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NEW YORK CITY LIMOUSINE COMMISSION
PUBLIC MEETING
held on Thursday, May 28, 2009
9: 50 a. m.
40 Rector Street
5th Floor
New York, New York

1 P R E S E N T:
2 MATTHEW W. DAUS, Chairman/Commissioner
3 ELIAS AROUT, Commissioner
4 HARRY GI ANNOULIS, Commissioner
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- 5 EDWARD GONZALES, Commissioner
- 6 JEFFREY KAY, Commissioner
- 7 LAUVI ENSKA POLANCO, Commissioner
- 8 CHARLES FRASER, General Counsel
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1 THE CHAIRMAN: We are going to go to Item 1 on
2 the agenda, the Chairs' Report. First, I'm sure a lot of
3 you have read and have questions about the MTA bailout tax
4 surcharge legislation. We still many questions about it.
5 The good news is that the TLC, including myself personally,
6 have been talking to Commissioner Negma from the New York
7 State Division of Taxation and Finance and his staff, and
8 we have been discussing and analyzing what the law means
9 and what they want us to do to implement the law.

10 I don't have any further answers for the industry or
11 for the public yet, but when we do, we will be discussing
12 it at a future commission meeting, either June or July, and
13 we will keep everybody posted for that. There is some time
14 for the implementation, because November 1st is the legal
15 effective date of that taxi surcharge.

16 Number 2, the Accessible Dispatch System, I have some
17 very good news to report on the wheelchair accessible
18 program, where we use 311 to dispatch our yellow cabs; two
19 hundred thirty-nine or so to all the five boroughs to pick
20 up passengers who use wheelchairs and who need service.

21 I want to, in particular, credit the public outreach
22 company what they have done, including the public service
23 announcements, which appear to be working. I want to thank
24 WINS, PLJ, NYE, WOR, WABC as well as the Mayor's Office and
25 the city's telephone network. Due to all the combined

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1 efforts, and the commissioners have been promoting public
2 service announcements, making sure all new workers and even
3 visitors are aware that if you call 311 you will get a
4 wheelchair accessible vehicle delivered to you to get you
5 wherever you wanted to go.

6 The numbers are promising. Several months before that
7 we were averaging about four to five or six trips per day.
8 Now the average is up to seventeen point six eight trips.
9 And we started the PSA's, I think in end of March, early
10 April, so the numbers went from five or six to eleven. Now
11 it's up to seventeen point six eight. That is good news.
12 I want to thank the media for helping us with the public
13 service announcements.

14 The Taxi Technology Request for Information. The

15 deadline is June 15th, so if you haven't already submitted
16 your comments and ideas, we encourage you to do so. You
17 can do it either at our Website, by e-mail or delivering it
18 in person.

19 On the Rules Revision Project where we are
20 reorganizing our rules, there will be a hearing held in
21 this commission meeting room on Friday, June 5th at two
22 thirty p.m. The topic for the discussion and for the
23 public hearing will be Chapter 10, paratransit vehicles and
24 bases.

25 I'm also pleased to report that for, I believe the

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1 sixth or seventh straight month in a row, we have a record
2 number of yellow cab drivers that are licensed by the
3 agency. As of April 26th, we have a new record high of
4 forty-seven thousand six-hundred twenty-seven drivers. And
5 just updated hybrid numbers, as of May 26th, we have a
6 total of two thousand two hundred seventy-four hybrids on
7 the road, which is just over seventeen percent of the
8 total. And we also have eighteen clean diesels or
9 Volkswagons or Jettas.

10 Any questions? No questions. That concludes my
11 report.

12 I'm going to -- we're missing a commissioner; he will
13 be back shortly, hopefully. Why don't we go to the
14 adoption of the minutes. Anybody have any questions on it?
15 Any comments or issues? We can't vote it on until Harry
16 comes back. Any questions? (No response)

17 The bases.

18 MS. GEORGIA STEELE-RADWAY: Good morning.

19 Licensing would like to present before the Commission

20 twenty-six bases with a recommendation for approval.

21 THE CHAIRMAN: Anybody have any issues with the
22 basis?

23 COMMISSIONER GONZALES: No.

24 THE CHAIRMAN: Motion to adopt the minutes and
25 bases, pending -- we will wait for --

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1 COMMISSIONER AROUT: Make a motion.

2 THE CHAIRMAN: Do you second?

3 COMMISSIONER GONZALES: Second.

4 THE CHAIRMAN: All in favor? We will just hold
5 the vote open. Thank you.

6 MS. STEELE-RADWAY: There are three bases that
7 Licensing is recommending for denial, with a request that
8 the Commission grant another thirty days so they may
9 present further items.

10 THE CHAIRMAN: Motion to deny?

11 COMMISSIONER GONZALES: Motion.

12 COMMISSIONER FRASER: Second.

13 THE CHAIRMAN: Rules Revision Project, Chapter 6,
14 Paratransit Drivers. Any commissioner have any questions
15 on it? Motion to adopt?

16 COMMISSIONER AROUT: Motion to adopt.

17 COMMISSIONER GONZALES: Second.

18 THE CHAIRMAN: All in favor? Jeff, you're good?

19 COMMISSIONER KAY: Yes.

20 THE CHAIRMAN: We will hold that vote open as
21 well. Let's go to Item 5, the pilot program proposals for
22 Commission action. Five A, for group rides, multi-fare
23 meters and livery cabs. David Klahr, would you join us at
24 the podium?

25 I want to say a few words before we start. This plan,
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1 or this proposal we are going to be discussing originated
2 with the Mayor. His state of the city address, earlier
3 this year, Mayor Bloomberg asked TLC to come up with a plan
4 to have drivers earn more money and passengers pay less and
5 group ride and maximize the effectiveness and efficiency of
6 our liveries and taxi cabs.

7 We are pleased, for several months we have been
8 working very closely and very hard. I want to commend the
9 staff on a lot of details they put together. We will now
10 be discussing this plan, which the Mayor asked us to
11 produce.

12 If you remember, a lot of this originated with the
13 Mayor's strike contingency plan when we had the transit
14 strike several years ago. It was very well received when
15 we had group ride scenarios around the city, Newark,
16 Yonkers. This pilot proposal would test various versions
17 and applications, and we're going to see what works and
18 what doesn't work. Today we are going to be discussing
19 some of that and unveiling some of the details.

20 Without further adieu, I would like to introduce David
21 Klahr, and he will introduce other staff members who will
22 be helping him with the presentation. Thank you, David.

23 MR. KLAHR: Good morning, commissioners. As the
24 Chair just mentioned, the Mayor, on January 15th in the
25 State of the City, talked to -- what he talked to was a

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1 common sense idea. The city has limited resources, given
2 the current economic situation. We should go for what we

3 have now, be more efficient.

4 He asked TLC to think about how can we get more people
5 riding in cabs, in livery cars, without necessarily
6 expanding the number of vehicles on the road, which would
7 add to congestion. He asked us to think about how riders
8 would save money doing this, and drivers would, at the same
9 time, make more money.

10 What I would like to introduce are three separate
11 concepts that staff has developed to address the same
12 problem, three different ways across two different
13 industries. I'm going to talk about a ride sharing pilot
14 that utilizes meters that are capable of recording multiple
15 fares at one time. Gary Roth will talk about a group
16 riding pilot as well, and Tweeps Phillips talk about a
17 pilot program for the livery industry where there will be
18 livery stands in the outer boroughs, will be with the Black
19 Line cars for people using community cars at a different
20 price point.

21 I would like to talk a little bit first about
22 multi-fare meters. As mentioned earlier, we learned as an
23 agency a lot in both the transit strike in 2005 and the job
24 actions of tax drivers in 2007. What we learned is when
25 there is a real crunch in the number of available vehicles,

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1 New Yorkers rose to the occasion and learned that sharing
2 is a good thing.

3 What we found out, both anecdotally and from data that
4 we collected, that people liked the sharing concept. They
5 didn't mind getting into a cab with strangers, as long as a
6 couple of things happened. One was that the fare was
7 clear. You knew what you were going to pay when you got in

8 and didn't have to negotiate. And that they felt that the
9 pricing was fair. If it was too expensive, there was no
10 reason to share the cab. Maybe if you can share, save a
11 little money and maybe meet somebody new who is
12 interesting.

13 When we look at the data from the number of rides
14 throughout the city, the average number of riders is one
15 point four, but cabs hold up to four people. We don't have
16 to necessarily cram four people into every cab, but if we
17 can get a second person in a cab, we will increase the
18 capacity.

