NYC TAXI AND LIMOUSINE COMMISSION
PUBLIC MEETING
held on Thursday, February 14, 2008
40 Rector Street
5th Floor
New York, New York
Public Meeting convened at 9:35 a.m:

PRESENT:

MATTHEW W. DAUS, COMMISSIONER/CHAIR
ELIAS AROUT, COMMISSIONER
IRIS WEINSHALL, COMMISSIONER
HARRY GIANNOURIS, COMMISSIONER
EDWARD GONZALES, COMMISSIONER
LAUVIENSKA POLANCO, COMMISSIONER
CHARLES FRASER, GENERAL COUNSEL
CHAIRMAN DAUS: We are going to get started. Can everybody please take their seat.

Good morning, everybody. First and foremost, happy Valentine's Day. Love is in the air in our industry, as you probably have read in the paper the last couple of days, there is a Cupid Cabby out there who is apparently matchmaking in the back of the cab, has hooked up about 19 couples so far. So we commend him for his customer service. It certainly goes above and beyond what is required of our professional drivers, but, nevertheless, that reminds me that I should remind you that we are having a driver recollection ceremony. Maybe we will honor Ahmed Ebraham (ph) as well as other drivers who have gone above and beyond in terms of providing customer service.

It is going to be on March 27th, which is a Thursday, at the Top of the Rock. I will have some more details in terms of time and so forth for the Commissioners, who are all invited, as well as the industry group leaders. And we will be narrowing down over
the next week or two some of the drivers who
will get top awards for going above and beyond
in terms of customer service, doing good deeds
for the City of New York and so forth. So we
are very excited about that.

Talking about customer service, I
just want to give an update since we last met,
for my Commissioners, about Operation Secret Rider, the new operation that we started to
basically enhance customer service in the
industry. It is going very, very well.

We have basically taken a page out of
the retail book with regard to Secret Shopper
and applied it to the back of the cabs with
undercover officers going into the back of the
cabs and simulating an actual ride. The
results have been very encouraging so far.

We are looking at everything in the
Passenger Bill of Rights, including cell
phones, credit cards refusals, whether the
cabs clean, whether the seat belts are
working. And basically any violation that our
officers see can and will be written. They
are going in groups of one, two, three and
four, so you never know what combination of
potential passengers might be showing up. We have dedicated the full enforcement complement to it as well and they are all dressing in different types of attire, including business suits for some of them, casual attire, dressing I guess as tourists as well with bags and luggage and so forth.

So basically it is going well. The results are encouraging. We’ve had consistently since the start of the Operation a 90 percent compliance rate. So the drivers are doing good; we want them, obviously, to do better. The Operation is here to stay because we think it is a good thing to do, it is always going to keep the drivers on their toes.

We have the full enforcement complement doing it now, and, in addition, over the last week or two we had also added a number of additional inspectors, and I want to congratulate the new class of inspectors that we recently hired that are being added to the mix.

And I want to thank, in particular, Pansy Mullins, Deputy Commissioner for
Enforcement, who has done a fantastic job in moving this initiatives forward. We will be hearing a little bit more about the credit card aspect and the technology projects aspect of this enforcement initiatives, but at least for now I think two numbers are interesting when you break them down, the cell phones, obviously, received a lot of attention. Out of 2,008 tests, there were 432 summonses issued. And with regard to cell phones alone, there were only 116 summonses issued, which ends being about a 94 percent compliance rate, which is a little bit higher. So that's very encouraging.

And I think what's important is over the last couple of months, I think the drivers and the industry and the perception is that service has declined, the perception is that drivers are angry and have issues. This Operation, I think, is a first step in restoring the confidence of the industry, in restoring the confidence of the passengers in our industry, to bring it back to where it was before. And that's slowly happening as we speak.
We still have the vast majority of our drivers are doing a fantastic job, and as with anything else, I think the stats pretty much show and prove that there were a small number of drivers that were creating a bit of a problem. So our goal is not to hurt anybody. Our goal is to got people on the right track, get them to curb their behavior, provide better service, as the Cupid Cabby has, he is, obviously, very friendly.

We would like to see more interactions that are positive, not just doing your job, but it would be nice if drivers said hello, good-bye, have a good day. Obviously, that is not mandatory, but, you know what, if you are smart, this is a service industry, the customer is always right, the customer and the passenger are paying your bills. They are the people that can give you a small tip, a large tip or no tip. So I think it is important to reaffirm that aspect and remind drivers.

So it is kind of a wake up call and it will continue, and my hope is that we will continue to be the best industry in the world. So thanks for everybody's help and support on
that initiative.

In terms of forward-thinking projects, we are reaching a crossroads now with the Taxi of Tomorrow project. Within the next week or two we will be issuing the Request For Information, which is a voluminous document. It is in its final draft stages with us and the Mayor's office, and it is going to be requesting information from potential manufacturers in terms of what they believe they can do to build the Taxi of Tomorrow and what interest there is out there by various manufacturers. So we are excited about that.

I recently asked First Deputy Commissioner Andy Salkin and Assistant Commissioner Peter Schenkman to go to the Detroit Auto Show where there seemed to be a lot of buzz about what we are doing, and there was some very positive feedback based upon our preliminary meetings with manufacturers.

In terms of the Medallion sale, I think I announced previously that we are going to be doing the Medallion sale before the end of this fiscal year, probably at a date in
May. But in terms of the last Medallion sale, a quick update. We have 28 accessible Medallions that completed their closings out of the 63 Medallions that were auctioned. Nine are scheduled for today actually, and 25 accessible taxis are on the road from the last auction that was held in November.

The Technology Service Enhancement Report I am going to defer because we are going to have a more detailed staff presentation on some of the numbers and how we are doing with the technology project.

An accessible dispatch update which I promised every month is that the contract, I am pleased to announce, has been signed off and approved by the Mayor's Office of Contracts Services, by our agency and by the city lawyers. It is now in the hands of the potential contractor, Executive Charge. We are waiting for them to sign it. As soon as we have them sign it, which will, hopefully, be within the next couple of days, we will send that to the New York City Comptroller's Office for registration approval. The Comptroller, I believe, has 30 days to do that
and then we will start the contract and we
will be on our way.

Last week I testified at the request
of the Council before the Transportation
Committee about Roads Forward. That's the
document I shared with the Commissioners
previously and which was put out by the Design
Trust for Public Space. I am pleased that we
have Deborah Martin here today and she is
going to be giving a more detailed
presentation, somewhat like what she gave to
the Council.

I was pleased to go to a Council
meeting, and you know that the Council is an
oversight arm and they have lots of questions
and they are always putting your feet to the
fire on some of the tough projects that you
are working on. And I was pleased that
Chairman Liu and many of the other Council
Members were basically very happy about this
project and about Roads Forward and the work
that we are doing. So it was really nice to
get that stamp of approval.

Of course, they were trading ideas
about what is a good idea, bad idea,
obviously, in the book. And we will be hearing about those specific ideas and recommendations today from the Design Trust and I had promised the Council more than once during that hearing that our Commissioners would give every due consideration and discuss the various proposals that are in the document. So Deborah Martin is here and she will be going through that in a little while.

Also, as required by local law and the New York City Charter, we on time submitted our annual report to the City Council. It is on our website, it can be downloaded and it is available in the back as well if you would like a copy. If we run out, just let Endera Strauss know and she will get you some more copies.

Upcoming Commission meetings, the next Commission meeting will be on Thursday, March 13th, and the meeting after that will be Thursday, April 10th, so we are back on our second Thursday of the month schedule.

Also, as I mentioned at our last meeting, we are going to do a separate hearing on leasing which is required by our rules
every two years. Our deadline for doing it is
the end of March. We set a tentative date of
March 20th at 10:00 a.m. It is a public
hearing regarding leasing. We ordinarily take
testimony on the equities of system, where we
are. The matters are identified in our
regulations, but we are also going to be
putting out a more detailed public notice that
will be prompting some interesting issues and
questions that we have been gathering through
our research over the last couple of years.
And we would ask that people that participate
try to answer those questions.

