NYC TAXI AND LIMOUSINE COMMISSION

PUBLIC COMMISSION MEETING

held on Thursday, August 09, 2007

40 Rector Street
5th Floor
New York, New York

Public Commission Meeting
convened at 9:50 a.m.
PRESENT:

MATTHEW W. DAUS, COMMISSIONER/CHAIR

NOACH DEAR, COMMISSIONER

EDWARD GONZALES, COMMISSIONER

ELIAS AROUT, COMMISSIONER

HARRY GIANNELI, COMMISSIONER

IRIS WEINSHALL, COMMISSIONER

HOWARD R. VARGAS, COMMISSIONER

JEFFREY KAY, COMMISSIONER

CHARLES FRASER -- GENERAL COUNSEL
CHAIRMAN DAUS: Good morning, everybody. Could everybody please take their seats.

Sorry to keep everybody waiting. We have had some transit delays, as we know, this morning. Various Commissioners will be joining us shortly.

I would first like to start out by congratulating a new appointee to the Commission. Now for the first time in a long time, even though it doesn't look like it right now, we have a full Commission. All nine seats are filled. We have a new mayoral appointee. His name is Jeff Kay. He is seated to my left. I would like to welcome him.

Jeff is now currently the Director of the Mayor's Office of Operations, which is a critical agency in the City of New York, overseeing operations of all the various agencies responsible for reporting statistics and also gathering information and following up on key mayoral initiatives --

Jeff also, in addition to serving on our Board as a mayoral appointee, effective, I believe, as of either today or
yesterday -- yesterday -- is also a member of
the MTA Board and is serving with our former
Commissioner Lee Sander so he is really in a
great spot to share information and offer
perspective.

Before joining the Mayor's
Office of Operations -- just a little history
about Jeff -- he used to be the Deputy Director
of OMB, has a budget background, and he was
also a legislative rep at the Mayor's Office of
State Legislative Affairs.

I met him I think it was close
to about ten years ago, and we would go up to
Albany and lobby for legislation so he has
well-rounded experience, and he is also
representing the administration, and I am very,
very confident that not only will his expertise
and his knowhow help us, but it will certainly
increase cooperation and coordination with the
Mayor's Office of Operations, which we work
with very closely so congratulations and
welcome, Jeff.

COMM. KAY: Happy to be here.

CHAIRMAN DAUS: Some more
congratulations are in order. Commissioner
Howard Vargas has just added to his nuclear family. Since the last Commission meeting, his wife gave birth a baby girl. Her name is Nina.

Congratulations, Howard.

We actually were concerned that his wife may deliver during the Commission meeting, but I think she held out for another day or two so it was a little stressful, I am sure, and I am sure he is going to be losing a little bit of sleep over the next month or two.

I just want to talk a little bit about what happened the other day. You know, yesterday -- I live in Bay Ridge, Brooklyn so I was astonished not only to hear the loud thunder that night as both of my children ran into my room, but going to work, basically, and seeing the devastation and seeing trees uprooted, it was really something that took us aback.

When we got into the office, we at some point during the day were talking with Commissioner Joe Bruno from the Mayor's Office of Emergency Management, and we thought there was something we could do to contribute, and we may in the future, in fact, have plans that are
well beyond the help that we gave in the
transit strike that happened a few years ago.

Many of you are well aware in
the industry of our contingency plans we put
into place to help out New Yorkers and to help
out the transportation network.

Yesterday we conferred, and the
Mayor signed an emergency order so we had -- we
didn't have much time to get the word out, but
we did the best we could.

The Mayor signed an emergency
order, which is still in effect until 12 noon
today, not only encouraging group rides among
taxicabs, but allowing, in addition to
passengers who are getting into a group ride
scenario to share the meter, but to charge and
pay five dollars per person in the vehicle,
which if there are four people in the car it is
an additional $20 for the cab drivers giving
them an extra incentive to continue to work.

This is similar to some of the
contingency plans we put into place in the
past.

