 It will also provide that in May of
2 each year going forward, the Commission will
3 oversee a review of the standards and ensure
4 that the industry is moving forward and making
5 progress.

6 The TLC is also planning on enhancing
7 the website, and that meets the requirements
8 of Local Law and will provide information
9 about the vehicles, a cost benefit analysis
10 for hybrids, and links to city, state and
11 federal incentives. Staff will also continue
12 their efforts and conduct extensive public
13 outreach in the form of informational sessions
14 and grassroots outreach.

15 And, finally, the TLC is proactively
16 seeking the best taxicab and working with
17 stakeholders to find the vehicle that best
18 meets the needs of New York City through the
19 Taxi of Tomorrow exercise.

20 MR. SCHENKMAN: Good morning. As Rit
21 pointed out, there are many benefits of having
22 a minimum mile per gallon, and it does kind of
23 go hand-in-hand these days with cleaner
24 vehicles.

25 The numbers here speak for

1 themselves. If 13,000 cabs went from Crown
2 Vics -- and the EPA recently updated this
3 number to 14 miles per gallon -- to hybrids
4 similar to the Ford Escape that is now up to
5 34 miles per gallon, the average driver would
6 save approximately \$5,000 a year just in gas.
7 And collectively across the fleet that's
8 \$600,000. And if you do the math at \$3.00 a
9 gallon, that's quite a savings.

10 When you get to the point that all of
11 the taxis hit 30 miles per gallon or better,
12 we will see an annual reduction of greenhouse
13 gases of over 215,000 tons. And one of the
14 neat things that we have done some numbers
15 with, if you take the size of the Crown Vic
16 and the volume, and you park 13,000 of them,
17 and you take a vehicle like the Escape or the
18 smaller hybrids, we free up almost nine and a
19 half acres of free space. And in Manhattan,
20 where 50 percent of the traffic is yellow and
21 an island, that's really neat also.

22 There are more and more vehicles that
23 are meeting the 25 mile per gallon minimum.
24 They run from super small, from the Nissan
25 Versa, which, incidentally, has almost as much

1 leg room as a Crown Vic. You've got new
2 hybrids coming out this year, a full mode GM
3 SUV. You've got the Aura hybrid. We are
4 about to put 20 Ultima hybrids on the road in
5 the next two weeks through one of the larger
6 fleets. The Chevy Malibu hybrid is coming.

7 And then away from the hybrids,
8 you've got the Corolla, even the four cylinder
9 Camry currently gets 25 miles per gallon.
10 There is a lot of vehicles and over the next
11 couple of years we are going to see a lot more
12 that are not necessarily hybrids. And I think
13 that's it.

14 CHAIRMAN DAUS: Okay, thanks, Peter.
15 Any questions?

16 And just bear in mind, when we
17 actually get working with our consultants on
18 the Taxicab of Tomorrow RFP that we put out,
19 the contract that we have with the Economic
20 Development Corp., we are going to be looking
21 at not just the conversion which will result
22 in rule making to our Commission of vehicles
23 that will be required to go 25 miles per
24 gallon or better, but we will also be looking
25 at a long-term plan to come up with

1 specifications or some manner in which we can
2 hopefully design a cab for future use that is
3 not just clean air but accessible, meets any
4 other requirements that the Commission wants
5 to set at that time to make it more customer
6 friendly.

7 I just have a quick question: If we
8 were to pass those rules, Rit, where would
9 that bring us in terms of the chart with the
10 other cities? Is that going to actually bring
11 us below that yellow line in terms of the
12 Federal Clean Air Act, or is it going to take
13 other things that are in the plan?

14 MR. AGRAWAL: It will take a host of
15 things. The particulate matter is a very big
16 and difficult thing to reduce. Automobile
17 traffic, although autos currently do not emit
18 PM themselves, they emit ozone, which creates
19 PM when it up in the atmosphere. It is one of
20 the reasons we have ozone alert days primarily
21 in the summer.

22 But it requires a lot of things. We
23 believe that to achieve the Mayor's goal of
24 having the cleanest air of any bit city in
25 America, we not only have to do hybrid cabs,

1 we have to address the black cars in some way,
2 presumably voluntarily. We have to implement
3 congestion pricing. We will have to clean up
4 our fuel oil. We have a host of things to do.