Commissioners aren't required to
attend but are welcome if they wish. What we
intend to do is to summarize the testimony,
analyze and then present it at a future
Commission meeting. So it is not mandatory,
but if you can come, it's great.

That pretty much concludes my report.

Any questions?

(No response.)

CHAIRMAN DAUS: Okay, thank you.

That's Item 1.

Item 2, adoption of minutes.
Do we have any comments, questions or changes to the minutes?

COMM. AROUT: I make a motion we accept the minutes.

CHAIRMAN DAUS: We have a motion to accept. Do we have a second?

COMM. POLANCO: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: So approved.

Item 3, base licensing application review. Do we have a representative from licensing?

MS. STEELE-RADWAY: Good morning.

Licensing would like to present before the Commission the 18 bases with a recommendation for approval.

CHAIRMAN DAUS: Do I have a motion to approve.

COMM. AROUT: Just one question.

CHAIRMAN DAUS: Sure.

COMM. AROUT: You have down here Brothers Car Service, are they affiliated with Staten Island?

They are registered in Brooklyn, I
just want to make sure, are they the same company?

MS. STEELE-RADWAY: I would have to look into the ownership.

COMM. AROUT: I would appreciate it.

MS. STEELE-RADWAY: I will get back to you on that.

COMM. AROUT: Okay, motion.

CHAIRMAN DAUS: Is there a second?

COMM. POLANCO: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: So approved.

We have some denials.

MS. STEELE-RADWAY: There is one base that Licensing is recommending for denial with a request that the Commission grants an additional 30 days so that they may present the outstanding items.

CHAIRMAN DAUS: Is there a motion to approve?

COMM. AROUT: I make a motion to approve.

CHAIRMAN DAUS: Is there a second?

COMM. GONZALEZ: Second.
CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Okay.

MS. STEELE-RADWAY: In addition to the bases that have been presented, Licensing is requesting that B01437 be reviewed by the Commissioners for reconsideration, as per the memo included within the Commission book.

CHAIRMAN DAUS: Okay, do we have a motion to reconsider?

COMM. AROUT: I make a motion.

CHAIRMAN DAUS: Is there a second?

COMM. GONZALEZ: Second.

CHAIRMAN DAUS: Actually, should we clarify that that would be giving them an additional 30 days to get their paperwork in order.

MS. STEELE-RADWAY: That's correct.

CHAIRMAN DAUS: All right, so we have a motion, a second, all in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Okay, thank you, Georgia.

Also, I would like to point out that we are still on track in terms of analyzing
some of the information about livery reforms.
We haven't forgotten about that. We had a
meeting earlier last year about it. We have
been working very closely with some individual
Commissioners. I want to, in particular,
thank Commissioner Gonzalez, who spent a lot
of his free time with us going over some ideas
in terms of how do we deal with the issue of
suspensions and how do we deal with the issue
of the dispatch of unlicensed vehicles.

And also Commissioner Arout has been
in touch with us about some of these issues.
And as we get closer we will be meeting with
some of the Commissioners to get their ideas,
but we would like to, sometime during 2008,
have a reasonable set of regulations that make
sense for us and the industry to enhance base
accountability and enhance livery for-hire
vehicle accountability. So that will be
coming back on track and I will keep everybody
posted.

I also want to acknowledge and thank,
I think Assemblyman Kellner is here as well.
I want to thank the Assembly Member for
joining us and thank the Assembly Member for
the commitment to our accessibility issues in
general. We have been working very closely on
some issues, and I want to thank the Assembly
Member for joining us.

Also I think we are now on Item 4A on
the agenda. There are two pilot programs
under item 4 that we are going to discuss
today. The first is Nest Energy Systems, and
David Klahr, if you could give us an update on
what we are doing here.

MR. KLAHR: Sure. Good morning,
Commissioners.

The first part of the proposal we
have to consider today is from Nest Energy
Systems, which is a company based in Arizona,
and they submitted a proposal to test a result
device they sell called the Solinator. This
is a solar powered battery charger. This does
not power a vehicle, it merely recharges the
battery.

The proposed use of this, there are	
two uses for it. The first is to kind of keep
the battery fresh and recharged for a vehicle
that idles for a long period of time.
Something we don't see a lot of in the taxicab
industry. The second use is to power rechargeable devices that a driver may use while seated in the car, and, thus, keeps the idling to kind of keep the battery running, also something that we don't see too much and don't want to encourage in our industry.

Therefore, the recommendation of staff is to reject this particular proposal. The technology seems fine, it seems to work fine. It certainly uses a clean energy source. It just doesn't seem like a great match for TLC regulated industries. And it should be noted that there is nothing currently in TLC that prohibits this company from selling these devices to people in the industry if they wish.

Thank you.

CHAIRMAN DAUS: Thank you. Any questions?

(No response.)

CHAIRMAN DAUS: Okay, I would like to recommend that we deny the pilot program, only because it doesn't make sense. This device even sounds like an interesting device that could be good for the environment, but it
primarily gets its benefit from basically cars
that are parked for long periods of time as
well as those that idle for long periods of
time, which really makes no sense for the taxi
industry since most of these cars are on the
road 24/7 going to and fro. It probably makes
more sense for the black car industry, and
there is nothing that we need to vote on since
our pilot program would only pertain to our
approving it for the yellow cabs, as it is a
free market for the black cars.
So any comments, questions,
suggestions?
(No response.)
CHAIRMAN DAUS: Do we have a motion
to deny.
COMM. AROUT: I make a motion to
deny.
CHAIRMAN DAUS: Is there a second?
COMM. GONZALEZ: Second.
CHAIRMAN DAUS: All in favor?
(Chorus of "Ayes.")
CHAIRMAN DAUS: Thank you.
The next is Freedom Motors, Toyota
Sienna Accessible Pilot Program.
Peter Schenkman, will you join us, please, and give us an overview of where we are with the Sienna.

MR. SCHENKMAN: Good morning. Today we have another company proposing a modified accessible Toyota Sienna. The first was by Auto Van. That vehicle has been on the road for six months so far. It has gotten very favorable inspection ratings and we have seen some positive feedback. We are just waiting to collect some more data on that.

That being said, the next company, as I said, is Freedom Motors, and they are proposing a similar designed rear-entry Toyota Sienna for a pilot.

CHAIRMAN DAUS: You are from Freedom Motors?

MR. BOGENAGER: That is correct.

CHAIRMAN DAUS: Good morning.

MR. BOGENAGER: Good morning, Chair, Commissioners. Thank you for this time.

CHAIRMAN DAUS: Could you identify yourself for the record.

MR. BOGENAGER: My name is Erasmo Bogenager (ph). Just call me Raz.
CHAIRMAN DAUS: Okay, Raz.

Is there a technician in the house?

(Pause.)

CHAIRMAN DAUS: Okay.

MR. BOGENAGER: Just an oversight, real quick. Freedom Motors has been in the business for over 20 years. We have introduced to the United States 20 years ago the rear entry van, so any van that you see out there is really kind of copied after ours.

We are in a 300,000 foot facility.

We have been there for over a year. We introduced the Toyota in 2004. We were the original manufacturer of that, we came up with idea.

CHAIRMAN DAUS: Where is your company based?

MR. BOGENAGER: Battle Creek, Michigan.

On the safety factor, all of our vehicles have been crash tested. We have crash tested more vehicles than any manufacturing company of wheelchair accessible vans. We make the Honda Element. We make the PT Cruiser. We are in the process of making a
Honda Scion.

On the durability of it, we are currently being used by New York -- excuse me, by Houston yellow cab and San Francisco Bay area. The FMI vehicle design offers the best in class accessibility and would accommodate most wheelchairs and scooters.

This is the Toyota chassis itself. It has 56 inches and it is ADA compliant. It is 59 inches in height. The ramp is 30 inches. The wheelchair length is 58. That's the manual bi-fold. The lower floor, the length of it is 58 inches. It can accommodate four ambulatory passengers and one up front with the driver. It has a four point retractable recoil restraint system and it has commercial non-slip flooring.

