Transcript of the Meeting of the
NYC TAXI AND LIMOUSINE COMMISSION
Held on Tuesday, July 26, 2005
40 Rector Street - 5th Floor
Borough of Manhattan
Meeting convened at 10:30 a.m.

PRESENT

MATTHEW W. DAUS, Chairman
ELLIO T SANDER
Commissioner
NOACH DEAR
Commissioner
IRIS WEINSHALL
Commissioner
ELIAS AROUT
Commissioner

CHARLES FRASER
General Counsel
PROCEDINGS

CHAIRMAN DAUS: All right, good morning, everyone.

VOICE: Good morning.

CHAIRMAN DAUS: We have a revised agenda, I hope everyone has a copy. We shifted a few things around. I have a very brief Chairman's report this morning.

First of all, I'd like to thank Mayor Bloomberg, the City Council, our Board of Commissioners and everybody including Councilmember Yaski and everybody who worked on the hybrid legislation. The Mayor signed the legislation last week. It requires that within 90 days of the effective date of the law that we approve a hybrid electric vehicle. To that end, we moved very quickly, within one week we've already met here today. We had a viewing of vehicles earlier this morning. We have basically six vehicles that we all
looked at, all the Commissioners got in them, we basically didn't really discuss it substantively, but we all made our own little notes and basically got a feel for what it's like to sit in the back and the front of a hybrid electric.

We're going to have a more detailed presentation today about the various options so we can start making some decisions, and I want to thank my colleagues, basically for bearing the weather out there. It was pretty hot, but thankfully there was some air conditioning in those cars.

The base licensing process. Just a point of interest for people. We started holding seminars for people who want questions answered about the new applications to make sure they get it right the first time and make sure they spend the least amount of time on it. You can contact Bill Carter or we'll be putting out more information through the industry about how you can sit through that process and learn about some of the changes we made to the application form. You'll be notified anyway if your license is coming up for renewal. Bear that in mind, it's consistent with our
motive to do outreach and to explain things to the
industry, treating them like customers and making sure
that when you get it right it makes us process the
paperwork more quickly and it helps us get it right.

Item three, we're going to talk a little bit
more about this later, but the City Council placed 1.3
million in our budget to fund accessible taxicabs,
yellow cabs. We're going to talk a little bit about
that today and get a couple of ideas from the staff
members on how we can approach taking that funding and

getting it into the hands of the industry, whether it be
a grant program, an RFP, there are a couple of different
ideas and we're going to talk about them today. Our
chief of staff, Ira Goldstein, is going to give a
presentation on customer service enhancements. Everyone
in the industry is very anxious, as well as us, excited
about where we are with the technology RFP.

We also have a partition request for
information, the deadline has passed and we received
some responses on that and we're also going to talk
about group rides, one of the ongoing projects that were
passed by the Commission last year.

We have a class of twenty new inspectors that have started, they're in the process of being trained and we also have about nine new administrative law judges that have been hired that are in the process of being trained and we can hopefully swear them in at our next Commission meeting.

Last but not least, we are tentatively scheduled to hold our annual driver recognition ceremony at the Jacob Javitz Center this year on September 8th. You'll hear a little bit more about it as we get closer and we'll be in touch with the industry, but if you can note that date now and put it on your calendars, we're looking forward to making it even more successful than last year.

That concludes my report. I now have the privilege of making a very brief presentation, but a very important presentation to somebody who is a dear friend and I'll be up at the podium in a minute.

Yes, we are friends. One of our former Commissioners is here, Alberto Torres, he joined us today. He left the Commission, how many months ago was
it? December. Time flies. We miss you, we miss your presence.

I came on the Commission in 2001, before that, I was General Counsel and Alberto is also an attorney, he always held my feet to the fire and he always pointed that out when I was General Counsel, but it seems like it's almost eight years now that we've known each other. I have to say Alberto is a great guy. It may seem over the years there was some contentiousness on the Commission, but it was all for the greater good.

Alberto would always bring up the interests of the drivers, his home town borough of the Bronx. I think we've become a better Commission for it, I think we've evolved into a more collegial atmosphere, but Alberto always stood up for the rights of the little guy and the little gal, and did what he could at a critical time. 1998, we had some very, very sweeping reforms that changed the landscape of the industry. So you've always been a voice.

We certainly didn't agree all the time. You
didn't agree with the administrations, didn't agree with
your fellow Commissioners, sometimes we did, but at the
end of the day I think we've had a better product and
we've had good work.

We wish you success in all of your future endeavors, including the practice of law, and my colleagues and I would like to honor you here today by basically retiring your badge and giving you a plaque so you can hold it forever, and I'd like to present this to the honorable Alberto Torres, January 31, 2001 through January 3, 2005, for your distinguished service to the New York City Taxi and Limousine Commission.

My friend, congratulations and thank you for joining us here today.

(Applause.)

MR. TORRES: First, to my fellow Commissioners -- photos first?

(Pause.)

MR. TORRES: I promise to keep this brief.

To my fellow Commissioners, I sincerely thank you for the opportunity to have served. I think

when I came, Commissioner Arout is the only one who is
remaining so far from when I first came here, now he's the senior. There have been a lot of changes here, not only with regards to the Commission, but also to the staff. Congratulations to everyone who has retired recently and everyone who has come in.

From each of the Commissioners I have learned a significant amount of knowledge I have gained from people like Iris and Elliott and Noach Dear and Rubin, both on a personal level, which is the most important, on a professional level in regards to how you attempt to run an efficient agency where there are many, many difficulties and constant changes in the technology phases, especially in the technology phases of the vehicle, in addition to all the changes we have to go through with security issues.

To that I would really like to thank everyone here for the opportunity to serve with you. Eight years went by very quickly. My daughter Leslie was one year old when I came, now she's nine. When I came up on the elevator I realized it's eight years that went by so quickly. I told Matthew I remember when Marvin Greenberg told me he was here twenty-five years, I said "Oh my God." It goes by so quickly when you're having fun.
With regards to the industry, I try to be who I am. What you see is what you get. I always try to speak the truth. I always try to deliver whatever I can, not only for the passengers, but also for the industry itself, because there's a combination here. There's exciting times coming ahead, I wish I was here for the technology piece, because I think that's going to change the scope of everyone's business. We just went to look at the hybrid vehicles, which of course we need now that gasoline is 2.59 a gallon, up in the Bronx it's 2.59 also.

Anything I can do on behalf of the Commission or on your behalf, I'm available. You can probably get to me through Matthew Daus and whatever capacity I can help, I learned a lot with regards to the transportation industry.

I want to also thank everyone who had supported me on a personal note. I ran for the City Council in a special election. That was my first endeavor into politics, as far as running for office. I've always been involved for twenty years and it was a wonderful experience. Last year was a phenomenal year for me. A lot of personal changes, all for the better. I've been enlightened, and I know that part of my task in life is to enlighten others. I've always done that,
and if anyone needs to speak, needs an ear, I'm always around.

Once again, thank you very much for the opportunity to have served. Thank you.

(Applause.)

CHAIRMAN DAUS: Thank you, Alberto.

MR. TORRES: And I miss you guys, too.

CHAIRMAN DAUS: I'd also like to acknowledge and thank Bishop David Hartman for joining us here.

Bishop Hartman has served as a very active chaplain of the TLC and now he's been asked to oversee all the other chaplains. We have an imam, we have a rabbi, we have priests and we're constantly expanding the spiritual services that we provide our employees, as do other City agencies, so I'd like to congratulate you and thank you, Bishop Hartman, for assuming those responsibilities.

(Applause.)

CHAIRMAN DAUS: I'd like to go item 2 on the agenda, the adoption of the minutes from the June 20, 2005 meeting. There seems to have been some confusion as we reviewed the transcript of the last meeting at the
end. There was a matter of B&R Car Service's
application. I believe what had happened I asked for a
motion to approve the base and one of our Commissioners
made a motion inadvertently to adjourn. It was

basically the last case on the agenda, so I think there
was some confusion.