5 CHAIRMAN DAUS: Okay, great.

6 COMM. DEAR: Just in general, talking
7 about the car of the future, I remember we had
8 -- I have seen it at the show, the Standard.
9 And I know there was discussions going on with
10 our agency with the manufacturers. Does
11 anyone know where that stands right now and
12 are we working closer with them?

13 CHAIRMAN DAUS: We are not even
14 there yet in terms of picking a manufacturer.
15 Basically we are at the point where we hired
16 Riccardo, which is an automobile engineering
17 consulting company that is going to help us
18 understand the language of Detroit or wherever
19 these cars are being made. That we can
20 actually not only work with them to come up
21 with technical ideas of what we want, but also
22 they have relationships with the various
23 automobile dealers and with the automobile
24 manufacturers.

25 We can have meetings with them at

1 some point and sit down and tell them what we
2 are looking for, and then we are going to
3 craft, obviously, some type of fair and
4 competitive process where any and all comers
5 can come forward, including Standard, Toyota,
6 Ford, whoever wants to participate.

7 Not to detract at all from Peter
8 Schenkman's knowledge and skills and
9 abilities, but these are consultants who do
10 this for a living. They deal with automotive
11 companies. They have a highly technical
12 background, even more technical than what we
13 have here at the TLC and it is going to go
14 nicely hand-in-hand.

15 So we are not just looking to use
16 them for their technical expertise, but also
17 they have the relationships with the
18 automobile companies and they are very much up
19 to speed on how they make their decisions so
20 that we can have an informed decision-making
21 process here when we tell them this is what we
22 are looking for. So anyone and everyone is
23 still in the running, if that answers your
24 question.

25 COMM. DEAR: The question is, if we

1 have somebody who has already done it, who has
2 put a lot of work into it, we should work
3 closely with them to see what their expertise
4 is because they, obviously, either they will
5 succeed or fail. So we can pick up the pieces
6 from there.

7 Another thing is, I am not one of
8 these people, if you look at a big part of
9 many budgets, it is all these consultants. I
10 don't know where it brings us. We have a guy
11 like Peter Schenkman who has a lot of
12 knowledge, understands the cars and everything
13 else. And I have been talking about this, if
14 we can't persuade Ford or anybody else to make
15 a change, do you think someone else who is a
16 consultant can persuade them?

17 Come on, let's understand the real
18 world. I have said it many times and I said
19 it the other day to the Mayor. I said if the
20 Mayor himself went to Ford, he is part of
21 their group of people, he is a businessman.
22 And they look at him as a businessman as well.
23 And if he presented to Ford, to any of the
24 companies, and we made a real presentation and
25 said, this is your opportunity, even greater

1 opportunity. I don't see why someone else who
2 is a consultants will make a difference.

3 COMM. KAY: Commissioner, you and I
4 have had this conversation. And I think the
5 consultant is not to do that job. The
6 consultant is to help craft the RFP in a way
7 that meets the technical specifications.

8 And I think you are right. I think
9 the city has a unique opportunity at this
10 point to set the stage and not just focus on
11 what the Standard company or any other
12 company, but to put out possibly an RFP to
13 have any company come in and respond to the
14 bid. So I think it is a very small cost to
15 get something that will be monumental, which
16 is re-putting together one single cab.

17 And I think you are right, I think
18 the Mayor, I think the Commission, I think the
19 city can actually go to any car company and
20 say, "We are looking to establish a single
21 cab, and that's a huge market for you." And I
22 think having a consultant on board to help put
23 together all the different specifications
24 required, as well as what the Chair mentioned
25 of accessibility, environmental, the security,

1 the space in the cab, and all the different
2 needs, I think will take a lot of work from
3 both the industry, us, drivers, passengers,
4 and everyone in order to get that RFP in a way
5 that makes sense, that we can implement in
6 time to meet the 30 miles per gallon standard
7 that I hope the Commission passes by the end
8 of '09, and beyond them.

9 So I do think it's important. I
10 think it is the helpful to have consultant on.
11 I don't think it is to be the sole person
12 talking with the industry. I don't think
13 that's the way to go. I don't think that's
14 the intention. But it will help us do what I
15 think you and I both have discussed as the
16 right thing to do and the important thing to
17 do.