FMI developed the first rear entry van 20-some years ago. When we brought it over to the United States, we were the first to put it on a Toyota platform in 2004. We are fully ADA, NHTSA and FMVSS compliant, and we are all fully crash tested. And the Toyota platform is classified as an ultra-low emission vehicle.
The Toyota non-accessible Sienna has proven to be a superior taxi platform here in New York. Designed in Laos, usage of the OAM seats and gas tank and will accommodate most wheelchairs and scooter sizes. Design also utilizes function on both sides of the doors so when you pick up ambulatory passengers, you can pick them up on either side of the street. Rear entry access allows safer loading and unloading of the wheelchair passengers.

What's nice about it is if you have someone in a wheelchair and they accommodated by family members or other people, you can get the person in the chair and up to four more people in the van itself.

Our vans, it's a proven concept. Hundreds of FMI vans are utilized across the company for transit and paratransit use right now. Our customers include Greater Houston Transportation, which is largely considered the largest taxi account in North America, and several large fleets in San Francisco. Our R&D department is able to develop and implement innovations and improvements at an accelerated rate. Like I say, we are making a
Honda Scion right now. In our department 
right now we have the hybrid and the Escape 
and the Highlander right now, which is getting 
completed. Hopefully, we will be able to 
launch that by we are thinking at the end of 
the year.

CHAIRMAN DAUS: A rear entry Ford 
Escape ramp?

MR. BOGENAGER: Yes, and a Toyota 
Highlander.

Our production is housed in 300,000 
square feet production facility, so we will be 
able to supply vehicles. On our commercial 
department side we can make up to 20 to 25 a 
month, so if fleet owners, usually what 
happens is they want them right away as soon 
as they get the Medallion. So we will be able 
to produce them and get them out real quick 
for you.

On the safety side, again, we use top 
grade materials like tubular steel. The 
tubular steel goes around the cage where the 
floors are lowered. As far as I know, we are 
the only manufacturing company that does do 
that. And I know that safety is really
important. When I visited Mr. Schenkman and
saw the high tech state of the art maintenance
place over there with the checking of the
brakes, I know safety is really, really
important. We have documented pictures of
crashes with vehicles that have been hit from
the side and the back, and the only thing left
was our tubular steel configuration in the
back. So it's very, very safe.

We recommend that if a vehicle is
accepted, that it is crash tested.

The pilot program details: FMI will
supply two vehicles to a Medallion holder for
the purpose of evaluation. FMI can supply
references regarding vehicle durability and
reliability including Pierman Van Downsen (ph)
of Greater Houston Transportation, and John
James of San Francisco Ford, the premiere
suppliers of access taxis in the Bay area.

FMI will work hand-in-hand with
vehicle owners, drivers and passengers to
evaluate the vehicles utilizing a postcard
survey, which I think the Commissioners have
copies of that. These will be given to the
riders, and we are also going to implement one
for the drivers so we can stay on it on a weekly or monthly basis, so we can react if there is anything that needs to be changed. And that's getting back to our R&D department, if things do need to be changed or something needs to be critiqued, we have quick response time to do that.

CHAIRMAN DAUS: Do you have a Medallion owner lined up to do this at this point?

MR. BOGENAGER: We have two of them that we have had contact with. They are just waiting for approval or wanting to know when we do get in the pilot program.

FMI would like to leave the pilot program time line open in order to insure that the TLC has ample time to complete its evaluation. The only thing that we do ask is that it may be expedited since a similar vehicle has already been in for six months, we would like to try to get into the next Medallion sale, if we could.

CHAIRMAN DAUS: Okay, is that it?

MR. BOGENAGER: Yes.

CHAIRMAN DAUS: Thank you.
Commissioners, do you have any questions?

COMM. GONZALES: Excuse me, sir, a couple of questions. First, you mentioned crash testing. What are ratings on the crash test?

MR. BOGENAGER: I can probably say we are the only manufacturing company that has passed the very first time.

COMM. GONZALES: Three star, five star?

MR. BOGENAGER: I don't know how they rate those. But I think Mr. Daus has copies of our crash test data. I think it's either pass or fail.

MR. SCHENKMAN: It's actually done by a score and then there is a median, which above is judged to be a pass, but they don't actually say pass or fail.

CHAIRMAN DAUS: Well, the Sienna gets crash tested first under NHTSA standards and then this is a separate crash test once the ramp is installed.

Do you know what the crash test -- also what I think would be helpful, what is
the crash test score for the Sienna in

general?

MR. SCHENKMAN:  The NHTSA score for

an unmodified is four stars.

CHAIRMAN DAUS:  Okay.

COMM. GONZALES:  Also with respect
to vehicle warranty, does this compromise the

vehicle warranty?

MR. BOGENAGER:  For the vehicle

itself?

COMM. GONZALES:  For the vehicle

itself, yes.

MR. BOGENAGER:  No.

COMM. GONZALEZ:  So the vehicle

warranty is still --

MR. BOGENAGER:  It is three years,

36,000 for the Toyota part of it.

COMM. GONZALES:  And then the last

question, with respect to retrofitting the

ramp, anything in your observation with

respect to compromising any brake lines or

chassis?

MR. BOGENAGER:  No, we don't alter

any of that. The gas tank stays in tact.

CHAIRMAN DAUS:  Just to clarify, the
warranty is from Toyota or from you?

MR. BOGENAGER: The Toyota part of it, that would the engine, the transmission, any mechanical parts that we don't touch, still remains in tact for three years and 36 through Toyota.

CHAIRMAN DAUS: And do you have a separate warranty for your work?

MR. BOGENAGER: Yes.

CHAIRMAN DAUS: What does that cover and how long is it?

MR. BOGENAGER: That would be covered, like we have with Houston right now, it is the life of the vehicle.

CHAIRMAN DAUS: Does that just cover the ramp or does it go further?

MR. BOGENAGER: No. Any construction that we put on the vehicle.

CHAIRMAN DAUS: Okay.

Commissioner Giannoulis, did you have some questions?

COMM. GIANNOULIS: Yes.

First, an administrative question. What is being proposed to us exactly, a new pilot program?
MR. FRASER: Yes. The pilot is actually identical in all respects to the Auto Van pilot which is currently running. Technically, we have to do this as a new pilot because there was a time limit period to be a participant in the Auto Van pilot. So even though it is an identical pilot, it needs to be reapproved as a new pilot because of Freedom's coming forward.

COMM. GIANNOULIS: And what was the time period to respond to the earlier pilot?

MR. FRASER: I don't remember. It probably was 30 days, something like that, after we published it. And we are going on close to a year ago.

COMM. GIANNOULIS: So fundamentally he is getting an extension?

MR. FRASER: Well, I guess that would be one way to look at it. We will now republish this and anyone else who wants to participate in this pilot will be able to do so on the same terms.

COMM. GIANNOULIS: But it's the same exact pilot?

MR. FRASER: Correct, yes.
CHAIRMAN DAUS: You are talking about the 30 days for the RFI that went out?

MR. FRASER: That is what I was referring to, yes.

CHAIRMAN DAUS: But there is nothing legally preventing us from going beyond that date?

MR. FRASER: Not at all, no.

CHAIRMAN DAUS: Is it the identical terms that is being proposed for this pilot as for the other pilot?

MR. SCHENKMAN: Yes.

COMM. GIANNOLIS: So there was a RFI that was out. One person responded to it, the earlier one?

MR. SCHENKMAN: Only Auto Van. No one stepped up.

COMM. GIANNOLIS: Was that because they had put in a proposal for the pilot to begin with? They kind of generated the pilot program, so to speak?

MR. SCHENKMAN: Correct.

COMM. GIANNOLIS: And, sir, you chose not to participate in that? You knew about it, didn't know about?
MR. BOGENAGER: There are some legal matters right now, which I don't know if I can go into right now about that.

COMM. GIANNOULIS: I find it a little strange that a national model in this wouldn't have participated in the New York City pilot program.

MR. FRASER: My understanding is, and I might be correctable on this, but my understanding is that Freedom is the modifier for the van that Auto Van is using in its pilot.

MR. SCHENKMAN: That is incorrect.