The Law Department, the Corporation Counsel's office has asked us to clarify the record,
even though I think most of us intended to vote for that
at the time, and thought that we had voted for it, there
is some litigation involved and we just want to be
perfectly clear for the record.

So we've distributed some amended minutes
which reflect in I believe it's paragraph 22, Chuck?
Paragraph 22, what happened and we also looked at the
videotape.

Mr. Carter last recommended for approval the
application of B&R Car Service for a base license. The
chair asked for a motion to approve the application.
Then in paragraph 23, Commissioner Arout made a motion
to adjourn, which was seconded by Commissioner
Rubinstein, and which passed unanimously.
So the confusion was I think Elias said "adjourn" by mistake, I think. Why don't we just do it again, if that's okay.

B&R's application, do we have a motion to approve the application?

COMM. AROUT: Make a motion we approve.

CHAIRMAN DAUS: Seconded?

COMM. SANDER: Aye.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: It's unanimously approved.

Do I have a motion to adopt the minutes from the June 20th meeting?

COMM. SANDER: So moved.

CHAIRMAN DAUS: Second?

COMM. AROUT: Aye.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Now I'd like to go to the presentation.

As I said, we were out today in the heat
looking at the different models, I'd like to ask Peter
Schenkman and Andy Salkin to join us and present us with
the options that the Commission has with regard to
approving a hybrid vehicle.

DEP. COMM. SALKIN: Do you want to do a vote
on the sticker first?

CHAIRMAN DAUS: Is the Police Department
here? Let's do that quickly then. Let's jump out of
order to item 3D. The NYPD anti-graffiti sticker.

Good morning.

DEP. INSP. LAU: Good morning and thank you

for the opportunity for allowing me to speak. I'm
Deputy Inspector Michael Lau from the NYPD. I'm a
nineteen-year veteran of the Department I'm here today
to speak about the anti-graffiti sticker.

Do the Commissioners have a copy of our
proposed sticker? Can I pass this up?

CHAIRMAN DAUS: Deputy Inspector, tell us
more about the initiative, what you're doing citywide
and why this is important for the Commission.

DEP. INSP. LAU: In 2005 the Police
Department working with the Community Assistance Office
with the mayor's unit embarked on this anti-graffiti campaign. Nationwide, the government spends approximately $7 billion yearly on graffiti to clean up, education. Graffiti are one of the issues that are part of the quality of life complaints. Graffiti is also used by gangs to mark off turf, to signal other gang members to perform violence on other gang members that want to leave the gang, to mark territory. Graffiti is also, certain graffiti is defamatory, it's racial in nature.

We believe as part of the NYPD endeavor to combat crime, quality of life, to improve quality of life, graffiti is a very important component and by allowing this sticker to be voluntarily placed in some of these vehicles, taxis, liveries, it will also continue our efforts to educate the public.

Weekly now, in addition to COMSTAT, TrafficStat, we also initiated GraffitiStat, where precinct executive officers are brought down on a weekly basis and actually have to explain why graffiti is still present, what are we doing about it and what do we plan...
to do about it. Since this initiative started, over
8,000 small businesses, private tenement owners,
business owners, have actually faxed a waiver to the
mayor's office indicating that the City is allowed to
come at any time and clean up whatever graffiti exists.
Since the program has also started, the
Department has increased arrests in graffiti over
50 percent. We've expanded our anti-graffiti traffic
force to over 70 officers and these are all indications
of how serious we believe graffiti should be handled, so
we're hoping with your assistance we can continue this
effort and by making this palm card that we've
displayed, we would actually use our funding to turn it
into a sticker and if we could get voluntary cab owners,
 livery owners to have that placed on to the cabs.
CHAIRMAN DAUS: Would this be, Deputy
Inspector, the actual size and colors?
DEP. INSPECTION LAU: Yes, it would. We can
translate the cards. For example, this particular card
has Spanish and English. We can translate other
languages. In fact, we've translated to Creole,
Chinese, Arabic.
CHAIRMAN DAUS: There's certainly nothing to prevent you from reaching out to the black car or limousine livery industries; commuter vans as well as paratransits. We don't regulate what stickers are on those cars, so you can certainly do it without our approval.

With regard to the yellow cabs, the Commission must approve it by a vote consistent with our regulations.

I would like to personally commend the Police Department, yourself, on your efforts in this regard. I think you've done a great job, from what we know about the program, and this will bring it to the next level.

In addition to the passengers, maybe there's something we can do to get the word out in some respect to the drivers as well. The drivers are out there, they're the eyes and ears on the road every single day of the week, at all hours. Maybe we should encourage them, of course, to pull over to the side and call 311 or 911 as appropriate as they see crimes in progress
with regard to graffiti as well.

So I would like to make a motion to approve
the sticker on behalf of the Police Department's
request.

COMM. SANDER: Second.

VOICE: Interior, exterior?

CHAIRMAN DAUS: Let me amend that motion to
say in the interior, at a point to be specified by the
Assistant Commissioner for Safety and Emissions. Is
that appropriate? Can we do that? Okay.

COMM. DEAR: Again, it's voluntary.

CHAIRMAN DAUS: And it's voluntary.

COMM. SANDER: Second.

CHAIRMAN DAUS: Second. All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Any opposed?

Okay, it passes unanimously.

DEP. INSP. LAU: Chairman, could I add one
thing? In regard to the education we have a twenty-
minute PowerPoint presentation that we've shown to
approximately ten thousand people already and we would
be very happy to teach at any type of forum that you
have taxi drivers attend and explain the importance of

CHAIRMAN DAUS: That's an interesting
endeavor. We'll work with you, we'll be in touch with
your office to see if we can set that up, what's the
practical way of doing that in the industry. For now,
what I would do is now that it's approved, just work
with Assistant Commissioner Peter Schenkman, who is
right behind you, who is going to make a presentation
shortly with the staff, and my Deputy, Andy Salkin, to
see where we should put this in the back so there's not
too much clutter and give some guidance. I think the
proper place for this is in the back where the flat fare
sticker is, where the map is.

Thank you very much.

DEP. INSP. LAU: Thank you.
CHAIRMAN DAUS: Congratulations. We look
forward to working with you.

Jumping back to item 3A, hybrid electric
vehicles. Andy and Peter, are you --

MR. SCHENKMAN: Good morning. This morning
you were able to see these vehicles up close and sit in
them and imagine them as New York City medallion cabs.
The presentation I'm going to give right now outlines a
little more specifically details about each vehicle.
We've got the current vehicle, the stretch
Crown Victoria. As you can see, 90 percent of the
This vehicle was custom made for the taxi industry. It's got leg room unmatched by any vehicle on the road, and it was stretched four years ago and this is the current vehicle and we can move on to the next.

This is the Ford Escape. It's a mini SUV, it is a full hybrid, meaning that it uses the electric motor to start when you step on the accelerator. It's been in use in San Francisco with positive results since February, and it is considerably smaller than the current Crown Victoria. The partition would take up additional space and would limit either the passenger's leg room or the driver's leg room, depending on how the partition were installed.

One of the things that we noticed when we were doing this research is that this vehicle and the others have traction control and what that means for testing process is we cannot put it on the dynamometer, which is our current method of checking the meter accuracy and the brake functionality. We would have to modify our equipment to test this vehicle.

COMM. DEAR: What cost?
MR. SCHENKMAN: The cost to modify our equipment would be approximately 150,000 across the entire building, but if we did just one lane, it would be 15 to 20,000. And the difference would be a rollover brake test where you just drive over it, step on the brake for a split second and it takes its reading.

Next vehicle is the Toyota Highlander. The Highlander on paper seems pretty small, but I think we all found when we sat in it today that it did have what felt like considerable leg room, even though it does have some of the smallest leg room of the vehicles we looked at.

This vehicle is a powerful vehicle. It's got 268 horsepower. Again, this also has traction control, it cannot be turned off, so this would be a vehicle that we would require special tests for also.

The third row of passenger seating has even less leg room than the second row. I believe it's 30 inches, but this car did, surprisingly, feel roomy.