18 COMM. DEAR: I agree. The industry
19 is not just the cab industry. A Ford Escape
20 would be good for anybody else who drives an
21 SUV, to encourage them to buy a Ford rather
22 than any other car.

23 CHAIRMAN DAUS: I am not disagreeing
24 with either of you. I think what needs to be
25 pointed out for the record is that we have had

1 those discussions over many years with Ford,
2 with Toyota, with everybody. And it has
3 worked. We've had the discussions with
4 Standard. Standard is not here.

5 I think we need a new strategy and I
6 think the consultant will help us come up with
7 a new strategy and help us draft the technical
8 specs. We need to do something different than
9 what we have done because I just don't
10 believe, based upon everything that I know,
11 that we are a big enough market to justify a
12 manufacturer sitting down and saying "We are
13 going to do all this research and development
14 for you only." Something has to be done that
15 is different from what we have done before.

16 I don't know what that is, and that's
17 why we are hiring the consultant. And I echo
18 your feelings about our staff here, Peter
19 Schenkman and his staff. They do a tremendous
20 job, but this is beyond even his technical
21 expertise. We are talking about bringing
22 someone in who is going to come up with a
23 strategy, who understands these things and has
24 been involved with them before. So they will
25 work hand-in-hand with Peter and with my First

1 Deputy and with Operations.

2 So we are very optimistic about it.

3 I think if we pull this off, it is going to be
4 groundbreaking and revolutionary, not just for
5 our industry, but, quite frankly, for every
6 city around the country. Many of the vehicles
7 that we retire here end up in Philadelphia and
8 other cities, and everything practically that
9 we do, including technology and the driving
10 standards that put into place, are replicated
11 in other cities.

12 In fact, Rit mentioned the tremendous
13 coverage that the Mayor got when he announced
14 the taxi component of Plan NYC and then going
15 hybrid or better. And one of our
16 Commissioners who is sick and wasn't able to
17 join us today, but I think was on a bus in
18 Moscow that same day, and they were talking in
19 Moscow on the bus about what the Mayor had
20 just announced. And true to form, New York
21 City being the leader, especially in the taxi
22 regulatory field, within several weeks, we had
23 several other cities coming out and doing
24 something similar to what the Mayor had
25 announced. Including San Francisco, I had a

1 discussion with the Commissioner from Chicago
2 TLC the other day, who are looking to do more
3 with hybrids in Chicago. So the good news is
4 that Mayor's announcement has had a ripple
5 effect and it is not only going to help clean
6 up and make the environment better in New York
7 City, but other city partners from around the
8 world are following his lead, and it is going
9 to make for a better environment for
10 everybody.

11 So these are the first, good positive
12 steps in the right direction. We would,
13 unless we have other comments, like to turn
14 some of the recommendations and thoughts into
15 some draft rules for all of you to look at,
16 including just a clarification that this plan
17 is obviously based upon new hack-ups, from
18 what I understand.

19 Is that correct, Jen?

20 MS. PALMER: Yes.

21 CHAIRMAN DAUS: So the schedule for
22 implementation for the 25 miles per gallon,
23 when the start date, which I believe is
24 October of '08?

25 MS. PALMER: Right, October of 2008

1 for new hack-ups.

2 CHAIRMAN DAUS: If we were to pass
3 that, what would happen is that when you
4 retire your vehicle in accordance with the
5 vehicle retirement cycle, when you put your
6 new one on the road, it is going to have to be
7 25 MPG or better. And the following October
8 of '09, it will be 30 MPG or better.

9 It is a pretty simple rule. Does
10 anybody have any issues or concerns or
11 suggestions before we start putting pen to
12 paper?

13 COMM. DEAR: I am just concerned
14 about all the issues that we have always
15 raised over the years, including comfort,
16 safety and everything, that we should be able
17 to have a car that meets those standards. And
18 I look at the Lexus, that's \$50,000, that car.
19 And then also cost-wise, I don't know, what
20 does the Ford Escape go for?

21 MR. SCHENKMAN: The Ford Escape
22 Hybrid, two-wheel drive is currently \$5,000
23 less than the Crown Vic. And as far as
24 safety, it's a major manufacturer, there are
25 federal standards.

1 COMM. DEAR: I don't think it is not.

2 I just have to tell you something, we
3 are talking about accessibility of cabs in
4 general. That is not even accessible for
5 someone who has a little disability. It's a
6 very hard car to get into.