MR. FRASER: All right, I am wrong. Sorry.

CHAIRMAN DAUS: It is the first time anyone has ever corrected you.

MR. SCHENKMAN: Sorry.

MR. FRASER: It's okay.

CHAIRMAN DAUS: Do you want to clarify? Peter, do you want to elaborate on that?

COMM. GIANNOULIS: If there are legal issues that we can't talk about, that's fine. I am just surprised just that somebody who --
legal issues in terms of your own company, you mean?

MR. BOGENAGER: Us and another company.

CHAIRMAN DAUS: There is some type of issue between Auto Van and Freedom, that's a private issue in terms of employees that used to work for Freedom. I don't know as much as about it as you do, so maybe you can elaborate. And if you can't, I mean, this is a separate company. It's basically coming forward with something, quite frankly, which I have a hard time saying if two or three, four companies come forward with exactly the same thing, I have a hard time saying one company should get it and the others shouldn't get the opportunity, too. That's just my personal feeling.

COMM. GIANNOULIS: I don't disagree with that. My only point is -- I mean, we have had issues with these pilots, my only point is, that's actually why we put out a pilot, which is we don't put out a rigged pilot, we put out an open pilot. Everybody is allowed to participate.
It just seems to me, and I don't know enough about this, but if somebody responds to a pilot and they put in the resources to pursue a pilot, and I didn't know about these legal issues but now it kind of makes more sense to me, if somebody else is putting in the resources to pursue a pilot and then people in the company may leave or doing something else and we kind of reup the pilot, it's not really a pilot, it is a running pilot, which I just think from a business perspective is not -- I mean, I am a lot more comfortable with somebody saying, "This pilot didn't work out, we are opening it up again. Let's see if somebody has a better idea," but opening up an RFI, closing it, and somebody else comes in a little bit later --

CHAIRMAN DAUS: Just to clarify, and correct me if I am wrong, but I think they are the original pilot. The Auto Van, from what I -- and correct me if I am wrong, Peter -- Auto Van sought approval and the actual vehicles on the road under Auto Van are actually Freedom Motors' vehicles.

Is that correct?
MR. SCHENKMAN: No.

The very first vehicle that Auto Van showed to me for the initial approval was a Freedom Motors' vehicle. Subsequently, the employee left Freedom Motors, started Auto Van, and to the best of my knowledge, the two vehicles that are on the road today are manufactured by Auto Van. There are subtle differences the between two modifications. That does change some things.

CHAIRMAN DAUS: In your opinion, is it worth the extra time and effort to test this different type of model?

MR. SCHENKMAN: I think anything that fulfills the mission of the agency to put more accessible more vehicles in to test them is worth it.

COMM. GIANNOLIS: I don't disagree with that. My issue is, again, when we are going through pilot programs, I don't know what resources were spent by somebody, but it just seems to me to be a fair game issue, which is if a company pursues a pilot program and then we kind of extend the pilot, which seems to be pretty clearly what happened here,
which may be legitimate, may be fine, but we should call it for what it is. It seems like an extension of the pilot program, which it seems to me that we should issue -- there may be are other companies that want to come in, and if somebody comes in 60 days from now, they are out? Well, that doesn't seem right. Anyway, just a few more questions on the specifics.

CHAIRMAN DAUS: Commissioner?

MR. SALKIN: One of the questions I think I hear you saying is the extension of the pilot. I think what we are doing here is we are extending the opportunity for someone to enter into the pilot.

I would argue that this pilot, them putting vehicles on the road is basically a continuation of the other pilot program. So now we have, instead of two vehicles to test, we are going to have four vehicles to test. It's not to say that if Auto Van gets through the process and presents data and we can bring it back to the Commission and approve a vehicle and make rule making, that if the Commission approves that vehicle, likely,
since the modifications are similar, then
their vehicle that is still on the road that
is still in pilot phase will actually be
approved as well.

COMM. GIANNOULIS: I understand it
is not world. I have no problem with that.

My issue is real simple: We are
talking about a pilot program. Somebody is
expending resources at the end of the day, a
business person is expending resources to test
a product. If you tell me I have a year to
test a product, I am going to make one
decision. If you tell me, like, for example,
does this mean that the other people are now
extended?

MR. SALKIN: No. That's what I am
trying to say.

COMM. GIANNOULIS: Well, maybe they
should be then. That's, I guess, my point:
Do they get another six months? Because if
they get did six months --

COMM. WEINSHALL: Let him answer.
COMM. GIANNOULIS: -- They may have
decided to do something different.
MR. SALKIN: I think what we are
hoping happens is that the Auto Van pilot gets concluded quickly. We find favorably, we can work through whatever issues or concerns there are. We can bring it to the Commission for rules. The commission votes on an approved modification for Siennas. That, in my mind, from what I understand about both vehicles would mean that both vehicles, both companies would now qualify, plus anyone else who we didn't pilot would also qualify. Thus, ending the pilot that we would be addressing today because that would now be grandfathered by the rules that we pass.

But it also gives us an opportunity to see if we have concerns with the Auto Van pilot, that there is now another vehicle on the road that is looking at it from a slightly different perspective, so that we have the ability to do more research and get different perspectives. That's what we are trying to do.

I want to make clear, the intent here is not to say we have one pilot that has been going on for six months, we are going to start another one and it is another year added on to
both pilots. That pilot is still running.

The intent of the year is to make a decision within that year frame whether or not we are going to pass rules or not.

CHAIRMAN DAUS: Well, the pilot, to actually clarify that, is over. The six-month period to over.

MR. SALKIN: It is six to a year.

CHAIRMAN DAUS: We are not proposing extending it. We are basically just waiting, from what I understand, additional data from Auto Van so that Peter can finalize his recommendations to the Commission.

MR. SALKIN: Correct.

CHAIRMAN DAUS: So nothing that is done here is going to delay the Auto Van situation.

MR. SALKIN: In theory what could happen, let's say in April we have worked through the Auto Van issues and the staff is ready to present rule making and propose rules to the Commission, we might not only have the Auto Van information, but we might have also have the Freedom Motors, if they are going to be handing out postcards and doing surveys, to
help supplement that argument and actually
help us to make an argument one way or another
toward passing rules.

COMM. WEINSHALL: Can I ask a
question: If a third company came in now,
would you let them --

MR. SALKIN: I think what the
Chairman was arguing is, yes, the more people
doing this type of vehicle the better; the
more testing, the better.

COMM. WEINSHALL: So it is similar
to what we did with the hybrid vehicles, what
we are saying is as many vehicles as possible,
if we can either test or get into service,
it's a good thing.

MR. SALKIN: It's a good thing.

As Commissioner Giannoulis said, I
think the idea is not to have this as a pilot
in perpetuity just going on forever, we want
to at some point end it. And we are basically
at this point, there is --

COMM. WEINSHALL: But you didn't
answer my question.

Let's say tomorrow I am a third
compny and I come to you and say I have a
vehicle.

MR. SALKIN: We would say great.

COMM. WEINSHALL: And you would let me have a pilot program?

MR. SALKIN: We would say great.

COMM. WEINSHALL: But would let me enter into a pilot?

MR. SALKIN: Tomorrow, yes. But if it is a year from now, I think we would have to understand what is different about what they are proposing and we have on the road that the Commission did approve.

COMM. WEINSHALL: So at what point would you tell a third company that they couldn't come in?

MR. SALKIN: I think the real point would be after the Commission says we don't approve a vehicle. And right now, since it is all in testing phase, our idea is more testing is better. But at some point we are going to be ending testing. We are going to bring it in front of the Commission and say here is the results of the testing and here is the recommendation from staff, what do you want to do, Commission?
If one of your recommendations is to cancel this project, you do not like this care, it is not safe, I think anyone who comes forward with this vehicle, we have to say it's not safe.

COMM. GIANNoulIS: I am not against more testing. The analogy I am concerned with, Commissioner Weinshall, is we approved the hybrids based on, and then people were approved, once they fell into category of approved standards. We didn't continue to retest the same vehicle.

CHAIRMAN DAUS: This was done specifically to, I think, the company. So maybe in future pilots we could be -- let me ask you this question.