So we got the word out as best
we could.
A couple of other items as part of our contingency plan include allowing all vehicles except paratransits to pick up street hails, and also allowing a per passenger $5 charge for airport trips in taxicabs, as well as a $5 per person fare for commuter vans so we did our best. It was a good dry run for us. Our observations and our field personnel have reported basically that there was a lot of group ride and ride sharing going on even before and after we did this. The good news also, talking about the technology systems -- for the first time there are about a thousand taxi technology systems in cabs out there operational and functional. For the first time we used our emergency text messaging capability so the second that we got word that the Mayor signed the order, we sent out the new fare information and the contingency plan information to every single one of those thousand cabs. Just think about the potential that we have with these systems, and OEM is very excited about that.
In the future we will be doing even more outreach to the industry so everybody knows what the plans are ahead of time so we can just say we are flipping the switch, it is going into effect.

But certainly the text messaging capability, reaching 13,000 plus cabs, with critical emergency information such as this, it is just wondrous, and we are very excited about that.

All went well, the messages went out and were communicated to those drivers, and this opens up a whole new world of possibilities for us.

I want to again thank Commissioner Bruno for all of his hard work, Andy Salkin and David, our new Chief of Staff to the First Deputy, who have been spearheading our aspects of the plan over the last couple of days.

They are also working on another plan, which is a taxi strike contingency plan. You may have read in media reports and seen it on television that one of three driver groups that we know and deal with
has indicated that they may be interested in
striking. I think they are going to be
announcing their plans in the next week or two.
I think that is the last we heard.

First of all, we are going to be
ready if they decide to strike. We are working
with operations as well as with OEM on our
strike contingency plan, and we will be sharing
details with you in the future.

I think it is important to note,
first of all, that there is not a unanimous
opinion among cab drivers that they really want
to do this.

MR. LINDAUER: It is unanimous.

That is the truth.

CHAIRMAN DAUS: Sir, could we
please have some order and some respect?

Two of the three taxi groups
have indicated they are not going to strike,
one has indicated they are going to strike.

Basically, this is America. You
can do whatever you want rightfully, and we all
fully support your right to strike.

Do I think it is advisable in my
personal opinion for the industry? I think it
is a good thing for the industry and for
passengers? No.

I think right now we enjoy the
healthiest industry that this has ever been. I
have said this before. I don't think there is
anyone who can look you in the eye and say that
taxicab service is not a million light years
better than it was ten, fifteen years ago.

The cabs are cleaner, both in
terms of emissions and cleanliness when you get
inside. They are more efficient. The drivers
are better and safer. Accidents are at an all
time low. The programs we put into place
worked.

Medallion prices are at an all
time high. We broke another record last month.

Taxi drivers have never earned
more money in the history of the City of New
York. We have given them two fare increases
over the last couple of years. In 2004 there
was a promise and a pact that was made between
us and the industry.

MR. LINDAUER: Not so.

CHAIRMAN DAUS: Sir, could you
please have some respect for us?
MR. LINDAUER: I do, but I can't stand the lie.

CHAIRMAN DAUS: You are out of order. Could you please keep your comments to the appropriate time?

In terms of the industry and the drivers you know, people obviously have concerns about things other than money. I just don't see the money side of this. We believe that basically the drivers are going to be earning more money. Most drivers don't have to pay a penny for this technology.

Quite frankly, our studies have shown that because of the efforts of the TLC, we have gone out of our way, and the process was delayed because we were doing everything we could to bring the cost down of the tech project that was guaranteed as part of the 2004 fare increase.

This Commission voted in exchange for giving something to the passengers, the technology and credit card capabilities, and all the things that go with it, and since then not only did we give them the biggest fare increase in New York City
history, we gave them another fare adjustment last year. They are earning, and we will go over that data at some point in the future, they are earning more than they have ever earned before.

Now, when it comes down to the owners, we have done two things, and this is an excellent model we put into place with our procurement.

Number one, we leveraged the entire 13,000 cabs to deal with the credit card companies and the vendors, and to negotiate the best price for the drivers and for the owners, but aside from that we built the model of competition with four vendors.

Part of that model of competition, it was envisioned that that would bring the cost down, and they have.