19 Rush hour conditions make it hard to find a cab;
20 everyone knows that from living in New York. What is not
21 so obvious, when you look at the actual number of rides
22 provided, who is on and off duty, people are often
23 discouraged from getting rides during rush hour. Once a
24 cab is hailed and there is one person sitting in the seat,
25 the cab is locked up; you can't persuade it to pick up a

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1 second person. Drivers are discouraged from working rush
2 hour because it's a hassle. Traffic is heavy, they're
3 locked up with the second passenger. The rules don't
4 currently permit it.

5 How can we make this happen? The concept is to really
6 improve how efficient cabs that are already on the road
7 are. We don't need to have every cab do this. We would
8 like a good number of them to do it in order to get the
9 second person in the seat, to really fill more available
10 seats and let people with unique origin and destination
11 points share the cab. So you don't necessarily have to
12 herd people to a common pick-up or drop-off location.

13 I want to try every fare that he we can think of to
14 try and improve efficiency of the taxi fare. We wanted to
15 start on the point where we build on the strengths of what
16 works about medallion taxi cabs. People like hailing a
17 cab, waving their arms out in the street. New Yorkers know
18 how it works. We don't want to change that.

19 We want to make sure we are not necessarily putting
20 more cars on the road and we don't really have the ability
21 to go out and issue a lot of new medallions. We have to
22 work with what we've got. We want to offer a meter
23 discount for sharing. We want to offer a definite
24 incentive for people to say okay, if I'm sharing, it may be
25 good, I may not care. They would get a financial incentive

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1 to try it.

2 Drivers can make more by getting the second passenger
3 in the cab, and each individual passenger would pay less.
4 We anticipate that part of the fleet, as a whole, would
5 participate in this pilot program; not every cab. We want
6 to make sure if you get into a share cab, you know what the
7 rules are up front and know what where the cabs are going.
8 We propose having a destination sign in the windshield,
9 like an LED sign that tells you what neighborhood the cab
10 is going to. If I'm in Union Square and I'm trying to get
11 to the financial district and I see a share cab go by and
12 it says "Harlem," I'm not going to hail that cab.

13 How would that work? The first thing we want to do is
14 work with the development of a multi-fare meter which can
15 record up to four passengers at a time. We initially
16 anticipate doing that with two passengers at a time. Major
17 manufacturers of meters already in the New York market have

18 already spoken to us about this. They are interested in
19 this, and some are already working on the project, not only
20 for this, other jurisdictions are interested as well, such
21 as Washington, D.C. This is something that has been
22 bandied about before in the industry, but the technology
23 was not there before. We want a meter that not only tracks
24 each individual separately, but allows a separate check
25 out.

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1 Credit cards are an enormous plus. We want to make
2 sure each person can pay separately by credit card. We
3 want to also make sure that the passenger information
4 monitor in the back will separately display everyone's
5 information, so you know exactly what you're going to pay.
6 You know what your fare is. Each meter is labeled
7 Passenger 1, 2 or 3. We will have a destination sign in
8 front to tell you which direction the cab is going to. We
9 want to make sure that the first person in the cab gives
10 general advice for the route of the cab. Cabs may drive up
11 and down the avenues but don't have to make a lot of trips
12 to the side trips. If you're the senior trip, you will get
13 the ride that you want to. If you're the second passenger,
14 you may not need to or want to go door to door. If two of
15 us in the cab are going uptown and one is getting dropped
16 off on a side street, you may say you are know what, drop
17 me off at third Avenue; I'll walk the block. People do
18 that all the time.

19 You're late for an appointment. There is too much
20 traffic. We want to encourage that. We want to encourage
21 two passenger trips at a time. That includes pairs of
22 people. If you're out on a date, you don't have to

23 necessarily pay separate fare. If it's two people
24 traveling together, that is fine. If you're a child under
25 the age of twelve, you should not be considered a separate

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1 person for the purposes of this pilot.

2 How would this work in practice? I put together a
3 scenario. This is kind of the hour in the life of a
4 typical cabbie. We will pretend it's rush hour. There
5 isn't a lot of traffic. There is no waiting time or
6 problems getting up or downtown. It's wholly applicable.
7 The cabbie is doing about three trips an hour; not
8 terrible, not great. I get in the cab at the financial
9 center and say, "get me to Penn Station." At Penn Station,
10 easily find another fare that wants to go to the Upper West
11 Side. Then we pick up someone that says, "take me to Union
12 Square." The cab does a lot of travel, almost twelve
13 fares. Lower Manhattan, Midtown, Upper West Side, and all
14 the way cross town. That takes a lot of time and is not
15 efficient.

16 How would that work with ride sharing, where you pick
17 up additional people along the way? The share cab picks
18 up the first person, same place, same destination, World
19 Financial Center going to Penn Station. The sign says
20 Midtown west. The cab is going up town, Hudson and
21 Houston. The cab picks up another passenger. He wants to
22 go to Grand Central Station. Okay, into the car.

23 He gets in. The two people ride together. As they go
24 along the way, the first person gets off at Penn Station.
25 Immediately after that, at 37th and Eighth, a third

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1 passenger gets in. There are only two people in the cab,

2 but now the cabbie has had its third pick-up in the day.
3 He's going to the Upper East Side.

4 They stop at Grand Central, drop off Passenger 2.
5 Turn at Park Avenue and heads uptown, and at Grand Central,
6 a fourth person gets into the cab. They're getting into
7 Madison and 38th. The driver is able to change his
8 destination sign to say "Upper East Side." Maybe another
9 person wants to get in. In this case, there is not.

10 They head uptown and drop off the other people. As
11 the driver is heading downtown, and luckily he picks up
12 someone that wants to go to Mount Sinai on the West Side.
13 At no point are there more than two people in the cab, so
14 there is no overcrowding.

15 We plugged this into Google to see how much mileage.
16 Instead of driving twelve miles in the hour, this cabbie
17 drives a little over nine miles. It's going to add up.
18 It's less gas, less wear and tear on the vehicle and he
19 gets more fares. This is the win-win that the Mayor is
20 talking about.

21 How does it play out with fares? This is what fares
22 look at currently. I pretended this is the rush hour, so
23 there is the rush hour surcharge. I put the surcharge in.
24 The typical ride is about three miles. This is a pretty
25 theoretical example. In the three hours, the total amount

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1 is fifteen dollars sixty cents for three separate people
2 paying a little more than five dollars apiece.

3 What we're proposing for the fares is that you
4 actually save a bit of money. The way it works, we call
5 the drop, the initial two dollar fifty cent charge is the
6 same for every passenger. If you're sharing the cab, you

7 get a fifteen percent discount. Instead of forty cents a
8 mile a minute, it would be twenty cents. Tax of fifty
9 cents.

10 If you're going to J.F.K., you get a thirty-three
11 percent discount. That is a price point that people were
12 very happy with and cab drivers were very happy with. How
13 does this play out during the scenario that I just
14 illustrated on the trip uptown? Same drop, same time, rush
15 hour surcharge, same tax. Instead of paying more than five
16 dollars, they're only paying four and a half dollars. They
17 saved money, but the driver, for the same amount of time,
18 bringing in twenty-three instead of fifteen dollars.

19 Again, the mandate is there from the Mayor.
20 Passengers pay less and the driver makes more also. So
21 what we want to find out from this pilot are several
22 interesting questions that we're really wondering about,
23 that we think we know the answers to, but we want to know
24 about. Are people really interested in sharing rides?
25 Does this really rise to the level where people are willing

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1 to say I'm not willing to wait on a street corner for a
2 long time to get a cab by myself?

3 I want a quicker experience where I can get a cab
4 right now. We want to make sure that the cab driver makes
5 more money. We want to know how many extra rides are
6 provided. We want to get a sense of how many extra people
7 are getting cabs. We need more meter technology. We want
8 to make sure that meters that record multiple fares work
9 well and work well in the New York market.

10 This is something that we see mechanically
11 internationally. We want to see this working

12 satisfactorily for your needs. We want to see how it
13 affects traffic patterns. We want to see if it's worth
14 continuing on a permanent basis. We want to collect some
15 new type of statistics to see how do we measure the
16 efficiency of the meter as a whole. Instead of measuring
17 vehicle trip miles, passenger trip miles, how many people
18 are you carrying during that drive?

19 The assumption is you're carrying one or two people.
20 We don't really think about that too well. If you're
21 carrying multiple people at a time, maybe it's how many
22 people they carry a mile. How does it work in practice?
23 We would like to try it with one thousand taxis.