The Prius is one of the first hybrids to come out. The city has purchased a number of them, I
believe there are about 50,000 of them on the road around the country. This vehicle has incredible gas mileage, in the vicinity of about 60 miles a gallon. Surprisingly roomy and again it has traction control for the testing purposes and it has seen extensive testing being used by the Government with minimal problems.

It's also one of the least expensive of the vehicles.

The Honda Accord is a partial hybrid. The electric motor is added for horsepower and boost, so it does not get the gas mileage improvement that one would expect with a hybrid. It was designed for power, and this vehicle is a nice car, it's not as roomy as one would expect, given the Accord, but this vehicle, the traction control can be turned off.

I believe this is an error in the presentation. It can be turned off, there is a switch, so the testing is not as much of an issue on this, and the fuel economy is almost identical to the regular non-hybrid Accord.

And the Honda Civic is a small vehicle, I think we found that out when we sat in it. We've seen many of them on the road. It's one of the most popular.
cars on the road. It is a compact car and partition
would really hurt the rear leg room in this vehicle.
Even though the numbers are bigger, indicate that it's
larger when you sit in the vehicle due to the low
ceiling height, it does feel very confined. And this
vehicle can also be tested on our current equipment.
And finally, we have the Lexus 400H. This
is an expensive vehicle. This is $49,000. It has a lot
of horsepower, just like its sibling, the Highlander.
This is an all-wheel-drive only vehicle, so it cannot
currently be tested on our equipment and it is not

offered in a two-wheel-drive configuration.
Although it's pretty hard to see on the TV
screen, what we did is a matrix that compared the
current Crown Victoria to all the other vehicles in head
room, leg room, front and rear, traction control, price
and economy. I believe this is available if anyone
would like a copy of that.
And the final slide is the actual Society of
Automotive Engineers measuring techniques to determine
the rear leg room and actual front leg room and head
As you can see, it's a pretty complicated sketch. It involves test dummies and the leg room is actually measured from the innermost bottom part of the cushion to the ankle of the test dummy in this case, and that does not allow for the extra couple of inches that you can actually tuck your toes into the front seat, but this is the industry standard for measuring vehicles, and this is the head room measurement and it goes right to the ceiling from the bottom cushion, and that one's pretty straightforward.

And that wraps up the presentation, and fortunately, every one of the Commissioners were able to sit in the vehicles and experience them firsthand, and if you have any questions, I'll be glad to answer them.

CHAIRMAN DAUS: Any questions from the Commissioners, comments?

MR. FRASER: A clarification first. My understanding is these six vehicles are all six, currently available, all six models of four-door hybrids that are available in the U.S., is that right?

MR. SCHENKMAN: Correct. These are the only four door or more available. There are pickups
available, and Honda offers the Insight, which is a
two-door subcompact.

COMM. WEINSHALL: I want to thank you, the
staff, for doing a great job of benchmarking all the
vehicles and really doing it in a timely fashion. How
long would this -- Andy or Mr. Schenkman, how long would
this pilot be in effect?

DEP. COMM. SALKIN: As the rule states, the
Commission has to approve a vehicle in 90 days. The
intention here is any vehicle that gets approved will be
on the road for the length of the vehicle to be on the
road. What we will do subsequently while it's on the
road is test it. What we anticipate doing is coming
back to the Commission at the end of the year, coming
back to the Commission in March, to maybe pass new rules
so we can get the '07 models approved or change and
modification of the specs based on driver performance
and passenger satisfaction.

So any car you approve today will be on the
road, unless you state otherwise, for five years.

COMM. WEINSHALL: Mr. Chairman, my other
issue is -- I'm not a very tall individual, I'm fairly short, so leg room is never an issue. I always have a discussion with Andy about leg room in vehicles, we somehow disagree on this point. If we were to say that partitions didn't need to be put in, but cameras could be put in instead, is that something you could do within the rules of the TLC?

CHAIRMAN DAUS: Well, I think in some of the cars there's no other way. I mean, I don't have an issue with allowing what we do in the livery industry for purposes of testing these vehicles, because it's the option to buy the car, it's voluntary and you can choose whether you want to protect yourself with a camera or partition.

What I am concerned about, though, is in situations where maybe a fleet would buy a car and not put a partition in and then lease it to a driver who would like to have the partition. So since it is voluntary, I think that's probably a good idea. We do do it in the livery industry.

COMM. WEINSHALL: But that driver could opt to take a different car out, they wouldn't have to take
that car.

CHAIRMAN DAUS: If the driver really felt strongly about protecting themselves with a partition, they could select another vehicle. A couple of these you could put the partition in. I don't think if you put it in the Civic it would be a huge problem, or the Prius.

DEP. COMM. SALKIN: If I could make a clarification. What we're looking today is to get guidance from the Commissioners, then we'll turn it into rule making. I guess the question is can we make rules with whatever rules you guys choose to do, can we put it on the board?

MR. FRASER: Let me answer from a legal point of view. Our current rules on partitions require that every car has a partition, except that individually-owned medallion cars have the option to install another piece of security equipment instead of the partition that's approved by the Commission, which basically comes down to a digital camera with a recording device. That's our current rules.

Obviously, we have to do rule making to promulgate, to permit these hybrids to be approved vehicles, so in that rule making we can change those requirements to be whatever the Commission feels they
ought to be as to partitions and security cameras and so on.

CHAIRMAN DAUS: I'm concerned about putting partitions in some of these vehicles. It's right up on the passenger.

COMM. WEINSHALL: Again, for those of us who are shorter, it's not going to be right up on top of us, so I'm not as concerned, but I would say that I think we should make this an option to be able to put those cameras in. So I don't know if any other Commission members agree.

CHAIRMAN DAUS: Lee had his hand up for a while, then Noach.

COMM. SANDER: Two questions. One specifically, in terms of national experience, I know there was -- we had some press about the national experience. If you could just update us in terms of who else is doing this nationally, and secondly, I appreciate the very dry but professional presentation.

Do you have any observations more broadly from having done this, in terms of where you think the industry is going, anything else you think we as Commissioners should keep in mind as we begin to enact policy, any things that struck from you a policy
MR. SCHENKMAN: Well, first of all, I know for a fact that City of San Francisco, as I mentioned, has ten and they're in the process of purchasing more, Escape hybrids. City of Boston has Priuses on the road as taxis.

COMM. SANDER: Do you know how many, roughly?

MR. SCHENKMAN: That figure I don't have, because it's a little different than down here.

The City of Vancouver has piloted four Priuses. As far as the automotive industry goes, we're at the infancy of hybrids. It's a new technology. We've met with Ford, General Motors, we've spoken with Toyota and these programs are going to expand. General Motors has on the horizon four or five sedans within the next two model years.

Have I found anything unusual about these vehicles? No. From an average citizen's point of view, you get in the car, you drive. They may have different key structures, but the hybrid technology is almost
transparent to you.

The most frequent complaint I got is a former fleet director, was the car keeps stalling at red lights. Because in most of the vehicles, with the exception of the Accord, the vehicle shuts off, and runs on electric when you're at a traffic light.

COMM. WEINSHALL: I'll tell you that from my City vehicle, they've given me a hybrid now, I drive the hybrid -- well, I don't drive it, my driver drives it, hybrid Escape, although I have driven it. I will tell you that it is very quiet and I have not found it stalls at red lights.

DEP. COMM. SALKIN: Clarification. The driver thinks that it stalls, because you can't hear the engine.

COMM. WEINSHALL: It is so quiet, it's amazing, and the gas mileage is unbelievable on the car. So I think while gas is, in some areas it's 2.59 a gallon and I've seen it as high as 2.79, so I think it's something to consider.

COMM. AROUT: One question. I'm not too familiar with these hybrids. How does it work with gas
and electricity? When does the gas come in, when does the electricity take over or vice versa?

MR. SCHENKMAN: In a full hybrid when you start the car, it is initially on electricity. When you step on the accelerator, depending on how hard you step on it, the internal combustion engine will kick in and provide assistance.