COMM. GIANNoulIS: Look, people raise concerns. Everybody know that. I don't have a dog in this race.

CHAIRMAN DAUS: I don't think anyone here has dogs in this race.

COMM. WEINSHALL: You shouldn't have a dog in this race.

COMM. GIANNoulIS: It just seems that it is a little -- again, I am more
comfortable if someone were to say to me,  
"This pilot ran its course. Sorry, Buddy,  
this thing doesn't work. This is why it  
didn't work. Let's put out another pilot,"  
where everybody, including the original  
person, is able to recompete and be able to  
say, "Okay, if you are saying this doesn't  
work, I can fix that."

I am just worried that concurrent  
pilots, does that really happen because  
somebody is running on a one-year schedule,  
the other person is running on another  
one-year schedule. If this guy gets rejected,  
this guy is sitting there with something on  
the street, knowing the other guy just got  
rejected and he is able to fix his thing. I  
just find that a little strange.

MR. SALKIN: Again, if something  
eventually gets approved by the Commission,  
everyone who meets that --

COMM. GIANNOULIS: That's a good  
point.

MR. SALKIN: We are trying to figure  
out the right answer. There are a lot of  
concerns with the Sienna, but there is a lot
of positive results with the Sienna. It's been a vehicle that has been used as a taxicab for a long time. A lot of the owners and the people that run the Sienna understand the Sienna, like the Sienna. And if you modify it and make it work, it will be great.

CHAIRMAN DAUS: Right. And since we brought dogs up, it is not a dog race, it is not a dog show. There is not like one Westminster Dog Show winner.

As Commissioner Weinshall pointed out, there are several companies, but there could be more than one winner of this dog show.

COMM. GIANNOULIS: Hopefully, it's people with disabilities.

CHAIRMAN DAUS: I guess my question is, you guys are the experts and you have researched this. Commissioner Weinshall, I think, brings up a very good point on the issue of other companies.

Are there any known companies out there anywhere in the United States or elsewhere that actually are in the business of doing the modifications to the Toyota Sienna
other than these two companies?

MR. SCHENKMAN: I do know of one other company that is exploring. They currently have vehicles on the road as New York City taxis, but they are exploring the options that they have, but they have not committed to it.

CHAIRMAN DAUS: Did they get a copy of the RFI?

MR. SCHENKMAN: They did originally, but at the time they were not prepared or interested.

CHAIRMAN DAUS: Maybe to kind of meet both of the concerns, because I think I agree with Commissioner Weinshall that I think the best, in terms of experimentation and pilot programs, is to test as many different ways to do this as possible. But I agree with Commissioner Giannoulis, I think Andy was pointing this out, that you don't want something to go on forever.

The disabled community is entitled to get an answer on this, and we want to basically have some type of resolution. I think Auto Van, from what I understand from
Peter, is close to the goal line. They just need to get us the data.

And we will consider your request. We have up to six months with you. But if all make sense, we will come back and basically pass rules that say we are going to make this permanent if it make sense. So that's where we are going to be. So I guess my question is, to meet both concerns, why don't we send out a letter and a final notification to whatever companies we know of, letting them know that we have approved these two, that within the next 30 days, 60 days, whatever you think is reasonable, we would appreciate it is you are interested to let us know.

This way at least we have given everybody who is similarly situated a fair opportunity, that we can rest well-assured that we basically reached out to anyone and everyone. And then we will get this show on road. No pun intended.

COMM. GIANNOULIS: I just have two specific questions on this particular project.

You say that the vehicle was crash tested with the modifications?
MR. BOGENAGER: That's correct.

COMM. GIANNOULIS: Can you give me a sense of what that costs, $5 million, $50,000, $100,000?

MR. BOGENAGER: 100,000.

COMM. GIANNOULIS: So it costs around $100,000. You take it to an established crash testing center and they go through the thing and then they give you a grade?

MR. BOGENAGER: It's for gas leakage, if there is any leakage of fuel in a collision.

COMM. GIANNOULIS: So is it different tests?

MR. SCHENKMAN: Freedom Motors' vehicle is crash tested for one specific reason, they modified the filler neck on the fuel tank, so they have to comply with FMVSS 3.01, which is fuel tank integrity because it was modified. So it is strictly to test leakage.

COMM. GIANNOULIS: So the existing results of the Sienna stand and you just test that particular thing?
MR. SCHENKMAN: Yes.

COMM. GIANNOLIS: And it costs around $100,000 to be able to do that?

MR. BOGENAGER: Yes.

COMM. GIANNOLIS: And you didn't do that?

MR. BOGENAGER: No, that is a third party that does that.

COMM. GIANNOLIS: I mean, it was done on the vehicle?

MR. BOGENAGER: Yes.

COMM. GIANNOLIS: And you passed, the vehicle passed scores?

MR. SCHENKMAN: It got an acceptable grade.

COMM. GIANNOLIS: An acceptable grade, which is passing, I assume?

MR. BOGENAGER: Yes.

COMM. GIANNOLIS: And then, I'm sorry, I wasn't paying attention for a second. Did you say you had a fleet lined up?

MR. BOGENAGER: We do and we have a couple. I guess I would just like to say that being a wheelchair accessible van, it is a delicate situation, the customers that we are
dealing with. We have been doing it for over
20 years, so I just want to recommend to look
into our references that we are going to give
to you, where we are and who we have been and
who we have been with for years, especially
Greater Houston. They have been with us for
four or five years, just ordered another 90
from us.

COMM. GIANNOLIS: Thank you.

CHAIRMAN DAUS: Okay. Any more
questions?

(No response.)

CHAIRMAN DAUS: Does anybody dare to
make a motion?

COMM. WEINSHALL: I will make
motion.

CHAIRMAN DAUS: Do I have a second?

COMM. AROUT: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: So approved, it's
unanimous. Thank you. We are looking forward
to, hopefully, expediting the resolution of
this program for the disabled community.

I want to thank Michael Harris for
joining us, who has been at the forefront of
this issue, as well as, again, Assembly Member
Kellner.

Do you want to say a few words,
Assembly Member?

No, okay. But thank you for joining
us. We appreciate it.

Our next presenter is Deborah Martin
from Design Trust. Good morning, Deborah. I
just want to say a few words before Deborah
starts.

First of all, I want to thank you and
your staff for all that you have done, it has
been for the last couple of years now, you
have been a tremendous partner. We have some
great ideas and you withstood a lot of
questioning, from what I understand, from the
City Council and came out okay and prompted a
lot of debate and kind of raised the profile
of the issue for all New Yorker in a positive
way. And I just, from the bottom of our
hearts, on Valentine's Day, thank you for all
that you have done. And welcome.

MS. MARTIN: Thanks for that warm
welcome. And I return the compliment, because
this whole project, from the beginning,
designing the taxi, through our exhibit, now
Roads Forward has been a kind of active trust
on the part of you, Chairman, and
Commissioners as a whole, working with a
non-profit like the Design Trust, being open
to our ideas. So we are really very grateful
that you were willing to partner with us on
this important effort. And we hope that the
work will be really useful to Commissioners.

As the Chairman noted, I am Deborah
Martin, Executive Director of the Design Trust
for Public Space. I am here to introduce you
to Taxi '07: Roads Forward, which I believe
you all have a copy of already. And I know
that most of you are already familiar with who
we are and what our history is with taxis and
the Commission, but I will tell you a little
bit about that just to give you a sense of
where we are coming in and the credibility
that we bring to this project.

So the Design Trust is 501-C3
non-profit. Every year we take project
proposals from city agencies or community
groups and then we bring together teams of
economists, designers, landscape architects,
whoever is required to do the work of the
project. We have worked with all kinds of
city agencies, including DCP, DCA, DDC, Parks
0EC, and, of course, TLC. Most notably
perhaps we are known for a series of high
performance or green guidelines that we have
worked on with DDC. And we look to that
project as a kind of fundamental change and
help the agency as a kind of model for the
work that we have been doing with TLC.