24 THE CHAIRMAN: For the first time, we would be
25 able to track how many passengers are in the vehicle for

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1 how long?

2 MR. KLAHR: That's correct. We have a much more
3 accurate measure. It wouldn't be self-reported like on the
4 trip sheet, it would come strictly from the electronic
5 data. We would like the pilot to last about a year. We
6 will issue a Request for Information on that. We also have
7 a couple of regulatory issues to resolve, so the time table
8 for this is the State Bureau of Weights and Measures
9 regulates meters, including meters in the city.

10 Since this is a new concept, we need to get a waiver
11 to test this type of meter. We anticipate working out the
12 operational details, probably by the late summer, and
13 probably the prototypes meters by the mid-fall. The cars
14 are going to be marked. We want to look at options for LED
15 signs, or if there is a simpler way to do it, we want the
16 method that is most visible from the street and we will

17 keep the staff appraised of how it's going as we go
18 along.

19 I would be happy to answer any questions.

20 COMMISSIONER GONZALES: Do you have an idea
21 what, if any, increment all costs would be, say, for the
22 meters, and I guess the destination sign?

23 MR. KLAHR: A good sign, one LED sign we were
24 looking at was about fifty dollars, and they range in price
25 to maybe an expensive fancy one would be a couple of

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1 hundred dollars. We might not need all the bells and
2 whistles for it to work. A wipe off board you can get at
3 Staples for about fifty of dollars. We are not
4 anticipating thousands of dollars in extra cost for this
5 also because this is a pilot and there may be some interest
6 from the meter industry on this.

7 We would like to see possibilities, whether they might
8 be offered as a discount because this is a pilot. We will
9 be looking into getting free meters. There might be a mix
10 where some people may pay full price for the meters because
11 they're interested and want to try it. I think once we
12 have prototypes in the fall, we will have a better idea of
13 what the costs are, and I'll be happy to report back.

14 COMMISSIONER GIANNOULIS: So, you say that the
15 senior trip controls the route, so cabs would be able to be
16 both share cabs and non-share cabs?

17 MR. KLAHR: Correct. Let's say it's four in the
18 morning on a Wednesday and you're hailing a meter. The
19 chances that someone is going to want to share the cab with
20 you is minimal. You would pay the fare as you do now.

21 The idea of having the meters permanently installed,

22 you never know when there will be a rush. The typical
23 example, everyone complains that you can't get a cab when
24 it's raining, the meter is fixed. This opens up the
25 scenario. Now I get in a cab and the cab driver, on his

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1 own, decides to stop and start picking up people. Can I
2 say "don't do that?"

3 MR. KLAHR: We heard that from a lot of people
4 when we started talking about that. One concept is that
5 the first passenger would have the right of refusal; refuse
6 to share. There are technical problems, things that have
7 to be worked out with that. If you hail a share cab and
8 you agree to get in it, you agree to share. There is not
9 an option to say no, I don't want to share. If you
10 positively don't want to share, another option would be to
11 wait for a cab that isn't sharing. We want people to make
12 an informed decision to share or not share.

13 THE CHAIRMAN: I agree with that, but we can
14 change that if the pilot program indicates that becomes an
15 issue.

16 MR. KLAHR: We are not completely rigid on that idea. We
17 work out scenarios where that might happen. If we thought
18 it would be difficult to give the first passenger the right
19 of refusal because maybe people would not share a cab. I'm
20 desperate for a cab and I have the right to and forget it,
21 I'm not going to share.

22 COMMISSIONER GIANNOULIS: They have the right to
23 do that or they don't?

24 MR. KLAHR: The way the proposal is currently
25 structured, if you agree to sit in the cab, you are giving

20

1 permission to share.

2 COMMISSIONER GIANNOULIS: You, as the first
3 person in the car, have the right to be delivered first.

4 MR. KLAHR: Yes. To give an example, let's say
5 I get in the cab here and I'm going uptown, and we pick up,
6 and City Hall, my destination, is on the West Side. Your
7 destination is on the East Side. You're going to go west
8 first.

9 MR. SALKIN: If the second ride is within the
10 distance, if you're going from World Financial Center to
11 the Upper West Side and the second person is going from the
12 West Village to Chelsea, the second person can get out.
13 They wouldn't have the ability to manipulate the ride.
14 That is the choice that the person is making by getting
15 into the cab. That is their choice. We will evaluate the
16 scenario, does it work or not work.

17 COMMISSIONER GIANNOULIS: The issue of being
18 able to go in and lock in, for example, somehow lock in the
19 meter where you're not sharing the cab. We don't want to
20 do that. We are concerned that everybody would do that.

21 MR. KLAHR: We don't know.

22 COMMISSIONER GIANNOULIS: Couldn't there be a
23 way -- at the end of the day, we're talking about two
24 different meter systems, right, or one meter that is
25 able --

21

1 MR. SALKIN: They can do lot of different things.

2 COMMISSIONER GIANNOULIS: Can do two fares?

3 MR. SALKIN: Yes.

4 COMMISSIONER GIANNOULIS: I get in the cab,

5 being charged one way. Another person comes in. I'm being
6 charged the full rate and he's being charged the lesser
7 rate, or we're both being charged the second rate?

8 MR. KLAHR: That's a good question. When the
9 second person gets in, you both get charged the lesser
10 rate. When the person gets out. It goes back up.

11 MR. SALKIN: The driver is always paying the
12 same; when the passengers are sharing, they're getting a
13 discount.

14 COMMISSIONER GIANNOULIS: Fundamentally, we
15 think, at least you wouldn't be able to kind of go in and
16 say, I'm in a bad mood today, unlike my normal self. I'm
17 going to say no share.

18 MR. SALKIN: That is an interesting question.
19 One of the things that we have to think about, or the
20 Commission will have to think about as a body, as the pilot
21 works itself out, if it's working and it's something that
22 you want to do, one question is this new meter a technology
23 that every driver should have and that every cab driver
24 likes.

25 If you have the scenario that the only option you have

22

1 is the share ride, you have to have the ability to opt out
2 of sharing. I think it's a much different question if it's
3 an entire fleet. In this case it's a pilot. We want to
4 have each meter company that is interested in participating
5 to put enough meters on the road. Each meter company puts
6 a hundred or two hundred on the road, depending on
7 responses. The idea here is there is never really enough
8 of the fleet that if you really want to ride alone, you can
9 wait until two minutes and get a cab.

10 COMMISSIONER GIANNI: Can anybody reject a
11 share ride?

12 MR. SALKIN: Not in a share cab for the pilot.

13 COMMISSIONER GIANNI: Nor can the driver or
14 the passenger.

15 MR. SALKIN: Correct.

16 COMMISSIONER GIANNI: Now we are hoping
17 everybody behaves themselves in terms of disputes; who goes
18 first.

19 MR. SALKIN: The biggest lessons we have, what
20 happened during the transit strike. David alluded to how
21 workers worked it out. This might be a little bit
22 different. We're trying to establish clear scenarios.
23 Using a meter, there is no question about the fare. You're
24 either Passenger 1 or 2.

25 The route -- one of the questions, are people going to

23

1 demand being dropped off, even if they're in the middle of
2 traffic.

3 COMMISSIONER GIANNI: What is the amount,
4 I'm sorry, in the pilot program? Are we per medallions or
5 meters? I'm confused how many people are in the pilot
6 program.

7 MR. SALKIN: We're proposing that we allow up to
8 a thousand cabs, and depending on the meter manufacturers
9 that respond and how many they're interested in putting
10 in. In one meter company's response and they want to put
11 in a thousand.

12 MR. KLAHR: I think what we're anticipating is
13 we would have several meter companies participate, and each
14 one would have a couple of hundred cabs using their

15 technology. Each one has a slightly different technology
16 on this. We will get feedback from the drivers, which ones
17 they like better.

18 We want to try out the different approaches within the
19 standards we're required to have. There are federal and
20 state standards.

21 COMMISSIONER GIANNOULIS: We will go to meter
22 companies to market X amount of cabs, and those cabs will
23 be share cabs.

24 MR. SALKIN: We get the waiver to say I
25 partnered with this company to put in this technology and

24

1 we will market it this way.

2 THE CHAIRMAN: I think we have to do a lot of
3 outreach to make sure passengers understand.

4 MR. SALKIN: One of the things we have been
5 thinking about is there will be a limited number of
6 medallions participating. One of the things participating
7 drivers would have fliers to hand out to passengers. Once
8 the drivers understand it, they will be able to communicate
9 it rather clearly what is going on.