When you're slowing down, once you take your foot off the accelerator in a full hybrid, the engine shuts off and you are running on electric. As you're stepping on the brake, you're using regenerative braking to recharge the battery.

COMM. AROUT: Thank you.

CHAIRMAN DAUS: Commissioner Dear?

COMM. DEAR: First of all, I appreciate that we're moving forward on this. Although we sort of were mandated -- I had hoped we would do that before, we didn't mandate it and we've been talking about this issue prior to anyone telling us that we should move forward on it.

But I must say something. I think, you
know, this Commission has now moved in a different
direction in the sense of trying to be the first in any
type of change and trying to be the model for the rest
of the country and we're doing the technology and
hopefully we're moving forward on the cars.

One of the things that I think we should
start looking at in particular with regard to what's
happening with the gas prices, it may not be a crisis in
a few months from now, but it's going to always come
back, we see it as a cycle continuously, because we're a
gas guzzling country, that uses the bigger the vehicle
the better the vehicle. I think the hybrid is one way

of going. Also, we talked about this before, where and
how the history of why this Commission had the mindset
that it wanted only big cars. You see all over the
world all kinds of smaller cars, smaller vehicles, so I
think this is a good way of looking and moving in the
right direction by allowing it.

I hope we move forward to allow all of the
hybrids to be used, and in addition to that, they should
be exempt from having the partitions. This is something
I've spoken to you about before, and I know you brought
in the Police Department, but if we look at having
security cameras is just as safe, we may want to take a
look on doing the same thing with other vehicles,
encouraging other vehicles if we don't have hybrids out
there that are good, other vehicles get a bit more,
larger gas mileage, I think that's something we should
be looking at and if need be allowing them to put
security cameras instead of the partitions.
So I think we should look forwards, not
backwards, and look for ways, something that's more
environmentally friendly for the city, as well as
something we are going to be able to make economic sense
and not have to worry about the prices of gas.
And talking about gasoline, we should be
talking about -- I know we talked about this, some sort

of gas surcharge or something, if we're talking about
it, because I think it's going out of hand. It's 2.79,
three bucks. Why should the driver absorb this?
We always talk about drivers. I'd like to
have some discussion after this, if you don't mind, a
little discussion, if we can, about gas surcharge.
CHAIRMAN DAUS: I'll tell you, I have to agree with Commissioner Weinshall. My experience with the hybrid so far has been very positive. I have a Honda Accord. The pickup is more than I ever thought it could be. It's almost like a golf cart the way it just juts out there. The horsepower is high, but it's very comfortable. It runs much better than I ever anticipated.

I think all the vehicles we saw out there today are nice. I think that the stats are very deceiving. You look at the SAE manual and some of the measurements -- there are some vehicles on paper here that have what appear to be less leg room that are actually bigger and roomier when you're in them.

The staff is going to have to figure out -- this is the tough part -- a way to craft a rule, Chuck and Peter and Andy, that would capture what we saw out there. The leg room Stats don't capture it.

On the policy issue, Noach, I couldn't agree with you more. I think competition is the way to go in terms of what we saw today. I think some of us like certain vehicles more than others for probably personal
tastes and good experience or a good vibe when you got
in the back of them, but when it comes to the policy
priorities, it's my view that -- pardon the pun -- but
bigger cars need to take a back seat to the policies of
safety and cleaner environment. I think that's
something that we all agree on at this point.
I think -- Andy liked that one, right?
It's true, though. If we go back to, I
think it was the Commission meeting right before Noach
came on, at the end of 2001, you were there, we had the
discussion about the big cars. Elias was there. We
were pressured tremendously and everybody forgets this,
tremendously by the passengers. The biggest complaint
that we had at the time when I took over when Diane was
here was that the cars were too small.
I think that, you know, New Yorkers need to
come to realize that there's a bigger goal here. I
think that by allowing cameras, I think would basically
allow us to get these vehicles to be frequented by
passengers without tremendous complaint, and I think at
the end of the day, I think the market is going to drive
this. My view, hybrids, electrics are hot, they save
money for people, the market is there outside the taxi
industry and two, three, four years from now because
people like big vehicles, I think the companies are
going to start making the vehicles bigger as the
technology develops.

So I think the best is yet to come, and I
think we probably will be able to have our cake and eat
it, too, in years to come. But I think for now putting
the partitions in these vehicles would be almost
unbearable, but if you don't have the partitions and you
adjust the seats accordingly, there are really nice
contours in some of these vehicles that make for a very,
very comfortable ride.

I don't know, really, what the formula is
here, because the formula that we've laid out many, many
years ago in drafting these rules does not seem to
apply. For the life of me, I can't figure out how a
vehicle on paper that has less leg room is roomier and
better and nicer than other models that on paper have,
you know, different specs.

So I would say in my view, I don't know how
you feel, but we should look at putting all the models
out there, especially since I think there's a shortage
of available vehicles out there to begin with, that we
allow taxi owners, whether they come up for retirement
or whether they want to scrap the vehicle that they have
for fuel efficiency purposes, work with them, go to the
manufacturers, we should have ongoing meetings with them
to explain our feedback to all of them at some point in
the future; six months, eight months, whatever the
experience has been, to communicate that, just like we
did with the Ford with the stretch Crown Victoria, so
that the vehicles that pass muster and people like, and
which hold up will two, three, four, years from now,
could potentially be modified to have some taxi packages
out there that can withstand the roads.

There are a lot of ways in which I think
these deviate from our specs. So I think our staff and
our General Counsel have a lot of work to do, but I
think the rule making needs to touch on the partition/
camera requirement, and the camera has found
perpetrators, they have been a tremendous deterrent in
the livery industry and they work.

I think the light transmittance is an issue.
I mean, these are mostly housekeeping things. The
horsepower. Every adjustment needs to be made on this
chart in some way, shape or form to accommodate the
hybrids.
DEP. COMM. SALKIN: If I could just ask, to make sure the staff is getting guidance, what I'm getting so far is that the Commission is interested in allowing all of these vehicles to be on the road, is that correct?

COMM. SANDER: I think we concur with that.

COMM. RUBINSTEIN: I have a question. Just this was something that Matt brought up. We are not required to vote on only one of these vehicles, is that correct?

COMM. WEINSHALL: We can vote on all of them as a package.

COMM. RUBINSTEIN: I would assume that all of us, since obviously we don't know the history of these vehicles, we don't know what they're going to do on the road, we have them out a very short period of time. I would like to not necessarily make a motion, but to have maybe a premotion to consider the fact that we put as many of these vehicles on the road as possible. Do absolutely all the work that needs to be done --

DEP. COMM. SALKIN: We'll take that as
direction from the Commission to do that. We'll prepare rules -- this is what I'm hearing so far, it sounds like, allowing all the vehicles that are currently made, that are four-door, and requiring, it sounds like the partition -- it sounds like this is what we are actually recommending, that you actually require them not to have a partition, and require them to have a camera, as opposed to the partition.

COMM. WEINSHALL: Either one, make it either one.

COMM. RUBINSTEIN: Make it voluntary, as far as that.

COMM. WEINSHALL: They're not required to have.

COMM. AROUT: I thought it was under the understanding that we would check all the vehicles out outside and we would decide which particular one that we would use. I know, I could only get into one. I couldn't get into the others, so is it worth sending it out to the public? I don't know. I mean, my personal opinion was we were going to pick a vehicle out this
COMM. WEINSHALL: I think the intention was that we would look at all of them and either pick one or pick all of them and I think some of the sentiment around the table of the Commissioners was, you know, as in the case of --

COMM. AROUT: I don't know for a fact how many Commissioners feel about it.

COMM. SANDER: I would concur. We spoke about it earlier, I would concur individually with Iris.

COMM. AROUT: I just want to get a consensus.

COMM. RUBINSTEIN: This is a clarification. Some of the vehicles that we got into, in the first vehicle we got into, there was a set partition, which did not allow any movement. So if a camera is put up that partition goes and obviously you can move the seat back and forth, which could give you the room that you need.