Our role really is to make sure that
the City of New York has access to the highest
quality information and design expertise
available. We are not an advocacy
organization. We are a resource for the city
and we make sure we are kind of a pinch hitter
that comes in and makes sure that the City of
New York has the most up-to-date design and
policy advice in the areas that we engage in.

Our involvement with taxis goes back
to 2005 when we began the project to celebrate
Taxi's 100th anniversary. Since we won't
start a project without the city agency or
community group that has to implement or that
we hope will implement whatever we come up
with, we approached the TLC to see if they
would work with us on this project, and they
were very willing and open to the
possibilities.

We had a series of workshops where we
brought together a broad range of taxi
stakeholders, many of who are in this room
today. You can see in the images, there were
many people who never met with one another
before. Fleet owners, drivers, industrial
designers, urban planners, landscape
architects, Medallion holders. And our idea
was to have these groups speak with one
another and kind plumb the limits of what were
the constraints and possibilities related to
taxis and the taxi system.

That's the book that was the product
of those series of workshops. It's here, I
believe you all have this already. This book
is not so much a recommendation as a series of
ideas that resulted from what was really a
three-week workshop series and the results of
an exhibit at Parsons. And those are images
from the opening of the exhibit.
So we were very much encouraged by the excitement about this project, the continued support from TLC and the industry and the public. So in summer of 2006 the Design Trust launched Taxi '07, and the image on the bottom left is from the press conference that announced Taxi '07 as well as Gardens in Transit. The project was designed to take the ideas generated by designing the taxi to the next level. Taxi '07 has a dual focus, the vehicle and the system.

The vehicle, we explored at the Taxi '07 exhibit, which some of you may have visited. It was at the New York International Auto Show in April 2007. That exhibit brought together auto manufacturers, some of the nations top designers, many taxi component manufacturers who work here in the city to kind of hack up cars and make them into taxis. We've helped put together teams that then produced eight prototypes that were shown at the exhibit.

The exhibit also covered many other taxi-related things. We had a film about drivers, where drivers spoke about their lives
and what it is like to be a taxi driver.

There was a lot of information about
alternative fuel and what kind of fueling
trains will be in taxis in the future.

So I can say pretty confidently that
it was the largest and most comprehensive
exhibit ever in U.S. history about taxis and
taxi systems.

In addition to raising awareness in
general among the public about taxis, the
exhibit acted as a catalyst for change within
the system. Inspired by the exhibit, Consumer
Reports performed and published a study on
replacing the New York City taxi fleet with an
improved taxi vehicle. And as you know, as
the Commissioner mentioned earlier, the
Commission in now working on the Taxi of
Tomorrow project and the EPS, which is an
outgrowth of these programs.

The exhibit received a huge amount of
press. The image you see there is there was
an AM New York cover and there was a huge
amount of information, coverage by the press
and interest within the press on this. And we
took that as a sign of support from the public
A fundamental premise of Taxi '07 is that New York's taxi services form a system, an independent network -- an interdependent network of people, vehicles, and the city itself. Taxi '07: Roads Forward, which is this publication, and this available from the Design Trust for anyone here who would like to get a copy of it, published in collaboration with TLC and released in December 2007, analyzes the current taxi system and outlines taxi improvement strategies that are feasible and cost effective over a ten-year period.

The primary authors of this document are depicted in this image. They are an interdisciplinary team that included urban planners, information designers, economists and transportation experts. I call your attention, in particular, to Sylvia Harris designed the 2002 U.S. Census. So she worked on the question of the interface between taxi users, the industry and the kind of communication system.

Eric Rothman worked for Transport for London in dealing with the dispensation of
their capital budget. He worked, in particular, on the economic value portion of Roads Forward.

Adam Miller Ball is a recognized national expert on taxis and taxi systems. So just to give you an idea of who is behind the recommendations in this document.

Roads Forward was created to give the City of New York and the TLC the best and most thorough information available about the state of the taxi system today, and to just define what are the opportunities for improvement. And, of course, the Commission and the city can then decide for itself which of those opportunities they choose to pursue and to promote.

As I noted, the Design Trust is not an advocacy organization. My goal today in presenting this document is to brief you on what's in it and how it can be a resource for you. So the document is divided into three sections. The first section is called "Guiding Principles," and it is in a sense an executive summary of the whole document.

Now, Commissioners, you all know that
you have been working from a certain set of values for years and making decisions based on certain premises, and we thought it might be useful and, of course, our partners on TLC staff agreed that it would be useful to just articulate what are those values that underlie the decisions that the Commission is making.

So the first section goes over them. They are that New York City's taxi system should offer taxi services that are safe, comfortable and easy to use for all passengers and drivers. That the system should provide a good economic value to passengers and service providers. That is should efficiently match the supply of taxi services with passenger demand. And that it should contribute to the environmental sustainability of the city. So very obvious, they almost hardly bear stating. But they are actually so important that they are worth stating explicitly, and now they are memorialized in this document for use by the Commissioners.

Section two is an illustrated guide to the taxi system. We included this section because we feel that it is not appropriate to
make recommendations for improving the system without really understanding how the system works today. So this section tells the story of the how system works today, who all the participants are. Everything from looking at the passenger, the driver, Medallion owners, leasing, what fleets are, different ownership structures. And that story is told through pictures, through gothic novel format, and also infographics. That is one of the infographics you see there.

So, for example, if you will bear with me for a moment, this one shows a typical cab ride so it analyzes from the driver's perspective where the driver goes on shift, and from the passenger's perspective at the top. If the passenger decides to take a cab what actually is involved in that process until the passengers steps out and when the driver's shift is over. So that's just one example of many infographics that describe how the system works. So that's Section two.

Then Section three is the section that really gets into what are the strategies for improving the taxi system. Those are
grouped parallel to the guiding principles of the book that I outlined in Section one in four areas: Usability, economic value, efficiency and sustainability. Each section follows the same pattern. In the usability section, for example, there is an analysis, an assessment of usability parameters, what are usability parameters. And then it goes into more specific possibilities for improving usability.

I am not going to read all of these. I put them here for your information. The top level is categories and then you can drill deeper into each of these, if this interests you as a kind of initiative for the Commissioners. The top level categories are things like supporting driver customer service; helping passengers become expert users, meaning making sure that passengers understand what drivers can and cannot do legally; ensure a safe, comfortable and accessible ride; and enhance usability through design and communications.

And this section includes recommendations that are very much about
process, how TLC works. So, for example, one of the things that the Commission could consider doing, and staff as well, is approach new requirements, for example, like service procurements as opposed to product procurements. And the book lays out the international organization for standards, the ISO standards methodology, which is to define, design, develop, deploy and document new initiatives.

This method identifies users, it sets success criteria, and it makes phased, collaborative decisions and documents the outcome, so it helps meet project goals and serves to identify an audience, whether it is the passenger or it is the owner. So this is just one offering of this book as a way to think about taxi services as service procurements as opposed to products is one example.

The next section is the economic value section. As I mentioned earlier, the primary author of this section was Eric Rothman, who is currently a partner at HR&A, and came to this project immediately after
leaving Transport for London, goes into matters that include providing economic incentives for taxi availability.

Many of these are things that the Commissioner is already considering: Support regular sustainable economic change; support driver ownership; boost reinvestment in system improvements. So these are very broad systemic recommendations that would require, of course, action by the Commission as well as the City Council and the city as a whole.

The next section looks at efficiency. And efficiency is really a question of matching supply and demand, so efficiency has an environmental parameter in that if we were to reduce the time that taxis drive without a passenger even by 10 or 20 percent, the implications of that, the environmental implications of that would be huge. So although there is a separate section on sustainability, efficiency and sustainability are, obviously, very closely matched. So the efficiency section, the top level recommendations cover things like promote flexibility in cab supplies, increase cab
availability in high demand periods, improving matching of cab supply with passenger demand.

Obviously, obvious goals that you have been working for for years but then there are specific recommendations about how to achieve those goals.

And then, finally, sustainability.

And I would say that the Commission is already working in a very laudable way to improve the sustainability of our city's taxi vehicles.