From the time that we originally entered into the contract, basically, the prices that -- the average price that we estimated the equipment and the services for these technology systems would cost has been -- because of the active competition between these vendors has been cut in half, basically
50 percent, which means the overall amount the industry would have to pay was reduced by $20 million by the Commission's efforts, and basically we took this extra time to make sure we did it right, and we took the extra time to save the industry, the owner drivers and the fleet owners money so I think we have gone above and beyond.

I would just ask that reasonable minds and cool minds prevail at the end of the day.

If you are going to strike, we are going to be ready. If not, I would encourage you to rethink the impact that it is not going to have on us; realize the impact it is going to have on the industry.

I don't think that passengers are going to be too thrilled to have a lack of service in such instances. Right now we are at an all time high. Passengers think very highly of this system, and basically you could really detract from what the passengers think of the service. It is just not the right thing to do by the passengers.

That is my personal opinion for
whatever it is worth.

I think most of the Commissioners here share my opinion on that, and we hope they don't strike, because, quite frankly, there is money for them to be made. They have to feed their families and they have people to serve.

That is basically my opinion on it. We will be sharing information with the industry and with the public as we get closer if this does happen.

I talked a little bit about the taxi technology customer service enhancements.

First of all, for those of you who have been, like I have, involved with the TLC for some time, as you know, it is very hard when we pass laws to get compliance right away. Usually summonses go out, people don't really comply immediately.

We have reached a point in history right now -- this has never happened before -- we have not issued a single summons on this project. There was an August 1st deadline. Everybody in the industry, every medallion owner, had to have a contract signed.
We had anticipated, even despite our outreach efforts, that we would be forced to issue summonses.

I am glad and happy to report that for the first time in the history of the TLC, we had 98 percent compliance, and I think that is in large part due to the efforts of our staff doing the outreach, Samara and Ira Goldstein. We were out at the airports almost every single day.

We have industry expos. We have sent numerous mailings.

In fact, when I found out there were a few hundred owners that did not comply, I said "You know what? Let's not issue summonses; let's do a phone bank."

We got on the phone. We actually reached people on the other end of the phone who said "You know what? I haven't done it. I'm going to do it."

There are only a handful of people at this point who haven't signed contracts.

This is unprecedented. I like this as a model going forward. I think we have
achieved through our constituent management Relations and just taking a look -- different look on how we do business here, I think those days are hopefully gone where we have to issued thousands of summonses to get people to wake up and listen.

Our communication, our use of the website has increased, our Constituent Management Office has done a great job.

Basically I see this as a vision of what I would like to see in the future for everything we do.

So congratulations to the industry as well as our staff, because you have done a fantastic job. I just never anticipated this would ever happen. I have been here for over ten years, and very, very pleased with that.

In terms of being ahead of schedule, we are way ahead of schedule.

As of October 1st, the taxi technology systems need to be installed in every cab. Right now none are required to be installed, and we already have 1,055, which is 8 percent, so they are out there and doing
their job, and we have been getting very good
feedback, quite frankly, so this is exciting.

Next I would like to give a very
quick hybrid update. We have a total of 503
hybrid electric taxicabs in service. Over 200
of those are voluntary, and we continue to see
more and more every week so this is exciting as
we move forward into our clean air plan, which
we will be discussing hopefully at our next
meeting.

I just want to remind everybody
about the new markings the Commission voted on,
the new markings for the taxicabs. The
effective date of those rules that we passed is
July 20th of this year. There are four
authorized printers for -- six. As of
yesterday there were six authorized printers
for these new markings, and if you visit our
website, www.nyc.gov/taxi, we have literally
created a whole new website link on the home
page where you can get all the details you need
on how to install these new logos.

The compliance date is
September 1st. As of that date, all cabs must
have these new markings.
To just follow up on it, there is a lot going on, as you know. I don't think we have ever been busier.

We are going to be sending out letters and getting in touch with all the industry with a remainder, a checklist, just to make sure you check off everything that needs to be done by what dates.