CHAIRMAN DAUS: Especially the Civic.

COMM. AROUT: I realize that, but the Honda that I saw could or could not put a partition in it. I
felt you would not put the partition, but put the camera
in there, and I think that gives you plenty of room.
I went into each one of them twice, three
times and I decided that's what I would put, for my
height.
COMM. WEINSHALL: I think, Elias, I think
that's why we're talking about allowing the cameras to
go in.
COMM. AROUT: I think it's a good idea to
keep the cameras in there, yes.
COMM. SANDER: I have one question and,
bottom line to this is I think the market is probably
going to work without kind of any intervention from
Government, but are you familiar, Andy, or Peter,
whether any of the governmental agencies, taxi
regulatory agencies, do anything to encourage the
acquisition of vehicles that promote fuel conservation?
I'm looking at the Prius and as such, it's so much
better in terms of fuel consumption rather than the
other vehicles, and I think occasionally Government does
have a responsibility to create incentives and show the
way, and maybe the market is going to take care of
itself, because the Prius happens to be amongst the
cheapest, I guess the civic is the only one smaller than
that, but my question here is, from a policy
perspective, it would be helpful, you don't have to
answer the question right now, I'm not sure if you
looked at it before, whether there's anything that the
Taxi and Limousine Commission, if it chose to -- I'm not
saying I'm recommending it, but if it chose to -- could
do anything to enhance the acquisition of vehicles that
make so much of a difference in the fuel consumption in
trying to set an example for the American public?

DEP. COMM. SALKIN: I would say that it has
been tried in other places, it's been tried here in New
York City and the Commission right now I believe allows
an extra year for CNG vehicles, not necessarily hybrid

vehicles, but fuel efficiency vehicles.

City of Phoenix has a rule that only clean
cabs can pick up at their airport. Things like that,
which really promotes some behavior.

COMM. SANDER: Are we looking at perhaps
giving an extra year to encourage this?
CHAIRMAN DAUS: I don't think we need to do that yet. I'll tell you why. With the CNG's, we didn't have incentive to buy them. Basically we were up against a brick wall because there weren't too many fueling stations.

Here the incentive is built in. The market right now, people are hot for hybrids because not only are they green, but also they're getting more fuel economy and some of the models great fuel economy, so I think that we should wait and see. I think we should see how -- I think the natural incentive is there for owners to buy this vehicle when they retire their old ones, so I think maybe we can revisit that issue down the road after we get a couple of hybrids on the streets.

COMM. DEAR: The difference in price for an average driver, it doesn't come out economical to buy a -- at the present time, to buy -- depends how much you're driving also, to buy a hybrid, but if regarding, if you take the cheapest car here or most reasonable here, is it worth, does it work out economically?
DEP. COMM. SALKIN: The vehicle has a good gas mileage. It's anticipated that instead of having to fill up twice a day a vehicle that's on the road for 24 hours a day could fill up once. So the cost of running the vehicle goes down. So the efficiency that comes down to running the vehicle, if you buy a vehicle that's $10,000 more, it's a five-year purchase and you're saving $2,500 a year for five years, the end cost of the vehicle could be less.

COMM. DEAR: For the next time when we do the rules, when you make up the rules, you could have this information, be more specific.

DEP. COMM. SALKIN: What's the question?

COMM. DEAR: The difference regarding --

MR. SCHENKMAN: If you can appreciate the savings.

COMM. DEAR: Right, the savings in buying this vehicle, because you're paying, it's still more than a Crown Vic and because if not, one of the suggestions we talked about, about extending it, all of them, extend it another year or something like that. I want them to -- we put a lot of regulations in the last few years and every time we say it's for the benefit of
the driver, benefit of the driver, benefit of the
driver, benefit of the driver. I haven't seen a driver
walk out with more money yet. Who ends up holding the
bag?

COMM. AROUT: That's not true.
COMM. RUBINSTEIN: That's not true.
COMM. WEINSHALL: That's not true.

CHAIRMAN DAUS: The driver is doing pretty
good now, thanks to you and us.

COMM. DEAR: The bottom line is -- listen,
it's too early to tell. I want to make sure --
COMM. AROUT: Not true, either.
COMM. DEAR: Any time we give another burden
to make sure there is a benefit, a real cost benefit.

If not, let's extend it a year, extend the car for
another year, then.

CHAIRMAN DAUS: It sounds -- I just want to
make sure that our General Counsel has the appropriate
guidance. Is there a consensus that we'd like to allow
these six vehicles to go out there and to draft rules to
accommodate them in some respect?

COMM. DEAR: That's the question, you only
put these six, what happens if in two months another
vehicle comes out?

CHAIRMAN DAUS: That's a good question. In
terms of what you saw, is everybody comfortable in
allowing those six to go out there?

MR. SCHENKMAN: I think our goal is to
create specifications, rather than to pick models with
the rules. If we specify the leg room must be a minimum
of 35 inches or 34 inches, any new vehicles that come
out in the future --

COMM. DEAR: So what do you take, the
smallest vehicle here?

MR. SCHENKMAN: I think is 34.5, which is
the Highlander, I believe.

CHAIRMAN DAUS: It's 8.4 inches smaller than
the specs.

MR. SCHENKMAN: But we anticipate creating
specifications that will allow, because we know more
vehicles are going to be introduced in the next few
years.

CHAIRMAN DAUS: Would you recommend a
separate set of specifications just for hybrid
electrics?

MR. SCHENKMAN: Yes.

COMM. SANDER: Yes, we're saying we're going
to make that trade-off for less space, because we did
get hammered, as the Chairman said, but we're saying
we're going to make that trade-off precisely for the

environmental benefits we get.

CHAIRMAN DAUS: Does anybody have any
further thoughts on this, colleagues?

COMM. RUBINSTEIN: There's another factor
here that without the partition it gives you more leg
room, so the fact of using -- this is an important
point, I believe, the fact that the partition is no
longer there creates the front movement of the seat,
therefore, leg room is almost irrelevant in terms of the
numbers.

COMM. SANDER: Right.

COMM. RUBINSTEIN: Because you can move the
seat back and forth, whereas partitions today you
cannot, aside from owner-operated cars, which are
optional in terms of partitions, so to use that criteria
I think would be faulty. Because if you write down 36,
37 that's in a set seat. However, you put a camera in,
the seat now can move, you go from maybe a 34 stationary
to a 38 if you push the seat up. We have to tweak it.
DEP. COMM. SALKIN: Perhaps the rule can read if it's a hybrid vehicle and four-door, it would cover all of that.

COMM. SANDER: You should work through that. Commissioner Rubinstein has a point, work through that.

CHAIRMAN DAUS: The next step, now that we've had a good discussion on this, is for General Counsel to draft rules that will be proposed for a public hearing, so this is not really the end, it's the start of discussions, so the public can weigh in and point out any issues that they see that are there. Then we can vote on it any time after early September.

I want to be sure our General Counsel, Chuck, you have clarity on what we're expecting?

MR. FRASER: I want to bring up one point which hasn't been mentioned, which is the window light transmittance criterion on your chart. I think you all should be aware that our current standard requires 70 percent minimum light transmittance. In other words, not tinted windows, except for, I believe, the top 6 inches of the windshield.

The three SUV hybrids have tinted windows in
the back; the back and the two rear side windows. And, obviously, if you want us to draft rules that include these three SUV's, you have to be aware of that. The tinting, as I understand it, is essentially a safety issue, the ability of the police to see into the back of the vehicle.

COMM. DEAR: The one that's allowed now, the reason they allow them to have it is because they still can see into the vehicle in the back.

MR. FRASER: Yes. These SUV's with 20 percent, you would not really effectively see into.

COMM. DEAR: I don't think it's an issue.

COMM. AROUT: How long does a hybrid electric vehicle stay -- we have to replace our taxis after three years, five years?

DEP. COMM. SALKIN: If it's a fleet, it's three; an individual owner, it's five.

COMM. AROUT: With the hybrid, how is that going to be?