The new hybrid initiative to make all taxi vehicles require 30 miles per gallon by 2012, we applaud that effort. And, of course, we would recommend that the Commission continue its effort to collect metrics regarding environmental impacts of taxi use. And that's the first top level recommendation in the sustainability section: Maintain up-to-date environmental requirements.

And then also, explore new solutions for enhancing sustainability, advocate for sustainability with all levels of taxi stakeholders. So both the vehicles' impact on the outside environment, and then the sustainability of the vehicle itself, thinking
of it in the life cycle.

In short, that's a very brief summary of what is a very comprehensive and detailed document that really was created primarily for your use. So in closing, I guess I would just say that I really thank the Commission for the opportunity to present this book, and we are now working in terms of next steps to determine whether a group like the Straphangers would be feasible for taxi riders. We welcome your suggestion about that. And we also welcome, of course, any questions you may have about Roads Forward and any comments.

So thank you very much for hearing the presentation.

CHAIRMAN DAUS: Thank you, Deborah.

Do Commissioners have any questions about some of the proposals or the work?

COMM. GONZALES: I would just like to say thanks for all your effort in putting this book together. It's very comprehensive and it has opened my eyes to different things that we just take for granted. But I look forward to taking it to the next level.
MS. MARTIN: Thank you, Commissioner.

COMM. POLANCO: And I also concur with the representation and the book itself. Also the graphics and so forth, I really appreciate your work.

MS. MARTIN: Thank you so much.

CHAIRMAN DAUS: Any other comments? Thanks so much, Deborah. We appreciate it. The Straphangers idea is an interesting one. Be careful what you ask for.

MS. MARTIN: This whole project has been be careful what you ask for.

CHAIRMAN DAUS: Actually, I testified about this before the Council, a lot of the ideas that have been developed during the process have been implemented already. There are some that are on the table and we will go through one-by-one. We probably can't do all of that right here now, but as the Commissioners continue to read the books and digest them, we will have discussions and, hopefully, we will have you back in the future to talk about it.

But, certainly, I think the good
thing is not just working with the architects
and designers and people we don't ordinarily
work with, it was really great -- I think I
said this at the press conference -- to just
get the passenger, who has been missing in
action. You know, the passengers, there were
focus groups that are in this book that were
done with passengers about levels of service
and are they satisfied, are they dissatisfied,
what do they like and dislike. And we did
some of that with our technology project, but
this was about service in general, and that
was very helpful.

Since mostly our Commission meetings
here are attended by industry folks, people
who are stakeholders, which is good and it's
great to have them here, but we never really
get passengers, with the exception, of course,
the disability community that comes. We never
get passengers coming here or any organized
group representing passengers. So I think
your book and certainly the work of the Design
Trust was a first step in that direction, and
we certainly hope to see more of that.

And thanks for participating as well
is the Taxi of Tomorrow project. This could, I guess, serve as its genesis, and I think you are on the committee, so thanks for your additional work.

MS. MARTIN: It's my pleasure.

CHAIRMAN DAUS: Okay, the next and final item on the agenda, I apologize, Ira, for skipping over you. I got caught up in these bullet points here.

The last presentation is on T-Pep. We have our chief of staff, Ira Goldstein. I want to, first of all, thank Ira and his staff. They have been working very hard. We are well into this project now and there is a lot that has been written about it, heard about it in the media. The Commissioners have been on top of it, but now we are kind of like more than halfway through implementation and we thought it would be a good time to give you a briefing on the numbers and what some of the data is showing already.

So welcome, Ira, and thanks for the presentation.

MR. GOLDSTEIN: Good morning, Commissioners.
As the Chairman said, I felt it was a good time to give you an update on where the project is, give you some of the statistic that we have seen so far, and to give you a little bit of an update on the status of a few things.

As of now, there are over 9,400 cabs that are installed, so that represents almost three-quarters of the entire fleet. The main hold up right now is that there is one vendor that has been mentioned before that's in a bankruptcy proceeding. And that represents over 2,200 cabs. So we are hoping that we are going to have a resolution to that issue shortly. And the main -- the most important thing out of that is that everyone should know we haven't taken any enforcement action against any of the cabs, the owners that signed up with that vendor. So they are not being penalized in any way for not having the systems installed.

So far we've logged over 27 million trips with the systems installed, so it's a very large amount of data that we have been working with. And the amount of fares that
were paid with credit card are over $28 million. So, clearly, this looks like something that the public wants and wants to continue to use.

One of the other things we are seeing is that the average fare that the public is using credit or debit card to charge is a little over $18, versus an average fare of around $10.

COMM. GIANNOLIS: What's the discrepancy? It's confusing, 264 million spent on fares --

MR. GOLDSTEIN: That's total.

COMM. GIANNOLIS: And 28 is the credit part?

MR. GOLDSTEIN: Right, of cabs that have the systems installed.

That $28 million represents approximately one and a half million trips that have been paid with a credit card, and thus far, since the roll-out began, the mandatory compliance date of October to date, about 5.7 percent of all fares have been charged with a credit card.

On the next slide, that just gives
you a breakdown by month of how many of the
trips have been paid with a credit card that
have the systems installed. And as you can
see, it's going up. It goes up gradually
every month. And so far this month with the
data that we received so far, it's over 8
percent.

CHAIRMAN DAUS: Ira, I am sorry to
interrupt. What about debits cards?

MR. GOLDSTEIN: That the debit and
credit. That's both.

CHAIRMAN DAUS: Okay.

MR. GOLDSTEIN: So the use of credit
cards is increasing.

COMM. GIANNOULIS: You don't have
any comparison that you have heard of that you
can compare it to?

MR. GOLDSTEIN: In other cities?

COMM. GIANNOULIS: No. Just normal
usage of credit cards in terms of
transactions. There is no context for me. Do
you have any context? Do people use credit
cards 70 percent of the time when they are
buying stuff, 10 percent?

MR. GOLDSTEIN: I think that in the
retail and services, when they combine it, it comes up to, if I remember correctly what I read in one of the Nielson Reports, I think it's over 40 percent. Somewhere between 40 and 50 percent.

COMM. WEINSHALL: Ira, can I ask you another question: Do you have any data on fraud or people saying I was mischarged or anything like that? Do you have any information about that?

MR. GOLDSTEIN: Yes. Not fraud, but we have had some issues. One of the slides coming up is about we kind of broke down the complaints that we received from the public, from 311 and through our website basically into situations where there was a passenger double charged -- I think he feels I misinterpreted your question.

As far as chargeback data, that is something we are working to get directly from the credit card companies, where there is actual chargebacks. Some of that is proprietary, so we are trying to work out arrangements with each one of the individual credit cards. But, in general, it seems to be
a low number. There hasn't been any ground
swell of people complaining.
    I apologize for that, Commissioner
Weinshall.

CHAIRMAN DAUS: We encourage staff
members whispering in each other's ears.

MR. GOLDSTEIN: If I am off, I am
off if I am answering the wrong question.

The next slide just shows what we
started to use, the text messaging capability,
that we send text messages to the drivers.
The first time that we used it as far as
giving them information about possible fare
opportunities was the Gotham Film Festival
awards at the Steiner Studios in the Brooklyn
Navy Yards. I think it was about two months
ago. And it was held on a Tuesday night, and
it was the first time that they switched the
location from Manhattan. So the Borough
President, as well as NYC & Company were very
certain about having enough cabs there when
the event broke, when it finished.

So we sent out text messages to the
fleet of cabs around the shift change in the
late afternoon, and then we also kept staff in
the office and we had staff on-site to
monitor, to see what types of cabs were coming
there. At first there wasn't too much of a
response, but as we sent out text messages to
cabs that were within a certain radius of the
event, we ended up attracting about 60 cabs
there.

A couple of interesting thing about
that were not all the cabs that were there had
the systems. So the text message we sent out
at shift change, wherever drivers were
congregating, either in restaurants or at the
airports, they talked about this. And
presumably they had a fare that they dropped
off in Brooklyn and were going to come back
empty and they stopped there on the way back.
I doubt there are many cabs cruising the
Brooklyn Navy Yards at 10:30 on a Tuesday
night. So we think it was successful.