7 MR. SCHENKMAN: If I can remind the
8 Commissioners, they passed a rule, as part of
9 the hybrids, they all would have the running
10 boards.

11 COMM. DEAR: I know. I understand
12 that. I am just telling you, I know it
13 because I have, thinking now, I have an SUV
14 and it's very hard, my mother-in-law cannot
15 get into that car. I don't know, some people
16 think I planned it that way, but she will not
17 get into that car. There are a lot of people
18 who cannot get into certain cars. There are
19 people on the street, and I want to make sure
20 we are okay.

21 We talked about we are always
22 sensitive about accessible cars, here it is
23 beyond accessibility, I am just talking about
24 normal people getting in and out of cars.

25 CHAIRMAN DAUS: Commissioner

1 Gonzalez and then Commissioner Kay I think
2 wanted to say something.

3 COMM. GONZALEZ: Just so we are on
4 the same page with this October 2008 25 miles
5 a gallon and eventually in '09, 30 miles per
6 gallon, that is per vehicle, and not an
7 average for a fleet?

8 CHAIRMAN DAUS: Right.

9 COMM. GONZALEZ: Okay.

10 MR. SCHENKMAN: And that's city's
11 rating as per the EPA.

12 COMM. KAY: I just want to point that
13 the Taxi to Tomorrow where we are looking and
14 hopefully will put together a plan for the
15 next taxi, it goes hand-in-hand with meeting
16 that 30 miles to the gallon.

17 And the good thing is we are,
18 hopefully, getting a head start and will have
19 some information at our hands. And by the
20 time that kicks in, we will be able to
21 evaluate what sort of movement we have had
22 with the industry in order to move forward.

23 So I hear your point, I think it
24 makes total sense. I think that is why it
25 should go hand-in-hand with the project of the

1 Taxi of Tomorrow in order to inform us in
2 October of '09 to see if we should move
3 forward.

4 CHAIRMAN DAUS: Any other questions
5 or comments?

6 (No response.)

7 CHAIRMAN DAUS: Okay. Thank you,
8 Jen, Peter, Rit. Appreciate your time.

9 Jen, I guess you should stay. The
10 next item is the Medallion auctions.

11 We are embarking on our final
12 auction. We are very excited about it. We
13 have had very successful auctions over the
14 years. I think we have the process down to a
15 science now. And this is significant because
16 it is the last auction that we are authorized
17 by state and local law to do, and it involves
18 a very initiative and bill that was passed and
19 signed by the Council and signed by the Mayor
20 to provide for 150 additional accessible
21 Medallions to help the disabled community.

22 So we are very excited about it, and
23 we are on a very tight schedule. And Jen will
24 talk a little more about it and give everybody
25 an overview on what we are doing. Welcome,

1 Jen.

2 MS. PALMER: Thank you.

3 As you are aware, the TLC was
4 authorized to sell an additional 150
5 Medallions that are exclusively to be placed
6 on wheelchair accessible vehicles. Of this
7 150, the TLC will be required to maintain the
8 ratio set forth by law, which will mean that
9 63 of the Medallions will be sold to
10 individuals, and 87 will be sold as mini
11 fleets or corporations.

12 We also have two remaining
13 alternative fuel Medallions from the last
14 sale. These three separate auctions will be
15 held on two separate dates. The first, which
16 is coming very quickly, November 1st. And
17 this will be the independent accessible
18 Medallions. The two remaining auctions will
19 be held in the spring of 2008.

20 The sale of these 150 accessible
21 Medallions is unique in many ways. It is the
22 first of its kind that the TLC has ever done
23 and because these vehicle were required to
24 participate in an accessible dispatch program
25 that the TLC has been working on.

1 I just quickly wanted to review some
2 of the components of the program since all
3 vehicles will be required to participate. All
4 accessible taxicabs will be equipped with
5 dispatching equipment that is provided at no
6 cost to the owner. Wheelchair passengers will
7 call 311 to request an accessible ride and
8 drivers will be automatically dispatched to
9 provide that. Drivers will not be allowed to
10 refuse or reject a dispatched ride.