That would include, we would envision, not just the new logos, but the tech enhancements, Gardens in Transit, how you go about participating if you want to, and also an upcoming auction of accessible medallions which we haven't set a firm date yet, but when we do that, we would like to send out one mailer with a very simple and easy to understand checklist, so all medallion owners can say "Hey, I have done this, I haven't done that"; just another customer service piece.

While we are on customer service, I have some good news to report in the Licensing Division.

As you know, we have a new Deputy Commissioner, Gary Weiss, who has been doing a fantastic job over there working
closely with Andy. We put a whole new
management team in place and we have made a lot
of changes over in Licensing.

Like I said earlier, I don't
think there is a passenger that you could find
on the street that would look you in the eye
and say "cab service isn't better."

I don't think there is an
industry person or a driver that with a
straight face could come to us and say "The TLC
isn't more customer friendly than it was ten
years ago."

We have made a lot of strides,
and the proof is in the pudding. We look at
the stats.

First of all, the waiting time
is considerably down. Just to give you an
example, as of -- if you compare FY '01 to FY
'06, it used to be a 57 wait at our facility.
In FY '06 it was 20 minutes, and it has come
down and stayed down considerably.

In terms of processing time to
get a hack license, back in fiscal year '03,
for example, it was 54 days to get a license,
and FY '05 it came down to 12 days, and it has
remained in the general area.

So processing time is down, wait
time is down, but that is not stopping us. In
order to render even better customer service
and make the wait that you have to be there for
a little bit more pleasant, we installed
television in all of our Long Island City
facilities, and we also created a new unit
called the Customer Service Unit.

The Customer Service Unit, if
you have ever been to a bank and you are
waiting long on line, sometimes they will have
people with clipboards come up to you and ask
you "What are you here for" and do a little bit
of intervention to make the process move more
smoothly at the window.

We have actually added several
staff that their sole function is to work the
floors of the Long Island facility and
Licensing and to make sure that people are
served better.

We have three full time
bilingual customer service reps, and they are
walking around with what is called a mobile
computer cart. There are two of them where you
have an actual on-line computer hooked up. We can sit down, go over your TLC and your DMV record with you, answer your questions so this way by the time you get up to the window, if there are any outstanding issues, they will be dealt with, and it will make things run a lot smoother.

So congratulations and kudos to Andy and to Gary and their teams. They have been doing a fantastic job.

Couple of quick updates on some projects. The Economic Development Corporation, as I reported in the past, has put out an iconic taxicab consultant RFP. This is, as I mentioned earlier, to get an automotive engineering consultant to help us look at what specifications we would like to design for the cab of the future.

We had an RFP selection committee, which involved EDC, and they chose a preferred vendor during the week of July 23rd. A notice of award went out. The name of the vendor is Riccardo, who has a long track record in doing this type of work.

The EDC's Board, the Executive
Board, approved the vendor's project, and we anticipate now to be in touch with them to work out the details of the agreement, and we anticipate work will start in the fall on this project.

The Commission had approved two pilot programs, Auto Van and Bruno. Auto Van was the rear loading Toyota Sienna, and also Bruno was the joey lift, the swiveling seat in the front for disabled passengers.

The Auto Van project has proceeded with two cars on the road to present so we actually rolled them out.

The Bruno, Bruno just executed an MOU, and they expect to have a car on the road in a few weeks. As soon as we have it out there for a long enough period of time, Peter Schenkman will give an update on how they have been doing.

The rules revision project is moving forward at full speed. Our contact with TATC of Bethesda, Maryland has been approved by the Law Department. It has been sent to the New York City Comptroller's Office for registration, and we are awaiting registration
at this point.

We anticipate that the work will start in the fall, and at the beginning of that work process, as I mentioned previously, each and every Commissioner will be afforded the opportunity individually to give their thoughts about the mission of the agency, their viewpoint on the rules, and what they would like to see this agency do in terms of how we can revamp our rules and make them easier to understand. Those will be scheduled in the coming weeks and months.

I mentioned earlier that medallion sale prices hit another record high last month.

In July of '07, the average sales for individual medallions hit a record of $424,000 each. That was based on 18 transfers. Corporate medallions hit an average of $600,000 per medallion so that is 14 transfers for that.