CHAIRMAN DAUS: I think Commissioner Sander brought up the retirement extension piece with regard to
the compressed natural gas. My feeling is we're just testing these vehicles, we just follow the ordinary three and five year retirement schedule apply to these hybrids. If you're a fleet owner, you would retire after three years; individual owner-operator, five years.

COMM. AROUT: It should be more.

COMM. SANDER: Can you say that -- and if you're uncomfortable I would defer that to the Chairman, can we take a look a year after these have been on the road and take a look at that clause to then see if they are working and the public accepts them? Because if they are, I think it's a terrific opportunity for the City of New York and the Taxi and Limousine Commission to create some leadership in terms of having vehicles where there's a little trade-off for a better environment.

COMM. DEAR: That's why I asked for the numbers. If we get real data numbers of what the trade-off is and how much depreciation and savings there is, and if we can help work that out to be an incentive by the end, the next time they do retirement, as they do...
retirement of cars, everyone goes out for hybrids.

COMM. SANDER: We're not pushing one particular vehicle, you have a series of vehicles, so you're not favoring one manufacturer over another. That would be a fair --

CHAIRMAN DAUS: I think we should keep that option open. It would not be prudent in my view not to leave that option open. I don't think it's necessary, right now. People are going to buy these vehicles and put them on the road. I think social consciousness is one issue, I think people feel good about making the environment cleaner and, number two, for the drivers who complained loud and clear about the rising price of fuel, this even though it might be a little bit of a higher sticker price, I think ultimately will save them money.

Unless you're buying the Lexus, that's $50,000. But we've had people buy those expensive vehicles, the individual owners like that. We have a couple of Ford Escapes out there, so why not give somebody the option, great luxury ride?
COMM. SANDER: I think from an economic standpoint it is a little bit more, but let's look at it for now.

CHAIRMAN DAUS: Do we have everything we need?

COMM. RUBINSTEIN: I just have a question for Lee, for Commissioner Sander. I'd like to revisit the point you made in terms of perhaps any Government programs that are out there that we could at least explore to see if there are some incentives or something that the Government may or may not have for vehicles that reduce emissions, that are better than gas. Maybe there's something out there.

COMM. SANDER: Well, in fact, the Chairman and I met with Jack Hittery, who has been promoting this. One of Jack's staff is here and he pointed out to us, the Chairman is aware that there are credits, I think New York State has, as well as the federal credit that's referred to in the literature, so certainly the TLC should take advantage of those and those should be even further promoted and I think we also should work with other stakeholders prospectively for legislation.
We do have a role in the environment, I think that's a very good point, so I think, Chairman, we should not be passive in this process. We have a role in the environment, so let's look to join with other stakeholders in trying to influence state and federal legislation that promotes better fuel economy and better environment.

COMM. RUBINSTEIN: Just another point that was mentioned by Andrew, that Phoenix has cars that are going to the airport that are green. You mentioned Boston has cars, San Francisco has cars. These are programs that have been, I don't know how long since they initiated. It would be good to have some research done. What have they found? Because obviously they're on the road, they may have some data which may be beneficial to our cars.

DEP. COMM. SALKIN: Certainly, we'll collect information.

CHAIRMAN DAUS: I agree wholeheartedly with that point. I think, first of all, we need to educate our taxi owners and drivers after these rules are passed, to give them the information that they need
about these tax credits that are available from the federal and the think the state government. People who had the CNG program through us years ago got significant NYSERTA grants. We're going to work with these agencies and of course push for more.

I think that's a good idea, a great incentive. Money is sometimes one of the best incentives, the money that you save on your taxes coupled with the increased fuel efficiency will offset the sticker price, I believe. You should keep a closer eye.

COMM. DEAR: The sticker price on some of them are much lower, almost $8,000, in some cases than the Ford Crown Vic, so people are going to buy these cars anyhow.

COMM. AROUT: Mr. Chairman, I think what we should do is since the Mayor would like us to do it, maybe they have a fund so that they could give to the TLC, give one car to each Commissioner to try it out, and we'll really go into it to see what's wrong and what's not wrong with the vehicles.

CHAIRMAN DAUS: You could borrow my Honda Accord, if you'd like.

COMM. RUBINSTEIN: Thanks very much.

DEP. COMM. SALKIN: Just one thing based on
the conversation and the call for leadership from Commissioner Sander, I think it would be prudent for the Commission to begin making the proper investments into our inspection facilities, so we'll be able to inspect these vehicles. We'll also start doing that.

CHAIRMAN DAUS: Would you recommend doing one or all lanes for the new --

COMM. DEAR: I would hope we do all.

DEP. COMM. SALKIN: We would start with one.

COMM. DEAR: Why not all?

DEP. COMM. SALKIN: The other would be more of a capital project and would take us --

COMM. DEAR: I don't want cars to be stuck lined up.

DEP. COMM. SALKIN: We ought to monitor as vehicles get purchased.

COMM. DEAR: I don't want people to start waiting --

CHAIRMAN DAUS: Do you have a cost per lane? Is it cheaper to get all of them done?

DEP. COMM. SALKIN: It's different funding processes. I think right now, the needs over the next
six month to a year, one lane would probably be appropriate.

CHAIRMAN DAUS: I would agree with that.

Your point is well taken, Noach. If we get to the point where there are so many hybrid electrics on the road we can't handle it in the facility --

COMM. DEAR: I anticipate, if things work and the cars are holding up and it works out, I anticipate this will be a way of life for the future of the City of New York.

DEP. COMM. SALKIN: One lane will give us the capacity to inspect 1600 vehicles over the cycle, so that should be okay to start.

COMM. SANDER: Just on that point, one of the things that is discussed among cities is their sustainability is how would they rate with a report card in terms of how municipalities are doing. I think this is a step, but we should look at other ways in which the Taxi and Limousine Commission is performing from the point of view of sustainability.

So, whatever else it recommends, we look at just the whole panoply of activities that the TLC does
20 to see how we can be better from a environmental
21 perspective.
22 COMM. DEAR: I would also like to recommend
23 some sort of symbol or emblem that this car is an
24 environmental friendly car.
25 CHAIRMAN DAUS: Like we could with CNG cars.

51

1 COMM. DEAR: Right. Why not be proud of it?
2 COMM. AROUT: Mr. Chairman, how many cars
3 are actually going to be out there for testing?
4 CHAIRMAN DAUS: It's really going to be up
5 to the owner-drivers to voluntarily purchase them.
6 DEP. COMM. SALKIN: We did a little bit of
7 research into this. Since we're not telling anyone to
8 purchase the vehicles, but over the next fiscal year
9 from now to the end of June next year, there's about
10 2,000 vehicles scheduled to retire. So if you just
11 think that people, when the car retires they will
12 consider purchasing, we don't know if they will do that.
13 Unfortunately, we're not sure there are 2,000 hybrid
14 vehicles available in the New York metro area for
15 purchase, so we'll have to monitor that and come back.
Again, the staff anticipates reporting back to the Commission at the end of the year the status of the program and reporting back sometime in the spring on a more substantive level about passenger satisfaction, driver satisfaction, maintenance and then maybe discussing what we do for '07.

COMM. SANDER: And sustainability performance?

DEP. COMM. SALKIN: Right.

COMM. DEAR: Did we have a discussion with the industry, with the drivers about these cars? Just preliminary discussion?

DEP. COMM. SALKIN: Asking them what they think, their thoughts?

COMM. DEAR: Where they're going to go with it.

DEP. COMM. SALKIN: Some owners have expressed a lot of excitement about being part of it and some owners, especially those who invested a lot in CNG, are going to wait and see if this becomes the standard and then we'll probably see greater acceptance.

Most of the fleets in the taxi industry,
where the owner of the vehicle is actually one of the
drivers, you have a lot of flexibility.

COMM. DEAR: I understand that. You know
how it goes, one goes, the rest go.