And the other good part was the fact
that they were there, also there were a lot of
straight plate cars, unlicensed vehicles that
were waiting, and we took the opportunities
away from them. So that's just one example
that we used it on. We think it's working
well.

My staff, we are also working with the dispatch company that does the airports, they also do for the cruise ships as well, so we are going to start doing that. We also used it a few times when JFK notified us that they were stripped out, that they were almost down to no cabs. And we were able to attract, I think we did it twice, I think it was about 150 cabs or so. I am not exactly sure on the numbers, but my staff stayed here until late one night and we accommodated them with that request.

At this point for a couple of things, I will it turn over to our Deputy Commissioner Pansy Mullins for uniformed services, to talk about inspections and give you a little more detail on the Operation Secret Rider.

CHAIRMAN DAUS: Thanks.

Hello, Pansy.

MS. MULLINS: Good morning. A couple of things. We check T-Pep several ways, when a vehicle comes in for its normal quarterly inspection, we test it as part of our inspection in the lane. So we have credit
cards that we test and we test the system to see that it works.

Also, towards the end of September/beginning of October, we started leasing vehicles and driving them around the city. One inspector was a driver, one inspector was a passenger. And we do various rides and test the system. So during the course of that, it's a fairly high compliance of the system working.

Beginning January 23rd, we began Operation Secret Rider, where basically we pretended to be passengers. We would hail cabs throughout the city. At the end of the ride, we would try to pay by credit card. If the driver refused to allow us to pay by credit card, we would issue violations. If the driver was talking on the cell phone while we were doing the ride, they would be issued violations. If seat belts weren't working, if the driver told us we couldn't pay by credit card because the T-Pep system wasn't working, we would still test it to see that it was working.

That's a project that we have been
doing since January 23rd, where we have been
using four of the squads during the day and
during the night 2:00 to 10:00. On the
overnight squad, we do a slightly different
thing, where we will pull a cab over and just
test the system to see that it is working.
The STED unit of the police department has
joined with us in this operation. They are
not riding as passengers. They are basically
pulling cars over and testing the system.

It has been a fairly high compliance
rate, especially for the use of credit cards.
The cell phone is probably the biggest
violations we have issued, but even that is
down.

COMM. GONZALES: Two quick
questions.

Would it be hard, given whatever the
percentage number was, I guess 75 of the cars
that have it, would it be hard for a driver to
find a fleet that doesn't have one, instead of
rejecting people?

MS. MULLINS: The fleets have it in.

Mostly we are talking about individuals.

COMM. GIANNOUlis: That's my second
question: Is there a particular pattern of who tends to reject the credit cards?

MS. MULLINS: No, not really.

In fact, once we started this project, the rejection has gone way, way down. So it really seems -- I think part of it is just a learning curve, everyone had to get used to it.

COMM. GIANNOULIS: Thank you.

COMM. WEINSHALL: Can I ask, of the 9.9 that failed, just following up on Commissioner Giannoulis's question, do you have a breakdown, how many of those are fleet and how many are owner-drivers?

MS. MULLINS: No, but we can get that for you.

COMM. WEINSHALL: I would love to see that.

MS. MULLINS: Okay. Thank you.

CHAIRMAN DAUS: Thank you, Pansy.

Ira?

MR. GOLDSTEIN: I would also just like to, I really just want to say that I went out and did a tour with Pansy's officers one night, and, really, the officers and the
drivers really should be commended, because when I went out we didn't give out a single summons.

There were a couple of close calls, but basically there were no summonses issued. And just the experience that at the end of the trip, we identified ourselves as TLC and we paid them in cash for the trip. I think we may have the makings of a new reality show because some of the reactions were great.

CHAIRMAN DAUS: I wish you could have been there the first day. When I went out I was a little alarmed that I basically got one driver who ended up getting a six pack and was very, very horrible. And as the days went on, the numbers really came down dramatically. So I think even after like a half day of doing this, we saw the results and they continue.

And we don't say this often, but I see some media here, I would like to thank the media for reporting it. It's nice to actually be able to announce an operation like this, and the drivers read the paper and they say, "You know what, maybe I should be doing this."
Maybe I should change my ways." So I think part of it was getting the message out beforehand. It is hard, really, to judge the before and after here because there wasn't this operation before. But Pansy did a similar operation with cell phones from the street level and the compliance numbers, even though they are different somewhat, were much, much lower.

So kudos, and we are just getting, the letters are pouring in from passengers. And we really haven't gotten many complaints drivers either. Most drivers that were interviewed or spoke to folks basically said, "Yeah, you should be doing this." It's just a small handful of people and I would agree with you.

By the way, I did go out again, like you did, after that. And I couldn't find another person who failed. It is just hard. They are just doing their job.

COMM. AROUT: I would like to say thank you very much for doing a great job. It wasn't an easy one. Thank you so much.

MR. GOLDSTEIN: We are trying. We
are getting there.

And also just certain things were said, but we even allowed the vendors that requested, we let them send out a text message on the systems the day that we started the operation, to tell them that we were starting a major enforcement initiative. So it wasn't about trying to catch them and it wasn't about trying to surprise them or revenue, whatever some people said in the press. This was just really about getting them to do the right thing and do their jobs properly.

CHAIRMAN DAUS: You also have put on the screens, if I am not mistaken, reminders to passengers on the Bill Of Rights in the preview.

MR. GOLDSTEIN: Yes, we have.

CHAIRMAN DAUS: That's important to note. And, if possible, what I would also like to do if we can work this out, maybe we can give reminder text messages to the drivers on the screens, just a reminder of the right of the day or something like that just to keep it fresh as time goes on.

MR. GOLDSTEIN: Absolutely.
And just one story I think that wrapped it all up. There was one driver that when we asked him to end the trip, ended up pulling over to the side of the road where there was a marked TLC vehicle. So when he saw the TLC vehicle, he said, "Do you mind if I just pull up in front of that, those TLC people are here."

And we said, "What do you think of those guys?"

And the driver said, "You do your job, their okay." And then we identified ourselves. So it was interesting.

I will move along. The next slide just basically shows that this has to do with the complaints that we have gotten from consumers, and it shows that even as we are getting more cabs on the road, that the amount as a percentage, the complaints are going down.

And then, finally, just on public service announcements, if you remember in the contracts with each of the vendors, we negotiated for the right to have 20 percent of the time on the passenger information monitors
to be able to put out TLC and other city
public service announcements. And what you
have there is a list of different things that
we have been able to show there. As it shows,
millions of people have been able to see these
announcements. What we usually did is we try
to time it with the launch of a new campaign.
For instance, like colon cancer awareness
month, we ran their message for about two
weeks where they celebrities talking about the
importance of testing. So I think that's
something that has worked out very well and
that we will continue to use in the future.

That concludes the presentation.

Does anyone have any questions?
(No response.)

CHAIRMAN DAUS: Okay. Thank you,
Ira.

COMM. AROUT: Good job.

CHAIRMAN DAUS: All the numbers seem
to show it is going well, so I am very
pleased.

Any other questions on any other
topics?
(No response.)
CHAIRMAN DAUS: Okay, I wish everybody a Happy V Day.

We do need motion to go into executive session to consider the matter of TLC versus Fazal Wali, Hack license number 446339. I will not be participating. I will be recusing myself, it is an appeal of a decision of mine.

Do we have a motion to go to executive session?

COMM. AROUT: I make a motion.

CHAIRMAN DAUS: Is there a second -- sir?

AUDIENCE MEMBER: They are supposed to be voting on my license today.

CHAIRMAN DAUS: Yes. We are going to end up doing it in the conference room on the other side. If you would kindly, with your representative, go out to the reception area and we will be right with you when we call you in.

We are going to convene to another conference room. Do we have a second to the motion?

COMM. POLANCO: Second.
CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Okay, I will abstain from that motion.

And a motion to close the meeting?

COMM. AROUT: I make a motion.

COMM. POLANCO: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Thank you.

(Time noted: 11:00 a.m.)
CERTIFICATION

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

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

MARGARET EUSTACE,
Shorthand Reporter