11 We also thought it would be helpful
12 to highlight some of the expectations to
13 owners. Obviously, the owners will be
14 required to participate and if the owner
15 leases the vehicle to another driver, he would
16 be responsible for ensuring that drivers have
17 been trained on how to use the lifts and
18 equipment in his vehicle and passenger
19 interactions. And that all drivers of
20 accessible vehicles will be required to
21 participate in the program while they are on
22 duty.

23 Because the Medallion or this auction
24 is unique, I want to highlight the vehicles
25 that meet the vehicle specifications. Over

1 the past several years the Commission has
2 worked hard to set standards that wheelchair
3 accessible vehicles must meet, and as such,
4 new accessible Medallion owners should be
5 aware of these requirements.

6 The vehicle must meet ADA standards
7 and be a side entry vehicle. The lift and
8 modifications that are made by second stage
9 modifier must be supported by the original
10 manufacturer, and the vehicles must comply
11 with additional specifications as outlined in
12 the TLC rules. Current vehicles that meet
13 these standards are the ADA Intervan and the
14 El Dorado National Amerivan.

15 We also wanted to highlight that
16 these vehicles are eligible for a New York
17 State tax credit for accessible vehicles of up
18 to \$10,000.

19 So now I want to highlight the
20 components of the November 1st sale. The TLC
21 has been working hard with OMB and has just
22 set the upset price of these Medallions at
23 \$189,000 and will be doing a lot of outreach,
24 informational sessions, technical workshops,
25 mailers, website design, to let everybody know

1 about the opportunity that is coming up.

2 This week mailings will be going out
3 to all owners, drivers, agents, brokers and
4 sub group of FHV drivers to let them know
5 about the sale. Information packages are
6 going to be available by calling 311 and
7 picking them up at any TLC location, and the
8 information will also be available to download
9 online. And as we have done in the past, we
10 will be conducting four informational seminars
11 and four technical workshops and doing press
12 with the industry, radio and television.

13 The informational sessions are going
14 to be an opportunity for potential bidders and
15 the public to learn more about the Medallions
16 and the auction process. The dates are
17 September 28th at the Woodside inspection
18 facility from 1:00 to 3:00 p.m. and from 6:00
19 to 9:00 p.m. and on October 3rd, here at 40
20 Rector Street from 2:00 to 4:00 and 6:00 to
21 8:00.

22 The technical workshops will allow
23 potential bidders and the public a chance to
24 walk through the actual bid forms with the TLC
25 staff, will also discuss the required

1 documentation and be able to answer any
2 questions that people might have. The dates
3 for these are October 10th from 10:00 to 11:00
4 and 6:00 7:00 p.m., and October 16th from
5 10:00 to 11:00 and again from 6:00 to 7:00.
6 Both of these sessions will be held here at 40
7 Rector Street.

8 Bid collections will be held from
9 9:00 to noon at 40 Rector Street on October
10 26th, 29th, 30th and 31st, and the bid
11 openings will be in a public forum on November
12 1st here at 40 Rector Street as well.

13 If you have any questions, I would be
14 happy to answer them.

15 CHAIRMAN DAUS: Thank you, Jen.

16 Any questions?

17 MR. SCHENKMAN: If I can add one
18 thing, there is one other vehicle that is
19 approved or this, and that is the Eclipse
20 Caravan. There are five or six of them on the
21 road already, and, hopefully, by the time of
22 corporate or mini fleet, we will have a fourth
23 vehicle, a modified Toyota Sienna by Autovan.

24 COMM. DEAR: I got you. There is no
25 original car yet put out there?

1 MR. SCHENKMAN: No. That's one of
2 the visions of Taxi of Tomorrow.

3 COMM. DEAR: I should ask you
4 privately if that vision is going to come
5 true.

6 MR. SCHENKMAN: Absolutely, yes.

7 CHAIRMAN DAUS: Publicly the answer
8 is yes, and privately.

9 MR. SCHENKMAN: Yes.

10 COMM. GIANNOULIS: How many
11 accessible Medallions are on the street now?

12 MS. PALMER: 82.

13 COMM. GIANNOULIS: Those are all
14 connected to accessible vehicles I assume,
15 right?

16 MS. PALMER: Correct.

17 COMM. GIANNOULIS: So of those
18 accessible vehicles, how many of them are
19 these two that you listed here, Braun ADA
20 Intervan and the El Dorado?