DEP. COMM. SALKIN: My anticipation is there
will be a lot of guinea pigs out there very early on,
and later in the year it will be known which one of
these vehicles is the best. Just if you ask your
drivers which one is the best Ford, they'll go '92 is
better than '93; they'll know X car is better than Y
car. We can monitor that.

COMM. RUBINSTEIN: Is there anything we as a
Commission can do to, let's say -- I hate to use the
word "subsidize," but somehow help the drivers decide on
a green vehicle, such as the hybrids. Is there any
incentives we can come up with to make --

CHAIRMAN DAUS: I think the incentive that
Lee brought up is a good one, the tax incentives.

COMM. WEINSHALL: They get them already,
state and federal.

CHAIRMAN DAUS: We should communicate to the
people whose vehicles are being retired.

I'm sorry to cut off the conversation for a minute, because we're going to start losing Commissioners. I would like to jump out of order and go to item 4, the base licensing review, so we can vote on some of these and go back. Commissioner Weinshall has to leave, Commissioner Sander has already left. I don't want to lose our quorum. We'll come back to it, Commissioner Dear.

Item 4, Bill, base license application review.

MR. CARTER: Good morning, Mr. Chairman, Commissioners. As you know, the base licensing unit has undertaken the new licensing application process and what we brought before you this month is the four bases that have completed the process with the new applications and that includes the environmental assessment statements that are required for all bases that move or bases that -- the bases that are relocating, and we also have the bases that are brought before us with the new comprehensive operating plan, which we used to call the business plan.
In your Commission books, you received two bases that are up for renewal. First base up for renewal was AMN Management.

COMM. AROUT: I question that, please.

CHAIRMAN DAUS: Okay.

MR. CARTER: Second base that was up for renewal was DCL Inc. doing business as Saba Car & Limo Service. Those are the only two bases this month that completed the new process.

Two bases that are up for moves this month are Prospect Car & Limo, and the other base up for a move, for relocation, is Travelers Car & Limo Service.

CHAIRMAN DAUS: You had concerns about AMN.

COMM. AROUT: What I look at, unfortunately, this person seems to dispatch unlicensed drivers. To go back in '03 had one, '04, '04, '04, '04, '04, '04, '04, '04, '04, and one '05. I guess he doesn't get the word. So what do we do with that; renew his license?

MR. CARTER: What we did, Commissioner, is we asked him to address that issue in a comprehensive operating plan, as we did with asking for a business
plans for the other bases.

COMM. WEINSHALL: Which one is this?

CHAIRMAN DAUS: AMN, B01420. The first one.

This is a disturbing record.

COMM. DEAR: We had that with others.

MR. CARTER: They they handed us a comprehensive operating plan, and we were not totally satisfied with it. We asked them to revise their plan to include in there the violation history, because that was not what we told the bases originally when they applied for the plan. They saw the violation history after we got the submission from them.

We wanted to give them the ability to address that in the new submission.

COMM. WEINSHALL: Why don't we pull that one?

COMM. DEAR: I had these issues all the time.

COMM. AROUT: It's always like that.

COMM. DEAR: Which I understand, and I have respect for Commissioner Carter -- oh --

MR. CARTER: Thank you.

COMM. DEAR: No, I always respected, I always respected you. We had an understanding here,
we've gone through this process once, and where is Andrew? Andrew was bugging us on this. Andrew talked to us about this, talked about it, that let this wave go through the first time and the next time around where we have our rules set, we're going to go after them.

In fact, it's not going to come to this point, we're going to hammer them before, we're not going to let them go through it.

The other issue, while I'm raising this, you should see what's going on there. I understand we're in the process of hiring a new chief of enforcement and all the inspectors, everything else. You go to the places that supposedly we let go through and I must tell you, it's a sham. They all have straight plates now, they have North Carolina plates, it's getting out of hand. I hope this Commission after we finish everything else, we can start focussing. I know it's a big issue with you and I know in our borough, to start focussing.

CHAIRMAN DAUS: What would you recommend on this base?

COMM. DEAR: I don't know. Again, I'm concerned, like everybody else is, but why pull one if we don't pull the others?

CHAIRMAN DAUS: Why would we recommend approval, if we haven't been satisfied with their
MR. CARTER: We're recommending approval, because, one, the base was not told the violation history would be part of the review, at the time when the base was originally up for renewal, they were told after the fact.

So what we'd like to do is give them an opportunity to address that in a business plan, then we can hold them to that.

CHAIRMAN DAUS: That's a fair point, Noach.

It really is.

COMM. DEAR: Do you feel they're professional, do you feel they're okay now, did they indicate change --

MR. CARTER: Yes, what we did was held a seminar this month for all the bases that were up for renewal for the January and February period of this year and we explained to them what the situation was.

This base was told they have a particularly egregious background record. They were told the comprehensive operating plan they put forward, they would be held to it. They gave us a plan. We didn't
like the plan, but we don't feel that it's strong enough to deny renewal. What we'd like to do is get a new plan from them and hold them to that.

CHAIRMAN DAUS: Noach, I share your concern, they're duly noted. I think in the sense of fairness, based upon Bill's recommendation, I'd like to move to basically approve all of these four base license applications and also hold AMN to their business plan and make sure that we scrutinize them thoroughly when they come up for renewal or before that, and I'd like to make a motion to approve.

COMM. DEAR: So moved.

CHAIRMAN DAUS: Second. All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Any opposed? It passes unanimously. Thank you.

COMM. DEAR: Just one second, I raised it before, Commissioner, I want to make sure if we could have it also for discussion for next time or some sort of regulation about a fuel surcharge. I don't want to keep on talking about it and then --
CHAIRMAN DAUS: We can discuss it next time, no problem.

COMM. DEAR: I want to know how do we move on it --

CHAIRMAN DAUS: We have people in the industry who have made requests for fuel surcharges.

COMM. WEINSHALL: The staff will make a presentation.

CHAIRMAN DAUS: It also ties in with some of the hybrid opportunities out there, too. I don't think we can discuss it now, I don't think we're prepared to discuss it.

COMM. DEAR: Can we discuss it at the next meeting?

CHAIRMAN DAUS: We'll try to fit it in in September.

COMM. DEAR: We don't have an August meeting?

CHAIRMAN DAUS: I don't think we do, I don't think we can get everybody scheduled. But we're going to try to meet again after Labor Day that first week.

Why don't we move back quickly to item 3B on Page 66?
the agenda. Accessible vehicle funding. Eric Kim is going to give a presentation on what happened at the Council.

MR. KIM: Do you want to get Andy as well?

CHAIRMAN DAUS: Yes, let's get Andy.

(Pause.)

CHAIRMAN DAUS: Okay. Ready?

MR. KIM: Yes. Thank you, Commissioner.

I'm going to be making a brief presentation on accessible medallion taxicabs, regarding some of the TLC’s current experiences and the City Council's fiscal year 2006 appropriations which the Chair mentioned earlier.

During the negotiations over the City's budget for fiscal year '06, the City Council and the administration agreed to add 1.302 million into the Taxi and Limousine Commission's budget and the stated purpose of the funding, according to a report from the Council's Finance Division, was this funding would subsidize the cost of converting current medallions for disabled taxicabs by providing cash grants current medallion
holders or reducing the medallion cost during an auction.

As of now, that's the only formal direction we've gotten from the City Council on this funding. I'll talk now a little bit about what the TLC and taxi industry has been doing with regard to wheelchair accessible taxi service.

Last fall, the City auctioned nearly 300 medallions and 9 percent, or 27 of them, were reserved for use with wheelchair accessible vehicles. In order to encourage bidding on those accessible medallions, the TLC set a discounted set price that was significantly below the minimum for the regular medallions. We received over 250 bids for the accessible medallions and were able to sell all 27 that were offered. And all of those medallions were placed into service earlier this year on Ford Freestar minivans that had been modified to meet the TLC’s requirements for wheelchair accessible service.

Next slide.