So they have gone up, and we have broken records practically every month for the last year-and-a-half, maybe two years, and we have just again reached another record.
We don't have all the specifics worked out for the next two Commission meetings, but I do have some dates. Due to various holidays, we have had to change the September meeting date to a Monday, which is September 10th. I will have more details on our web.

Then we go back to our regular second Thursday of the month schedule. In October we have a tentative Commission meeting date of October 11th.

Last but certainly not least, like many City agencies this time of year, we have several interns, and we are very proud of our intern program. Not only do we look at this program as a way to give people who are graduating or in graduate school or looking to graduate college soon a taste of what public service is like and to hopefully encourage them and inspire them to go into public service -- not always successfully, but sometimes we are -- it is a great opportunity for us to get a lot of work done, some catch up and some special projects where we need some extra man and woman power, and I would like to ask them
to stand as we call their names and we
recognize them.

Basically we have Mark Locasano
from St. Johns University. He is a criminal
justice major. He is assigned to the Service
Enhancements Division.

We have Jeffrey Hudson, who is
assigned to Woodside at USB. He is from Utica
College.

We have Lola Ajai. Lola is
assigned to the Safety and Emissions Division
in Woodside and is attending George Washington
University.

We have Kate Helman, who is back
for a second year in a row from Public Affairs,
for Public Affairs working with Alan, working
as we speak. Kate attends Kenyon and is
involved with American studies.

We also have Munya Abraham. We
actually had a meeting the other day. He is
from Columbia University. He is working in the
First Deputy's Office.

Also Natanya Idi. Natanya is
working in Andy's office as well and she is
from Columbia University.
In my office I actually have Craig Joseph. Craig is working on a project for me, and he is studying accounting at Penn State University.

So welcome. I hope you had a great experience, and some of you only have a couple of days left but it has been a pleasure for all of us to work with you.

We hope that some of what you see here is something that you would do to make your contribution to public service in the future.

I mean, most of the Commissioners that are here are not paid for what they do -- I get paid, Jeff gets paid that is true. Not for this.

There are many boards in the City of New York where people just give of their time, whether they are in business and they do it to help the city, but certainly you are not going to get as good of a starting salary than if you went into the private sector, but everybody that I know that has worked in government at high and lower levels, every time I see them and I talk to them at a
party or I see them at lunch, they all say "I
wish I was back working for the City or the
government again because it is exciting."
You do things to help people as
a concrete result.
We just hope that your
experience will stay in the back of your head
as you decide what you want to do with your
futures and your careers, and congratulations,
and that concludes my report.
Any questions or concerns?
COMM. DEAR: Mr. Chairman,
thanks for your report. In particular, I want
to talk about the issue of the big strike they
are talking about, and I want to thank you and
let you know and let the people know that we
have had some ongoing discussions, and I want
to thank you for listening and taking some of
the advice that I shared with you and to pursue
and to reach out to people, because I was
always concerned when there is groups out
there, nothing to do with the issue of drivers
trying to compete, who represents the drivers
and do I represent, do I not represent, and we
know that there are groups that have been there
longer than a lot of the other newer groups and
have done a fantastic job and sort of represent
the drivers.

In one case, as we all know,
this gentleman who is here all the time talking
about drivers, the head of LOMTO, Vinnie, who
is someone who truly represents it, the numbers
he has in his membership, we have to work with
groups like that to make sure, to assure that
information is assimilated to the drivers and
to let them know what the relationship is
between us and the TLC; someone who has always
fought for drivers on this Commission and for
many years has worked even in the City Council
with the Commission to try to approve the
benefits of the drivers.

I know since I am sitting here,
I would say 60 to 70 percent of the regulations
that we instituted is driver -- to improve the
life for the driver. Those two increases that
we did go straight to the driver; not to anyone
else.

So if we are going to tell the
truth, and if the drivers want to hear us out,
and that is why we have to disseminate that
information, we have to know that there is a
Commission, at least for the last close to
seven years that I am on this Commission, that
we have done so much for the drivers, and we
will continue to do for the drivers, because
the drivers are the heart and soul of this
industry.