10 I think what we're really looking for, it's
11 interesting, thinking of scenarios when there is a lot of
12 cabs available. The real challenge here is what everyone
13 on the Commission heard. Now, the cab that is going your
14 way you will be able to get in and out; before, you
15 couldn't. Hopefully that will ease some of the problems
16 occurring the peak hours, I don't know we will see what
17 happens.

18 THE CHAIRMAN: Before we go to the next

19 presentation, unless somebody has questions or objections,
20 I know we're supposed to discuss it today. We have the
21 resolutions. I would like to make a motion to adopt the
22 multi-fare meter proposed route. Make the motion.

23 COMMISSIONER FRASER: Second.

24 THE CHAIRMAN: Unanimous. Good sales job, good
25 work. Actually, before we go to the next presenter,

25

1 Commissioner Polanco has arrived and Commissioner
2 Giannoulis was out of the room. I believe they missed
3 votes. If they care to vote on Items 2, 3 and 4, we all
4 voted in your absence to adopt the minutes, to approve the
5 bases that were submitted on the agenda and deny the three
6 bases recommended for denial and approve the paratransit
7 rule revision, Would you care to place your votes in favor
8 or against?

9 COMMISSIONER POLANCO: I vote in favor.

10 COMMISSIONER GIANNOULIS: Vote in favor.

11 THE CHAIRMAN: Thank you. The next presentation
12 is on group rides.

13 Before we turn it over to Gary Roth, who works in our
14 Taxi Technology Division with Ira Goldstein. I want to
15 point out there seems to be interest from various
16 stakeholders and partners.

17 I spoke with Chris Ward. He's supportive of doing a
18 group ride -- that we will discuss in a little bit -- to
19 the Port Authority Bus Terminal. At my staff's request,
20 they reached out to the folks in charge of the Major
21 Business Improvement District where they have stands.

22 I'm pleased to report that Abe Biderman is excited
23 about it and Fred Cirullo has indicated his approval. And

24 people who were not on the list are also calling about it
25 too, so we have some tough discussions to make.

26

1 I want to point out for the record that some of the
2 major stake holders that we need to make it a success have
3 already indicated their assent to it. With respect to all
4 the proposals in the New York Taxi Workers' Alliance, New
5 York State Federation of Taxi Drivers and League of Taxi
6 Owners have all told us that they support these efforts.

7 MR. ROTH: My name is Gary Roth. I'm here to
8 talk to you about the medallion taxicab experimental group
9 ride plan. Background for the group ride plan is the same
10 as the share plan, so I'm going to jump right into what is
11 a group ride.

12 A group ride is when more than one passenger of two to
13 four will travel from a common origin to a destination
14 along a similar destination corridor. In this plan, the
15 passengers will have a lineup wait at a designed TLC
16 approved taxi stand, and it will be limited strictly to the
17 morning rush hour, from six a.m. to ten a.m. There will be
18 a flat fare in this proposal three or four dollars for the
19 group ride. And again, all passengers will be going to a
20 similar destination.

21 So, the goals of this plan are to increase the
22 capacity of the fleet during the morning a.m. rush hour.
23 To increase revenue for drivers, to increase number of
24 passengers who can ride in cabs during the morning rush
25 hour. To increase service where in some places service is

27

1 scarce. In the morning rush, sometimes it's hard to get a

2 cab. This will provide cabs into other areas, and also
3 increase the cab utilization. As you heard earlier, about
4 one point four passengers per cab. We're hoping to firm
5 them up a little bit more.

6 So, to select the group ride locations, we reviewed
7 the electronic trip sheet. I have some maps coming up on
8 the next slide. We analyzed the trip sheet for high volume
9 locations and common drop-offs, and also used the data to
10 help determine the average fare. So, this map shows
11 passengers who are picked up. This is a three week period
12 in January. They were picked up in the West 57th Street
13 area, as designated by this blue box, and the color coding
14 shows where they were dropped off. The green color
15 indicates a high number of people dropped off in this area.
16 The yellow is medium, and the red is low.

17 As you can see in this slide and the following slides,
18 there is a very high demand for people to get to Midtown.
19 This is West 57th. The second one goes to East 72nd
20 Street. You see this similar pattern where this poor green
21 area in the Midtown. The third slide is West 72nd, again,
22 green.

23 MR. SALKIN: I want to point out to the
24 commissioners this is the first time we used the GPS data
25 in this fashion. One of the things that was fascinating

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1 for us in doing the analysis, to see where passengers were
2 starting and going. We didn't think the answer would be
3 the green. In every slide, people are taking cabs to
4 Midtown East. It's interesting about the data and about
5 the trips. There are a lot of shorter trips. The longer
6 trips are not there. I wanted to point that out.

7 MR. ROTH: There is one more. This is, again it
8 shows Penn Station, and the volumes of pick-ups varied.
9 In the neighborhoods, they were lower. The transit hubs
10 had extremely high pick-ups. Again, the numbers show, you
11 can see the numbers a little bit better, this one, the
12 numbers showed the number of drop-offs that occurred in
13 that particular box. These are designated by census block
14 groups. Each dot is a particular drop-off.

15 So, what we found in our research is that there were
16 very low pick-up volumes north of 96th Street. Because we
17 analyzed all of Manhattan, the volume of pick-ups was much
18 higher on the East Side versus the West Side, virtually
19 double. We are not sure why that is, whether it's lack of
20 demand or lack of supply. Maybe it's because many of the
21 taxi drivers are located in Queens. When they get a fare
22 they don't make it to the West Side.

23 The fare was extremely high at the transit hubs. As
24 far as drop-off volumes go, we saw it was low north of 96th
25 Street and many of the drop-offs occurred in Midtown.

29

1 Looking at this data, we selected six locations for
2 this pilot program. Three of the locations are at the
3 major hubs, Grand Central, Penn Station and Port Authority
4 Bus Terminal. Those locations terminate at Sixth Avenue
5 and 59th Street. Anyone getting on at that location could
6 get off anywhere prior to 59th and Sixth. Two people might
7 get in the cab. One person might get off at Sixth Avenue,
8 42nd Street and another person might get off at 50th Street
9 and the furthest you could go for that flat fare would be
10 59th and Sixth.

11 We have three neighborhood locations, West 57th at
12 Eighth; East 72nd Street and Third; and West 72nd and
13 Columbus. These three terminate at Park Avenue and 42nd
14 Street. You have the whole corridor to ride where you
15 wanted to get off. Each fare to be a discount from the
16 nominal fare that passengers are currently paying.

17 We tried to make it simple. We wanted a round number
18 and we made it three or four dollars, depending on the
19 average price of the fare.

20 As far as how it would work, we anticipate a bus, a
21 sign similar to the current MTA bus sign with maybe the
22 circle, the logo up on top, the hail plan that you see on
23 TLC cabs. The fare chart and hours of operation and
24 contact information would be located on the sign similar to
25 a bus sign. No dispatcher would be needed.

30

1 During the initial phase, we would have people on
2 location to set the tone and get it started. Any cab could
3 participate, any yellow cab could option in to be a go to
4 the group ride stand during the morning periods.

5 THE CHAIRMAN: Inspectors and our staff
6 conditioned to everybody, staff --

7 MR. ROTH: Of course, and the program would last
8 for one year. If you have any questions.

9 COMMISSIONER POLANCO: I have a question. I'm
10 curious to know if someone is picked up at West 57th and
11 Eighth and the drop-off is 42nd and Park, would the driver
12 decide how to get there? If he's driving along all the way
13 to Eighth Avenue along 42nd, is it up to the driver to
14 decide how to get to the end location? Does it depend on
15 traffic?

16 MR. ROTH: They would basically ride the
17 avenues. That is the goal. They get on the quickest route
18 to the end point and they would ride the avenues. In this
19 particular one, we said they would go across 57th Street
20 because of the high demand, to go east and go down Park
21 Avenue.

22 MR. SALKIN: It's not from that start point to
23 that end point. What this is is this corridor that the cab
24 is going to follow. The idea is, if you have three people
25 going to the end point, whatever the quickest ride is to

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1 that point, the idea is you will have peel-off at different
2 points during the way. Cabbie would take the fastest route
3 to the first drop-off along the corridor and along the
4 corridor people would just pop out.

5 If you work at 54th Street and I worked at 42nd
6 Street, you would get off before me and I would get off
7 next.

8 THE CHAIRMAN: It's flexible. If there is a
9 road closure or emergency, they can deviate from the route
10 and come back.

11 MR. SALKIN: The idea is to create a framework
12 in which it's fair for the driver and fair for the
13 passenger, and everyone knows the game plan. People will
14 deviate as they need to in ways that are fair. These are
15 the rules that set the framework.