This chart is based on the experiences of several of the purchasers of accessible medallions in
As you can see, the key differences in price are the higher cost of Ford Freestar versus the Crown Vic, the cost of the wheelchair modifications and the rebates that are offered for those modifications. Not included in this chart are any potential tax deductions that vehicle owners can take for modifying a vehicle for accessible service and savings in fuel economy for using a minivan versus a Crown Vic, and insurance costs. The chart is very preliminary and it's really only meant as a starting point for initial discussions and further research.

Earlier this summer, the TLC organized a field demonstration of the accessible wheelchair taxi with members of our Disabilities Advisory Board. Also participating were supervising officers from the NYPD's Taxi Unit and the field test gave everyone a chance, including agency staff, wheelchair users and regular passengers, an opportunity to see the vehicles firsthand and start to make some initial assessments.
We learned there's a range of different levels of modifications that accessibility companies can provide and different types of modifications mean different levels of service for wheelchair passengers and non-wheelchair passengers.

Another lesson we learned was that the challenge of taxi drivers and wheelchair users will face when loading and unloading passengers from these vehicles, based on the field test for rear entry accessible vehicle and all 27 medallion taxis that are out there now are rear entry, about 10 feet of clear space is needed behind the vehicle to safely load a passenger. For a side entry accessible vehicle, we estimate that one to two street lanes would be needed to safely load a passenger. Clearly, these are going to be issues that we'll have to address as we move towards providing more wheelchair accessible service.

Next slide.

Now I'll speak a little bit about the TLC's experience in working with grant funding allocated in our budget. As some of you may recall, in fiscal year '01 the TLC actually embarked on two separate grant
programs, both with funding from the City budget. First
there is a partition/in-vehicle camera program.
$5 million was budgeted and it allows livery and
medallion owners to reimburse up to $325 per vehicle for
the cost of installing a petition or in-vehicle camera
system. That program was jointly administered by the
TLC and the City's Economic Development Corporation.
Also in FY '01, the TLC administered a grant
program for wheelchair accessible modifications,
originally budgeted for 500,000, that amount was doubled
later to a million and the program was extended into
fiscal year '02. The program provided reimbursements of
up to $7500 for livery and 5,000 for medallion vehicles.
And this program was solely managed by the TLC.
Now, let's go to today. There seems to be
at least two basic approaches we might take with the 1.3
million in fiscal '06 budget. First, we could set up an
RFP to solicit bids from accessible modifiers that would
be able to provide modifications for medallion taxicabs
at a set price at specific requirements that could all
be detailed in a contract. The RFP approach would allow
the agency to be able to leverage the full value of the
budget allocation to get the best price from the
accessible modifiers.
This approach would also give us some more control over the specifics of the modification designs, if we felt higher levels of service were appropriate, we could more easily dictate those requirements. Of course, an RFP approach would lead to procurement, which means the program could take up to several months to actually establish and get vehicles on the road.

Second, we could establish a grant reimbursement program, and this type of program would be relatively simple to set up and administer, but the TLC would have no real control over the prices that medallion vehicle owners pay for modifications, and it would be more challenging to control the specifics of the modifications that are actually made to those vehicles.

Now, these are just preliminary thoughts. Next slide please.

Over the next few weeks the TLC will be focussing on next steps working with the City Council, particularly Councilmember Lopez, who was instrumental in getting this additional funding added to our budget and the Mayor's Office for People with Disabilities, to better understand the Council's intent for the allocation and the agency will also continue exploring some of the legal questions and policy alternatives for
using this funding for wheelchair accessible taxi

service.

We do expect to report back to the

Commission later this fall with some further research

proposals and possibly rule making on this topic.

And that concludes my presentation. Thank

you.

CHAIRMAN DAUS: Any questions? Okay. All

right, so we look forward to getting the final report

and I think the next item on the agenda is item 3D,

customer service enhancement update. We have three

topics, Ira Goldstein, our Chief of Staff, that are part

of that customer service update.

MR. GOLDSTEIN: Good morning, Commissioners.

Bringing up the rear is tough around here, I'll tell you

now.

I just wanted to give you, I was asked today

to give a brief update on where we stand with our

activities on the three customer -- the taxi customer

enhancements. On the technology project, as you may

well know, the bids and proposals from prospective
possible vendors were due and we have the evaluation committee, which consisted of members from the TLC DoITT, DOT and OMB have been working very diligently on getting these proposals evaluated. At this point we're on schedule, we are hopeful of entering into contracts with the vendors that the valuation committee picks out by the end of August, the beginning of September, and starting to get cars on the road by the fall with the improvements.

On the partition improvement, we issued an RFI or request for information back on June 20th and as the Chairperson mentioned, the responses were due July 15th. We requested information regarding the design and material changes to the partition with respect to driver and passenger safety, comfort, visibility regarding scratch resistance and UV resistance, maintaining communication between the passenger and driver, and analyzing cost, and what we also did in the RFI was we also were contemplating forming a committee and we asked in the RFI if anyone is interested in participating in that committee to let us know.

The RFI went out to approximately 130
different organizations and other regulatory agencies
across the country. It went to industrial designers,
material manufacturers, partition manufacturers as well.
We received approximately 20 responses.
They varied in quality, but basically we received
recommendations in terms of what type of material we
should use, the thickness of the material, as well as

receiving some design ideas.

In terms of the next steps that we'd like to
take with regard to the partition is we through Andy
Salkin's work with -- what is it, Andy -- Design for
Public Trust, we have some industrial engineering groups
that are interested in working with us on this project
from the design aspect and after meeting with them, we
anticipate forming a partition committee with the
different partition manufacturers, the material
manufacturers as well as members from the taxicab
industry groups, and at that time we would submit
revised specifications for Commission approval.
And last but not least, on the group rides,
and what we're thinking of doing on that, we've taken
some surveys of drivers at the airports and there were
also some surveys that were done of passengers at the
Port Authority Bus Terminal, and after a lot of group
discussions and brainstorming on this, we seem to be
going towards a direction of having essentially two
different models to follow when we come up with ideas
for the group rides.

One is where there's an area of high demand,
but there's a low number of cabs, and we would work on
trying to put in certain price incentives appropriately
to attract cabs to a particular area to use those group
rides, and the other category that we came up with are
areas of potential demand, but where there's high
availability. Examples of that may be where cabs are
being -- originating their trips outside of Manhattan
and may be coming in for their first pickup of their
shift into Manhattan and looking into the possibility of
creating group stands at strategic places that they
would be willing to go pick up group ride passengers and
bring them into Manhattan.

And that concludes my report on the service
improvements, if any of the Commissioners have any
CHAIRMAN DAUS: Any questions? Okay. So we're on track for a fall acceptance test, correct?

MR. GOLDSTEIN: Yes, this is correct, Commissioner.

CHAIRMAN DAUS: On the partitions, I take it you're recommending that we make changes to our specifications and do some rule making eventually?

MR. GOLDSTEIN: Yes, that is correct.

CHAIRMAN DAUS: After the partition committee completes its work.

MR. GOLDSTEIN: Yes.

CHAIRMAN DAUS: What's the next step with regard to group rides? Is there any requirement that the Commission undertake rule making at some point?

MR. GOLDSTEIN: I believe, and Chuck can confirm this, there's no time frame when the rules have to be made.

CHAIRMAN DAUS: But rules do have to be made on this, correct?

MR. GOLDSTEIN: Eventually.
CHAIRMAN DAUS: Okay, great, we'll look forward to the final reports.

I want to thank everyone for their time.

Commissioners, thank you. And that concludes our meeting today. We will not be meeting in August. We will probably be meet the first or second week in September, at which time we'll get the agenda out to you, but the agenda most definitely will include a public hearing on proposed rules that our General Counsel will be drafting between now and then on the proposed hybrid vehicles.

Thank you very much for coming. Enjoy your summer.

(Time noted: 11:57 a.m.)
Reporter and notary public within and for the State of New York, do hereby certify that I reported the proceedings of the NEW YORK CITY TAXI AND LIMOUSINE COMMISSION on July 26, 2005, and that this is an accurate transcription of what transpired at that time and place.

Linda Fisher,
Certified Shorthand Reporter