I remember there was a time it
was so critical there were no drivers out
there. There was a shortage of drivers so who
was affected by it? Everybody. The industry
itself so the drivers are a key point and so
critical to the workings of this industry that
we want to work together, and I know the owners
too.

And then we have to look at
something else, and there is sometimes always
this misinformation, that, yes, there are
drivers, and then there are owner drivers, so I
got someone -- and there are a lot more owner
drivers than there are drivers and owners of
bigger fleets, obviously, and so we have to
make sure that we have a continued dialogue,
and we also have to disseminate information to
the press, because this becomes a press frenzy,
that someone talks about strike, and all of a
sudden everybody is jumping all over the place,
and we know it is not going to happen in that
way and there is not going to be a response in
that way, but we can sit back and let everybody
run and tell us how to work our operation.

So I think what we have to do is
to continue to have -- open more dialogue with
other groups, with other people, with the
drivers themselves.

I always say we should be a
driver friendly agency. I know you talk about
all the improvements we have done, but let's do
even more. If there are grudges, if there are
people that are dissatisfied, let's find out
why they are dissatisfied.

I told you I had discussions in
not a scientific way but a poll that was done
by somebody who takes taxis a lot, and he
shared with me some information which I shared
with you so obviously there is some discontent
and obviously disinformation that they are
receiving.

I think it is very, very
important, whatever it takes, we should roll-up
our sleeves and get out to the drivers, and you 
agree that you and I and others, and whoever 
wants to join, get out there and talk to 
drivers. I do this all this time, and I think 
it is important to get the message out to the 
drivers.

So I want to thank you for 
taking this head-on and not let anyone dictate 
to us how we should respond, and we should be 
leading, not following.

I am sure if we do this the 
right way, we won't have a problem with a 
strike, and we will have a better relationship 
with our drivers at well.

I also want to add, you sent us 
an e-mail about two requests that came into the 
agency. One in particular is an old story and 
an old issue with me with many years already, 
the owner driver issue, and you said you were 
going to take a look at that, and I just wanted 
to make sure that we pursue that, because that 
is something that I think is important.

CHAIRMAN DAUS: Right. What the 
Commissioner is referring to is the Committee 
on Taxi Safety has a lot of ideas. They
originally put in a rule-making proposal, but now they want to talk about it, which I forwarded to the Commissioners and I think we have a meeting set up with my staff and Dave Pollack and the Committee for Taxi Safety so that is what Commissioner Dear is referring to.

COMM. GONZALES: I would also like to add a couple items in particular. While the fare increases tend to get the most headlines and things like that, the other thing I am most proud of as well, we have also looked at driver safety, and in particular, you know, looking at examining the partition design as well as, you know, addressing site safety air bags in the Sienna.

While we do seem to get the emphasis on fare increases and what have you, other things are important and also reiterate our support of the industry and the drivers.

CHAIRMAN DAUS: Those are comments that are well taken and well put. I don't think anybody in the industry can doubt that Mayor Bloomberg and the Bloomberg administration has certainly been better to drivers than probably anybody else has in the
history of the TLC, whether it is treating them
as the valuable human resource that they are,
delivering the service on the front lines,
compensating them well and doing everything,
whether it is protecting them and making them
safe.

They are safe thanks to the
Police Department and the things we have done
here.

There is just a whole laundry
list of things we have done, and we just ask
the drivers to basically take that into
consideration and look at the big picture here.

Any other comments?

Thank you, everybody.

We now would move to item 2 on
the agenda, the Adoption of Minutes from the
July 12, 2007 meeting.

Any comments or changes to the
minutes?

COMM. AROUT: Make a motion to
adopt.

CHAIRMAN DAUS: Second?

All in favor?

(Chorus of "ayes").
CHAIRMAN DAUS: Item 3, Base Licensing Application Review.

Do we have a representative from licensing joining us?

MS. RADWAY: Licensing would like to present 30 bases before the Commission with a recommendation for approval.

CHAIRMAN DAUS: The ones that are noted on the agenda. Any questions or comments about the bases?