16 THE CHAIRMAN: Any other questions?

17 COMMISSIONER GONZALES: I have two questions,
18 the same questions as before. The first question, any
19 incremental costs to the driver or the medallion owner.

20 Number two, are from logistics perspective you have to
21 pick a location. Say, for example, Grand Central Terminal
22 corridor, end point being 59th and Sixth Avenue. Is that
23 corridor end point then become a potential new pick-up
24 point? How does the driver know what corridor they're
25 going to operate under next?

32

1 MR. SALKIN: The first question is there is no
2 cost here. We are just going to put stands and anyone can
3 participate. The driver just has to know how it works.

4 THE CHAIRMAN: There may not be any costs to the
5 city. Some of the bids have already agreed to pay for the
6 signage.

7 MR. SALKIN: It's not technology, it's really
8 just information. The question on what happens at the end
9 point, again, I want to stress there is nothing about a
10 person getting to the end point. This is the route that
11 the cab is going to follow. If all three passengers get
12 off before the end point, the cab is not going to make it
13 to the end point.

14 The cab is just taking people where they want to go.
15 If you have Park Avenue, you have some people that want to
16 go to Madison or Lexington or Third. If they're going to
17 all share that ride, they will have different places that
18 they want to go out. The cab is not taking them to these
19 places, it's taking them to Park. You walk the distance.

20 You're getting a discount for your ride, which is
21 helping ensure that there is availability for the cab.
22 You're getting a discount so you're not guaranteed
23 door-to-door and you know where your going before you get
24 in. Everyone agrees that you're going to take the Park

25 Avenue route because that is the only one that is

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1 available. No one ever says the cab goes to 42nd and Park.
2 If the stand is empty, they take a regular fare.

3 COMMISSIONER GONZALES: The last passenger that
4 gets out, I figure out how does the cab driver decide --

5 MR. SALKIN: If they are livery, if they want to
6 go back to the group ride stand, they have to somehow
7 indicate they're not available for service and pass up
8 rides. What we anticipate happening during the morning
9 rush is they will do the ride during Midtown east, drop
10 people off, and if they're available, they will be hailed
11 again.

12 COMMISSIONER FRASER: Once people get in at the
13 group ride stand, the cab is indicated as unavailable and
14 no one would hail it. The driver drops off the last
15 passenger, the cab is now indicated as available, he's now
16 obligated to take a street hail at this point.

17 COMMISSIONER GIANNOULIS: The driver can pick up
18 people along the route.

19 MR. SALKIN: No, at the designated group ride
20 stands, Grand Central, Port Authority, Penn station, it's a
21 pick-up location. We are trying to filter people in a
22 general area to a pick-up point so the cabs will go
23 there. On the West Side, we don't think a lot of cabbies
24 go there because it's not to their benefit. If we
25 encourage them to get there, they will potentially get

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1 three fares.

2 COMMISSIONER GIANNOULIS: Do these mirror bus

3 routes?

4 MR. ROTH: They don't mirror bus routes, but
5 one of the ideas is that during the morning rush hour is
6 the hardest time. That is the expensive time for the MTA.

7 That is when they have to expand their capacity the most.
8 If the TLC can expand their capacity the same period, it
9 will take the burden off the MTA, and Park Avenue is an
10 area where there are no bus routes.

11 COMMISSIONER GIANNOULIS: How many people are
12 allowed in the cab?

13 MR. ROTH: Four.

14 COMMISSIONER GIANNOULIS: When I pay, let's say
15 three bucks at the pick-up location, I know how many people
16 are going in there. There could be four stops along the
17 way on this corridor.

18 MR. SALKIN: Yes. One of the things we're going
19 to try to encourage, since everybody knows the fare before
20 the end of the ride, we will encourage people to pay while
21 the trip is en route. When they get to their destination,
22 they just get out. There is no exchange of money at that
23 time.

24 COMMISSIONER GIANNOULIS: Its about twenty city
25 blocks?

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1 MR. ROTH: I didn't really count.

2 COMMISSIONER GIANNOULIS: I'm just guessing here
3 they say are short additions.

4 MR. SALKIN: We looked at the data. One of the
5 things that are surprising is just how short the trips are
6 that people are taking. Here is a map. That's one of the
7 things you see, the red. The pink is places with less

8 density drop-offs, and the green is the places with the
9 most density. You see the blue squares where people
10 started.

11 One of the things that surprised us is how much green
12 is close to the blue square. Untrue. You would think that
13 people were using cabs for longer distances. That is not
14 the case, people are using cabs to get places quickly.
15 Maybe mass transit doesn't take them to the destination, or
16 maybe it's just a little too far to walk.

17 COMMISSIONER GIANNOULIS: Would that necessitate
18 a new meter.

19 MR. SALKIN: No, it's a flat fare.

20 THE CHAIRMAN: This is a pick up chart for these
21 drop-offs?

22 MR. SALKIN: The blue box is where the pick-ups
23 are. There are no new meter. The meter doesn't click as
24 you drive. It's a fixed fare.

25 COMMISSIONER GIANNOULIS: The meters currently

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1 have the ability to plug in a fixed fare like the airport
2 fare?

3 MR. SALKIN: Like you're going out of town
4 fare.

5 COMMISSIONER GIANNOULIS: Four people get into a
6 cab. They press the button four times. The driver will
7 collect the money.

8 MR. SALKIN: Or pay by credit card.

9 COMMISSIONER GIANNOULIS: It will be four
10 payments of three dollars and the meter is off, okay, until
11 the last passenger is out and the car is out of service.

12 MR. SALKIN: Is engaged.

13 COMMISSIONER GONZALES: One last question.

14 Assume that the customer pays. When the passenger pays
15 when they first enter the cab, would he still be able to
16 capture the destination? Currently, I'm assuming that you
17 got the monitor. It will pick up or identify a pick-up and
18 when the customer pays, that identifies the drop-off.

19 MR. SALKIN: Within limitations on what the
20 meters are able to do. What we're aiming to do is capture
21 where the destination starts and ends. We might not be
22 able to do that. You are probably not going to have exact
23 data where each person gets off, but you will be able to
24 track where each person gets on. You see how many times
25 people pay three dollars in a fixed, fare but you wouldn't

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1 necessarily know where they got out.

2 COMMISSIONER POLANCO: How would it work again
3 in terms of people would just stand there? It says no
4 dispatchers needed.

5 MR. SALKIN: There have some groups rides there
6 right now. There is one on York Avenue. People go out
7 there. The cabs are waiting. They wait for four people to
8 get in the car. When there is four people, they go.

9 Sometimes there is a line of people, sometimes there
10 is a line of cabs. The idea is, it's developed over the
11 years, it's become, everyone kind of understands the rules.
12 We are mimicking that kind of behavior.

13 One of the concerns we had here is a location that is
14 very hard from mass transit, it's a far distance to a
15 common destination. Wall Street, which is a common
16 geographic area. We are expanding the drive up. We

17 anticipate lining up from a feeder location. You figure
18 anyone will walk five or ten minutes to get to a feeder
19 location, and then they will go along the corridor.

20 The idea is to see if it works, to see if it works at
21 the point. If it doesn't work, to see if there is
22 something we can do. Maybe the corridors are incorrect.
23 Maybe the fares are too low or too high, or maybe the
24 corridors need to be changed. Maybe it's doing well and
25 we want to expand the locations. Maybe there is a way to

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1 figure out how to do it in the evening.

2 Right now we want to test the concept. We don't know
3 how people will react.

4 THE CHAIRMAN: I agree with Andy that we have to
5 tweak it in terms of a pilot. I'm confident in the
6 proposal. I don't know if you're aware that there is an
7 authorized Wall Street One on 79th and York. It's been in
8 effect and existence with very few problems recorded over
9 the years, from 79th and York where there is the exact same
10 scenario. Passengers pay less. Everyone goes down to Wall
11 Street because is there an absence of mass transit on the
12 far East Side.

13 I am confident that we may tweak locations or other
14 aspects of the signage. Basically, it's been working so
15 long and so well that there really isn't signage necessary
16 or supervision. The Wall Street one can run itself.