21 MR. SCHENKMAN: There are currently
22 no Brauns on the road. Braun kind of pulled
23 out. Currently 48 of them are El Dorados and
24 four, I believe, are the Caravans. And then
25 there are two pilot Siennas that are on

1 regular Medallions. But we are not counting
2 those yet. And the preexisting Free Stars.

3 COMM. GIANNOULIS: And who makes
4 these vehicles?

5 MR. SCHENKMAN: The El Dorado is
6 modified by a company called El Dorado
7 National. It is on a Chevy Uplander base.
8 The Eclipse modifier is a Dodge Caravan. And
9 Autovan does the Sienna. And then we have the
10 first generation of 27 Free Stars modified by
11 Freedom Motors that are not ADA compliant.

12 COMM. GIANNOULIS: Thank you.

13 COMM. DEAR: Which ones are really
14 holding up on the street?

15 MR. SCHENKMAN: The Caravans have
16 been awesome. The uplanders have had a series
17 of problems. We had the first Sienna
18 inspected today. It's got 11,000 miles on it,
19 no problems.

20 COMM. DEAR: So Sienna is the one
21 that probably could --

22 MR. SCHENKMAN: It still is in the
23 pilot because it doesn't meet our
24 specifications.

25 COMM. DEAR: It's the rear entry?

1 MR. SCHENKMAN: Yes.

2 COMM. DEAR: So on the accessible on
3 the sale, you are talking about they have to
4 have side entry; is that required?

5 MR. SCHENKMAN: Currently by our
6 rules.

7 COMM. DEAR: So what happens if
8 someone wants to buy the new batch? Can't use
9 the Sienna then?

10 MR. SCHENKMAN: Well, the Sienna is
11 only in its second or third month of pilot, so
12 we can't go and approve it for sale until a
13 minimum of six months on the road. I think
14 legally that's the shortest period of time, so
15 it would be there for the corporate.

16 But the Caravans have had absolutely
17 no issues, which is great.

18 COMM. DEAR: How about usage in the
19 sense of people who need to use these type of
20 vehicles, what percentage-wise are they being
21 used?

22 MR. SCHENKMAN: I don't have that
23 expect number, it's still at a minimum.

24 COMM. DEAR: I think it's important
25 for us to take a hard look at that.

1 MR. SCHENKMAN: Right. And,
2 finally, unrelated to the auction, we are
3 piloting the --

4 CHAIRMAN DAUS: Just bearing in
5 mind, we know we had those presentations the
6 last couple of meetings about the
7 demonstration project. When we consider those
8 rules, hopefully, before the end of the year,
9 it is going to dovetail with this whole
10 auction because those Medallions will be
11 required to be used as part of that
12 demonstration project. And we should have the
13 rules to you, based on your comments and
14 feedback, within the next couple of weeks.

15 COMM. GIANNOULIS: Are you allowed
16 to track that?

17 MR. SCHENKMAN: The number of rides
18 that are used for wheelchair accessible folks?

19 CHAIRMAN DAUS: Why not?

20 MR. SALKIN: We probably could, but
21 the whole point of the dispatch program is to
22 find out exactly how many people are using the
23 vehicle and what the demand is. And part of
24 the program is to consolidate the demand, keep
25 track of that demand.

1 I think what we really don't know,
2 and we need to know that in order to --

3 CHAIRMAN DAUS: I think his question
4 is, correct am if I am wrong, are you allowed
5 to?

6 COMM. GIANNOULIS: Right.

7 CHAIRMAN DAUS: Is there a concern?
8 What were you thinking?

9 COMM. GIANNOULIS: I don't think
10 you are allowed to sit there and count how
11 many African American people use cabs,
12 probably. I mean, somebody could have an
13 issue with that. So it's a legitimate
14 question: Are we allowed to count how many
15 people are actually using the wheelchair?

16 MR. FRASER: Yes. I can't see any
17 reason why not. One of the issues that we
18 have here is what is the demand. And how
19 would you figure that out except to count it,
20 so it is a perfectly legitimate business
21 purpose to do that.

22 CHAIRMAN DAUS: There is certainly a
23 compelling governmental interest in expanding
24 or making sure that the service works like
25 Access-A-Ride does with MTA, counting the

1 number of wheelchair users and various
2 disabilities.