17 Any questions or issues? Motion to approve the
18 resolution for the group ride pilot route. Make a motion.

19 COMMISSIONER GONZALES: Second.

20 THE CHAIRMAN: All in favor? It's unanimous.
21 Thank you, Gary, good job.

22 The last presentation on Item 5-A, is Tweeps Phillips
23 with us?

24 MS. PHILLIPS: Well, I'm presenting on the
25 satellite base and livery stands pilot proposal. The other

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1 two proposals presented today basically focused to
2 enhancement to the taxi industry. This pilot program seeks
3 to do an enhancement to the livery services currently
4 provided throughout the five boroughs, and looking
5 specifically to areas outside of the Central Business
6 District that are generally very well served by yellow back
7 grounds.

8 There are four hundred eighty-eight livery bases
9 throughout the boroughs. Two thousand two hundred
10 eighty-seven livery vehicles. As per TLC rules, livery
11 services are to be dispatched. That means a person who is
12 interested in service calls a local base and that base
13 dispatches a vehicle to that customer. Liveries provide
14 critical transportation throughout the five boroughs an
15 enhancements to this industry would be of great service to
16 both the customers and industry.

17 Over the past couple of months, we conducted many site
18 visits throughout the five boroughs, sort of acting to
19 observe liveries in their natural habitat, and get an idea
20 of what is going on. We observed two main things: The
21 first is there are two types of services provided. There
22 is legal, and illegal. The legal services are as I
23 described, a customer calls a local base. That base
24 dispatches a TLC licensed vehicle and driver.

25 The illegal fall under three different types. There

1 is the lineup service, which is basically vehicles waiting
2 in anticipation of customers. This can be found at many
3 locations, including ferry terminals, bus terminals, the
4 terminus of major train and bus lines, the street hail.
5 And finally there is sort of a satellite base mini-dispatch
6 model where there is either a dispatcher or courtesy phone
7 set up by the business entity contracted with a home base
8 to arrange for rides for their customers.

9 While out in the field, we also took some time to talk
10 to passengers and sort of understand their experiences and
11 their concerns. And overwhelmingly, the response that we
12 got back is they're interested in on-demand service. They
13 would not want to be able to get a ride when they want a
14 ride if they have packages or small children, what have
15 you. There is concern about how this on-demand service
16 would be provided, because currently without a dispatcher
17 there is no record of trips being made. There is no
18 verification of whether the driver is licensed, whether the
19 vehicle is licensed, whether there is even base
20 affiliation. There is no verifying as to TLC standards
21 being met. No clear fare structure.

22 A customer sort of negotiates the fare on the spot
23 with the driver. There is no recourse for poor service.
24 What happens if the customer leaves a package, if something
25 happens? Essentially, it sort of ends with being

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1 hitchhiking; which obviously is great concern. The entire
2 point for the difference between livery and yellow cabs.

3 MS. PHILLIPS: This pilot proposal in essence
4 would create an on-demand dispatch service and would

5 encourage and provide safe transport and accountability.
6 And we sort of see it as potentially emulating the services
7 black car companies currently provide, based on contract,
8 and we think this would be really helpful.

9 So in concept, the on-demand dispatch service would be
10 only approved private locations. There would be a
11 satellite office on the site which would be a licensed base
12 that would dispatch licensed vehicle and drivers. Either
13 by use of an on site dispatch or courtesy phone, and this
14 livery stand would be clearly marked with ample space for
15 staging of vehicles and customers. So some of the
16 requirements that we think would be important to the pilot
17 proposal is obviously only TLC licensed bases, licensed
18 vehicles and drivers, license on site, a fare chart. A
19 business plan that clearly outlines the relationship and
20 responsibilities between the base and business entity.
21 Clear hours of operation, base contact information, either
22 a dispatcher or courtesy phone on site. Receipt of service
23 for the customer and trip records to be kept by the base
24 and we believe this will add additional accountability for
25 the customer.

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1 The TLC pilot proposal process, we will be issuing a
2 R-5 that will seek to provide two pilots per borough. The
3 pilots should last about a year and we will continue to do
4 analysis and go out and speak to the customers and driver's
5 and bases and business entities to find out how things are
6 going, and bring back that information to you for your
7 review.

8 And so that concludes my presentation on the satellite
9 base and livery stands. If you have any questions, I'd be

10 happy to answer them.

11 COMMISSIONER GIANNOULIS: I have some questions.
12 Is this like a virtual base?

13 MS. PHILLIPS: Yes, exactly.

14 COMMISSIONER GIANNOULIS: Are we just legalizing
15 what is illegal?

16 MS. PHILLIPS: It's a virtual base. We see it
17 assort of a satellite location for a license base to
18 provide services at that location.

19 COMMISSIONER GIANNOULIS: I would walk up to --
20 it's a dispatcher or a phone?

21 MS. PHILLIPS: Correct. Now I walk up to a
22 stand and say I'm going to Jackson Heights. Great. Click.
23 And I walk into the cab that is sitting there.

24 MS. PHILLIPS: Something like that.

25 COMMISSIONER GIANNOULIS: How much different

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1 than that?

2 MS. PHILLIPS: An example would be say at
3 Atlantic Terminal there is a customer who has tons of bags
4 after shopping at Target, decides they want to take a ride
5 a couple of blocks to wherever they live. They go down to
6 the stand. They either speak to the dispatcher or pick up
7 the courtesy phone and arrange for that service.

8 COMMISSIONER GIANNOULIS: The notion that
9 historically that there is a safety component, like people
10 knowing where the pick-up was, they're picking up at my
11 house or place of business, that is fundamentally gone? A
12 lot of people go to the shopping center.

13 THE CHAIRMAN: You can argue, Harry, that there

14 is a safety issue.

15 COMMISSIONER GIANNOULIS: At various high
16 density places, like shopping centers, where there isn't an
17 exclusive contract for a base that is licensed that is
18 providing supervision. That often happens at the shopping
19 centers and even Staten Island ferry, and you have people
20 with no licenses and people carrying all their bags and
21 they want a ride and they don't care what they are getting
22 into. This would hopefully be eradicated that, if it's done
23 right.

24 COMMISSIONER GIANNOULIS: Those other folks are
25 going to leave because there is a legal stand there.

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1 COMMISSIONER KAY: Or sign up at that base
2 because there is accountability.

3 COMMISSIONER GIANNOULIS: That is the
4 fundamental idea?

5 MS. PHILLIPS: Yes.

6 COMMISSIONER AROUT: You mention about a phone
7 or dispatcher. I don't think a phone is going to help, not
8 as far as I'm concerned. A dispatcher, yes, because when a
9 car pulls up and there is nobody there by the phone. You
10 can get an illegal cab, pull over and take it away. It's
11 very important to get rid of a phone. It has to be a
12 dispatcher.

13 MR. ROTH: To a point, we agree wholeheartedly.
14 What we want to do is since we are putting out requirements
15 for R-5, if you have a facility twenty-four hours a day, it
16 may be prohibitive twenty-four hours a day.

17 COMMISSIONER AROUT: I understand that, but they
18 should be there at the crucial time.

19 THE CHAIRMAN The phone is intended to
20 supplement the dispatcher at various points. We will fully
21 monitor that. If it becomes a problem, we will get rid of
22 it.

23 MR. ROTH: If we get more proposals than we can
24 handle, we will look for places that are effectively
25 managing their business during effective hours of

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1 operation. Obviously, the best way is a dispatcher.

2 THE CHAIRMAN: I can assure you I always
3 objected in the past to this concept when the council
4 brought up for one reason, only because you need the
5 supervision. This kind of service, you have private people
6 providing the supervision, but we need our people to make
7 sure that it's up and running for the first couple of
8 weeks.

9 Once the entire industry sees there is order to it and
10 there are enforcement officers, that sets the tone and
11 parameters. That is exactly what happened. Even though
12 it's slightly analogous, the group ride stand up on Wall
13 Street. They actually used to have a title called TLC
14 Dispatcher Civil Service Stand. After a while, people get
15 used to it and are aware what is expected, and now it runs
16 itself with little or no supervision.

17 I want to assure you that we are not going to start
18 these bases and not have our inspectors there to make sure
19 everything is working smoothly.

20 COMMISSIONER GIANNOULIS: So we are going to
21 allow a certain amount of private businesses that you're
22 going to pick?

23 MR. SALKIN: The intent for the pilot is to put

24 out an R-5 and we hope a number of people responded to the
25 R-5.

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1 COMMISSIONER GIANNOULIS: The respondents would
2 be Queens Plaza, not X car services.

3 MR. SALKIN: If it's Queens Plaza, let's say
4 Queens Plaza comes to us with a base.

5 COMMISSIONER GIANNOULIS: That is a requirement?

6 MR. SALKIN: Yes.

7 COMMISSIONER GIANNOULIS: The private companies
8 come to us with a base. Through the use of the virtual
9 base, those folks are going to have exclusive rights of
10 street hails.

11 MR. SALKIN: No, there is a dispatcher. The
12 cars are there. The dispatcher arranges. There is a
13 record of where you are going to where you went.

14 THE CHAIRMAN: It's a more efficient on-demand
15 prearranged dispatch. Records will be kept. The fares are
16 there. It's not a hail up the street. It's not a street
17 hail, cars cruising around and you put your hand up in an
18 orderly line with records.

19 MS. PHILLIPS: Your classification is the best,
20 it's a virtual new base classification.

21 COMMISSIONER GIANNOULIS: It's actually my
22 classification.

23 THE CHAIRMAN: You can walk into any storefront
24 base.

25 COMMISSIONER GIANNOULIS: That is why I used the

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1 word "virtual base." It's just moving the base to another

2 space.

3 COMMISSIONER FRASER: The reason it has to be a
4 pilot, our current rules limit the base to one location.
5 The pilot will test to see if it works, and if it works, we
6 will obviously change the rules.

7 COMMISSIONER GIANNOULIS: We don't really
8 address it. Those individuals, both the business, let's
9 call it, and car service, are able to reject people from
10 standing in line, I guess to some degree.

11 MR. SALKIN: Part of the R-5 proposal is they
12 have to tell us how they're going to manage it. It's not
13 like here I go, we have to have a business plan, how many
14 rides they anticipate, how many vehicles. The business has
15 to be committed to providing the vehicles.

16 COMMISSIONER GIANNOULIS: Are people able to,
17 under our rules, allowed to enter into quick relationships?
18 I mean, joining the base is a little bit more complicated
19 than me pulling up.

20 MR. SALKIN: In theory, the dispatcher is an
21 extension of the base. They can't be dispatching to their
22 friends who show up in their own car.

23 COMMISSIONER GIANNOULIS: Can they dispatch
24 somebody who is part of another base?

25 MS. PHILLIPS: No.

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1 COMMISSIONER POLANCO: A base in that area would
2 have exclusivity in that area. If there are thirty bases
3 in that area --

4 COMMISSIONER KAY: If you want to call a base
5 that you normally use, a car can come and pick you up.
6 Nothing is going to stop you from doing that. If you used

7 one company for the last fifteen years, and you want to use
8 that company, what you're supposed to do is pick up the
9 phone and call that company and have them come to the
10 shopping center.

11 You can choose not to make the phone call and say you
12 know what, the base is right here. I am going to use
13 them. It doesn't exclude the car company from doing the
14 illegal street hail that they have been doing for the last
15 fifteen years.

16 COMMISSIONER POLANCO: Let's say can other bases
17 join into the program.

18 MR. SALKIN: For the pilot, we want to measure
19 are we able to provide this more add hoc on demand dispatch
20 in a way that is effective and safe. We wanted to do that
21 with a level of accountability. That is why we're limiting
22 it to private property. That is why we want entities to
23 come to us with a joint partnership. There is ideas that
24 we rejected. There is a dispatcher and they can join their
25 little dispatch crew. We don't know who is dispatching

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1 what. There would be issues of fighting. We want to see a
2 satellite base, a separate location.

3 The partnership is location. We don't know how this
4 would work if an entity like Queens Plaza thinks they will
5 have so much business and they want to propose three bases
6 as part of the proposal, and it becomes complicated. Two
7 bases get contracts and they get into fights and it's
8 unclear who is the dispatcher is.

9 THE CHAIRMAN: We provide for a little
10 flexibility in this proposed pilot. We don't want to shut
11 any doors. You can potentially have two or three entities

12 submit an application. It could be a shopping center, a
13 car service base and business improvement district all
14 partnering together. Any of the entities could provide a
15 an employee.

16 MR. SALKIN: Information has to be collected.
17 It has to be information that the vehicle that you're
18 getting into is the correct vehicle and it's licensed.
19 That information is going that in the field. You don't
20 have to be have a license to be a dispatcher.

21 COMMISSIONER GIANNOULIS: The virtual base does
22 not have all the requirements of other bases.

23 MR. SALKIN: It's a subset of another base. We
24 are not asking you to have records going back five years.

25 COMMISSIONER GIANNOULIS: If Councilman Jay

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1 calls up and decides this actually was a bad idea and there
2 are cars backed up --

3 MR. SALKIN: It's on private property. The
4 pilot is on private property.

5 COMMISSIONER GIANNOULIS: They're not going to be
6 on the street?

7 MR. SALKIN: Ample space within the facility to
8 handle the pilot. If we can do the service in a safe way
9 where there are other places to extend it, to put it on
10 public property raises a whole set of other issues that we
11 are not prepared to tackle now.

12 COMMISSIONER GIANNOULIS: They're not going to
13 have the requirements of bases?

14 MR. SALKIN: They will be a virtual piece of
15 another base. Off street parking and other things are for
16 the main base. You don't get affiliated with the

17 individual base, you get affiliated with the main base. If
18 it gets really big, you have to have additional parking and
19 record keeping.

20 COMMISSIONER GIANNOULIS: How would that not
21 count against the base?

22 MR. SALKIN: It would; that is what I'm saying.

23 COMMISSIONER GIANNOULIS: They're providing
24 services at this other location and they have more cars?

25 MR. SALKIN: They still have the requirement of

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1 having off street parking and other requirements that come
2 with that.

3 COMMISSIONER FRASER: I think it was
4 Commissioner Polanco was asking about bases that might want
5 to join in. The resolution is written to permit multiple
6 bases to partner with one of these private property owners.
7 The reason was, I think a lot of the bases are just too
8 small to handle the high volume that might occur at one of
9 these locations. The point is, we are trying to get high
10 volume. It might take multiple bases to handle the car
11 volume. That would sort of be up to the proposer making
12 the proposal to us, and we will evaluate whether they have
13 sufficient capacity to handle the volume that they and we
14 would expect.

15 COMMISSIONER GIANNOULIS: There will be a
16 financial relationship between the two entities?

17 COMMISSIONER FRASER: I don't know whether we
18 expect it; I think we're indifferent. I think we want to
19 know, but I don't think we have a requirement on it.

20 MR. SALKIN: One thing, by providing a
21 dispatcher on site, there will be an additional cost.

22 There will be some kind of capital commitment by the
23 entity to put up the signage and the dispatcher.

24 COMMISSIONER GIANNOULIS: There won't be
25 anything on public streets. If I'm in the Queens Mall

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1 there might be a booth in the Queens Mall that says "Carmel
2 Car Service." I don't know who these guys are. Raise your
3 hands. I don't know who you are. There you are. You're a
4 nice guy.

5 Here's a booth. You go there, a transaction occurs,
6 either by phone or by person. You're told go to Queens
7 Boulevard and 49th Street and there is a car waiting.
8 You're in the mall, the car is not in the mall.

9 MR. SALKIN: The stand will be outside, or it
10 can be in the parking facility. It has to be on the
11 private property of the mall.

12 THE CHAIRMAN: We're not ruling out if it works,
13 looking at the private street-public street issue.

14 COMMISSIONER GIANNOULIS: That means we have a
15 taxi stand, then the city should be making a lot more money
16 off this. It's a very nice deal if someone is able to set
17 up in the mall a taxi stand with public parking.

18 COMMISSIONER KAY: That is not public parking,
19 it's all private.

20 MR. SALKIN: It's a big issue. If we can
21 establish a way to have the service happen that everyone
22 feels is safe and effective.

23 COMMISSIONER GIANNOULIS: People I assume are
24 going to try and come to us to get that public space.

25 MR. SALKIN: That is something we have to monitor, if we

1 determine there is value to it that is something we have to
2 look at down the road.

3 COMMISSIONER GIANNOULIS: How far down the road
4 are we going with franchise and concession?

5 COMMISSIONER FRASER: That is one of the reasons
6 we decided to limit it to private property.

7 THE CHAIRMAN: That is a way to supervise more
8 closely what is happening in other areas. For instance,
9 Western Beef. If we want to create a new form or expand an
10 existing form, we have to make sure it complies with our
11 rules.

12 COMMISSIONER GONZALES: It's feasible with the
13 pilot program to capture details on the dispatch with
14 respect to what, a dispatch via phone or human dispatch.

15 MR. SALKIN: All the records are supposed to be
16 kept. One of the things we expect to be doing for the
17 pilot is getting those records and reviewing them.