3 COMM. GIANNOULIS: I understand
4 what Andy is saying in terms of the call
5 program. The call program, we are going to
6 have an actual number, we know what the count
7 is. The count is the count because the only
8 people that are going to be able to use it are
9 people with disabilities.

10 I think it would interesting to find
11 out how many people might be hailing -- when
12 advocates come and say I want to be able to
13 hail a cab on the street, I mean, obviously,
14 there is so few of them, it may not give you
15 any evidence.

16 But do we know what the resale value
17 of the vehicles -- do the vehicles have the
18 same requirements or a life span as other?

19 MR. SCHENKMAN: Longer.

20 COMM. GIANNOULIS: Which is how long?

21 MR. SCHENKMAN: Six or seven years,
22 depending on the inspections and if it is
23 individual or fleet owned.

24 COMM. GIANNOULIS: And most of the
25 vehicles that are owned, what's the percentage

1 of fleet and individual right now; do you
2 know?

3 MR. SCHENKMAN: It is probably about
4 95 percent are fleet owned.

5 MR. SALKIN: That's why this auction
6 that is coming up is pretty interesting and an
7 exciting opportunity. This is the first time
8 we are strictly offering individual
9 Medallions. And what we really want to do is
10 work with that community out there that wants
11 to be an individual owner to purchase, because
12 this is the first time, you know, have the
13 insurance, they have to finance the vehicles
14 themselves.

15 COMM. GIANNOULIS: Earlier
16 Medallions were only for fleet?

17 MR. SALKIN: The earlier Medallions
18 what we did is we had one auction, and
19 individuals and fleets could bid at the same
20 time. If you were a fleet I think you could
21 even buy one and tack it on to another mini
22 fleet. So we wanted increase the number of
23 people that could possibly bid, so we opened
24 it up to everyone.

25 And this time, because there is only

1 one auction and it consists of all accessible
2 Medallions and we are required to have the
3 basic 60/40 split that City Council set many
4 years ago, we have to have the two separate
5 kind of sales. So this is the first time we
6 are ever doing it.

7 COMM. GIANNOULIS: Okay, so a
8 non-disabled Medallion that is individually
9 owned has a requirement to be turned over in
10 five?

11 MR. SALKIN: If it's on a Crown Vic,
12 five years.

13 COMM. GIANNOULIS: Five years.

14 And this will have a requirement to
15 be turned over?

16 MR. SALKIN: I think the new ones
17 are seven years, if they pass inspections in
18 the fifth year and sixth six year.

19 COMM. GIANNOULIS: So they get an
20 extra, in theory, two years?

21 MR. SALKIN: Yes.

22 COMM. GIANNOULIS: And do we have
23 any idea what the resale value is or if there
24 is any resale value of these vehicles?

25 MR. SCHENKMAN: Five years on a

1 regularly shifted vehicle is going to have
2 well over 200, 250,000 miles. Resale, just
3 around the country, is usually pretty high.

4 COMM. GIANNOULIS: But are these
5 going to be -- common sense could tell you, or
6 maybe it doesn't, that these vehicles might be
7 more difficult to resell.

8 MR. SCHENKMAN: Actually, the market
9 in the midwest for used vehicles like this is
10 a little bit better. Individuals tend to buy
11 them.

12 COMM. GIANNOULIS: Thanks.

13 CHAIRMAN DAUS: And the other cities
14 that have accessible vehicle programs, do they
15 have vehicle retirement policies as well.

16 MR. SCHENKMAN: I am sure.

17 CHAIRMAN DAUS: So then they should
18 be able to just resell them over there too.

19 MR. SCHENKMAN: Right.

20 CHAIRMAN DAUS: Very good.

21 Any other questions?

22 (No response.)

23 CHAIRMAN DAUS: Okay, thank you
24 everybody.

25 May I have a motion to close the

1 meeting?

2 All in favor?

3 (Chorus of "Ayes.")

4 CHAIRMAN DAUS: Thank you everyone.

5 (Time noted: 10:35 a.m.)

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C E R T I F I C A T I O N

I, MARGARET EUSTACE, a Shorthand Reporter and a Notary Public, do hereby certify that the foregoing is a true and accurate transcription of my stenographic notes.

I further certify that I am not employed by nor related to any party to this action.

MARGARET EUSTACE,
Shorthand Reporter