18 COMMISSIONER GONZALES: We will have that
19 detail?

20 MR. SALKIN: I wouldn't know that, Ed Gonzales
21 got in a car with a bunch of bags.

22 COMMISSIONER FRASER: Should we be able to
23 distinguish between a phone dispatch and dispatcher
24 dispatched ride?

25 THE CHAIRMAN: Any other questions? Everybody

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1 okay with that? Motion to approve the resolution that went
2 to the commissioners.

3 COMMISSIONER AROUT: Motion.

4 COMMISSIONER GONZALES: Second.

5 THE CHAIRMAN: All in favor? It's
6 unanimous. Thank you very much.

7 MetroKing, 5-B, real quickly. Good morning again.

8 MR. ROTH: There are no slides for this one. Gary
9 Roth. This is a pilot proposal for a vehicle manufacturer
10 to approve a pilot for a vehicle called the MetroKing,
11 which is intended to be used as a general service taxicab
12 as well as provide wheelchair accessible service. The
13 formal proposal was set in October and November. The
14 vehicle prototype was in.

15 There are several safety issues that came up at that
16 time with the vehicle. They asked them to make changes and
17 respond to that. They did not for a particular amount of
18 time. This was tabled last month.

19 I want to say for the record what the actions were and
20 what happened. The nature of the response was -- the
21 nature of the complaints was first, that the side doors for
22 passenger use were not ADA compliant. Second issue, that a
23 passenger ramp for wheelchair passenger use was not ADA
24 compliant.

25 There were visibility issues for the driver of the

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1 vehicle. When the driver was sitting in this vehicle --
2 this is a modification of a Chevrolet pickup truck that has
3 an additional cab added and placed in the rear of the
4 vehicle. The way that the vehicle is currently compiled is
5 that when the driver sits in the driver seat and any
6 passenger sitting in the rear, the way that the partition
7 and window are configured, you cannot see out the rear
8 window at all. You can only see out the side windows.

9 There was no proposal for where the final T-PEP system
10 would be installed.

11 Their response was that they disagreed with the
12 measurement, whether or not the ramp and side door was ADA
13 compliant. We obtained our own measurements by measuring
14 it by hand in our own inspection facility, and we will
15 stand by the number. The proposal for the T-PEP was
16 incomplete. They responded by T-PEP would be placed -- it
17 was placed at the front of the cab in the way of the
18 ceiling line where passengers would sit at the rear of the
19 cabin. No human could reach up and touch the T-PEP system,
20 especially someone in a wheelchair. It's not suitable for
21 their use.

22 The recommendation of staff now that we had the
23 response, is decline this pilot and ask if they wish to
24 resubmit it, that they make the modifications recommended
25 by the Safety Commission.

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1 THE CHAIRMAN: We pulled this off the agenda at
2 the last meeting to give them a chance to comply. They
3 still haven't. This has been kicking around for a long
4 time. We have a number of safety issues and it doesn't
5 meet our rules and specifications. It's a forgone
6 conclusion. Motion to deny by Mr. Fraser, second by
7 Mr. Gonzales.

8 One of our commissioners has to leave us.

9 (Commissioner Kay left at eleven twenty a.m.)

10 We will have to adjourned 7-A and B. We have a quorum
11 to continue this meeting, but I usually recuse myself from
12 deciding appeals on my own decisions, so I won't be joining
13 you.

14 We have one more agenda item on the open meeting
15 agenda, Item 6-A. Staff presentation on the FHV
16 Accountability Rule Update given last month and Samara
17 Epstein, she will brief the commissioners on what happened
18 since then, during your testimony before the City Council.

19 MS. EPSTEIN: Just a few slides. We will try
20 and get through pretty quickly. I wanted to give you a
21 presentation on the comments we received since the last
22 commission meeting.

23 So as you know, I know you, the commissioners had some
24 correspondence with you. We continued to accept comments
25 until May 11th; that's the last comment that we received.

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1 Really the comment period, the thirty days, we have had
2 meetings regarding the rules. Some of the persons we met
3 with are listed here. I won't run through all of them.

4 On the next slide, I'll talk a little about the
5 comments that we received. Most of them are points we had
6 already gotten before April 16th; some of the comments
7 reiterated. Particular concern about the point system is
8 that a base can receive a point for the owner's behavior;
9 however, most of the time, when we discussed how the points
10 worked in more detail, they are more comfortable with the
11 idea. There are only a few owners can defend themselves in
12 TLC court.

13 TLC posts information on the Website. We have been
14 for a few years. All licensees can check the status of
15 their licenses. Website will show how many points the
16 bases and vehicles have accumulated. There are guidelines
17 which we are going to do a mailing to the bases soon. All
18 the Website notices are going to go up before then. That

19 will help them understand how the information looks.

20 In meeting with some of the industry, like last week,
21 they're also doing their own ways of using the information
22 quickly. When you automate, it's quick to access.

23 The other vehicle bases are concerned about posting
24 the licenses in the cabs. Something else that I have
25 seeing in the last few years, industry is working hard with

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1 some of the meter manufacturers to develop license holders
2 that are clear, that are unlocked with a key so it's
3 difficult to get those out. Many, after we talked, they
4 feel more comfortable with the concept. So I think that
5 that has been positive.

6 Then for the next steps today, if you feel comfortable
7 that we can move forward, the rules will be published in
8 the City Record following approval by the City Law
9 Department, who has to do a final review, following July
10 31st. The driver would post his license inside, and the
11 Livery Passenger Bill of Rights also inside the vehicle for
12 liveries only. We will continue a dialogue with FHA
13 industry to make sure everybody understands what is
14 expected of them so we can implement this as quickly as
15 possible.

16 We will do a ton of outreach. We will develop a
17 website dedicated to the new rules so passengers and owners
18 can access it. I'm working on outreach with the
19 communities' boards. We will reach out to the City Council
20 and other elected officials interested in this stuff. TLC
21 staff are working hard to get everything in place so that
22 everything goes smoothly.

23 TLC staff is going to be working on the vehicle decals

24 to make sure the bases have those to give to their
25 affiliated vehicles. It will be temporary stickers until

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1 we have the permanent ones.

2 THE CHAIRMAN: Questions?

3 COMMISSIONER POLANCO: Where are we in terms of
4 the point reduction program?

5 MS. EPSTEIN: The point reduction program, we
6 issued a Request for Information on the education, RFI,
7 which the Chair mentioned before. The deadline for
8 response is June 1st so we can incorporate the comments in
9 as quickly as possible. We haven't gotten comments yet.

10 THE CHAIRMAN: I sent it to the commission as
11 well. I think I sent you a final.

12 MS. EPSTEIN: I know a bunch of people say they
13 wanted to submit something. They haven't submitted
14 anything yet. Staff is already working on things
15 themselves.

16 THE CHAIRMAN: I think the outreach is very
17 important. Things have calmed down a little bit since the
18 last meeting. I don't know if it's a coincidence. Today
19 is the eleventh year anniversary from 1988 when the
20 commission passed the most sweeping batch of reforms for
21 the industry. We had a lot of trepidation and concerns,
22 lawsuits. We had City Council hearings. There was a lot
23 of concern and questions. Everybody was uptight.

24 As it actually played out, and the rules actually
25 worked, I wouldn't say the industry thanked us for it. I

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1 think no one can dispute that we got a lot of bad drivers

2 out of the industry. The rules worked.

3 I think similarly, these rules will have the same
4 effect. If they don't, we can take a look at them.
5 Instead of going out and issuing thousands of summonses to
6 people that don't post the Livery Bill of Rights, we can do
7 outreach and get people to comply. We are not going to
8 start summonsing people left and right for this.

9 I think what Samara is talking about is important. I
10 ask the commissioners if they have ideas or render any
11 assistance in the outreach efforts, that we welcome that.

12 COMMISSIONER GONZALES: I want to reiterate my
13 appreciation for TLC staff for staying on top of this
14 particular item, and I look forward to seeing it
15 implemented.

16 THE CHAIRMAN: Questions? As soon as we have
17 an idea what is going on with the point reduction program,
18 we will pass it along. Thank you, Samara. That closes the
19 agenda. Motion to close.

20 COMMISSIONER AROUT: Motion.

21 COMMISSIONER GONZALES: Second.

22 (Time noted: 11:28 a.m.)

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1 CERTIFICATION

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I, JUDI GALLOP, a Stenotype Reporter and Notary Public for the State of New York, do hereby certify:

THAT this is a true and accurate transcription of the NYC Taxi & Limousine Commission meeting held on May 28, 2009.

I further certify that I am not related, either by blood or marriage, to any of the parties in this action; and

I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 4th day of June, 2009.

JUDI GALLOP