Yes, Commissioner Arout?

COMM. AROUT: I would like to put the Speed Incorporated on that list, please.

CHAIRMAN DAUS: The Speed for the business, a review of their record?

COMM. AROUT: Yes.

Also Laurelton Car Service, Continental Car Limo --

CHAIRMAN DAUS: You mean Continental Radio Dispatch?

COMM. AROUT: This one is total fines of $4,760, but it is not broken down what type of fine. Do you have any idea why?

CHAIRMAN DAUS: Is this
Continental Radio Dispatch Corporation?

MS. RADWAY: Continental Car &
Limo Service Incorporated.

I just have no idea what kind of
fines they have. Just giving us the total,
$4,760.

CHAIRMAN DAUS: This is TS Limo
C LLC d/b/a Continental Private Car & Limo
Service, the relocation and ownership change.
And the question is, you would like to know
what the breakdown of the fines are?

COMM. AROUT: Just curious.

MS. RADWAY: I know they were
issued. I couldn't speak specifically. I
don't have it before me right now, but I know
they were issued a violation for not operating
at their license location, and they are now in
the process of doing their relocation and also
doing an ownership change.

COMM. AROUT: Just one more.

New York Kings Transportation Incorporated.
That's it. Thank you.

CHAIRMAN DAUS: What I take is
you are making a motion to approve, but that we
have a business plan and take a look at the
records and monitor Laurelton, New York Kings
and Speed Inc. as part of that approval; is
that correct?

COMM. AROUT: Thank you.

CHAIRMAN DAUS: Do we have a
second?

All in favor?

(Chorus of "ayes."

MS. RADWAY: There are six bases
that licensing is recommending for a denial
with a request for an additional 30 days so
that they may present the outstanding items.

CHAIRMAN DAUS: Any questions,
comments?

Could I have a motion to approve
the denial?

COMM. AROUT: Make a motion for
denial.

COMM. WEINSHALL: Second.

CHAIRMAN DAUS: All in favor?

Motion approved.

CHAIRMAN DAUS: Item 4, I would
like to go to item 4, Proposed Rules for Public
Hearing and Commission Action. I would like to
ask Arielle Dannis to join us. She is going to
talk about some changes.

I first want to preview this by saying a lot of people don't know, the way --

the paratransit industry first of all is one we don't hear a lot about it, because compared to our other licensed industries, it is much smaller. They do a lot of important work in the City of work, and they provide a vital service to people who are disabled and undergoing medical treatment, and they really have been kind of off the Commission's radar screen because of their size and also because we haven't really had that much problems reported to us over the years, but the reality is that in all areas of our -- where our licenses are regulated, we always want to make improvements even if they are doing well to make them better.

There was a tremendous opportunity presented to us to work hand in hand with the industry and with other government stakeholders to make the system even better than what it is.

That came about as a result of some increases that were given by other
government agencies that provide social
services to the City of New York who were
involved with the Medicaid and Medicare
reimbursement program.

Most of the money that are the
income of the paratransit bases and drivers
basically come from the government social
service funds and government health insurance.

They get reimbursed for the
trips, non-emergency medical transport, whether
it is a patient on dialysis to and from the
hospital, so whenever they get an increase in
the reimbursement rate, that is their, quote
unquote, fare increase.

Recently various agencies of the
government gave them such an increase, which in
their view was long overdue, but gave them
something, and we felt that now is a great time
to work with the industry to provide further
improvements to the people that are using the
service.

Arielle is going to talk a
little bit about these improvements, but before
she does that, I want to say two things.

First of all, this is, I think,
a potential model that we are starting to
regulate other for-hire industries. Some of
the ideas we implemented here with the
paratransit industry might be things we want to
look at in other industries, especially the
livery industry, an industry that we are
committed to making fundamental change over the
next year or two.

Number two, I want to thank all
of the persons involved in this whole process,
in particular Steve Solarsh, the person who is
in charge, the executive director of the New
York Ambulette Corporation, that represents
most of the ambulettes, and Andy Salkin, who
worked very closely with Arielle and most of
the staff to go over the details of this very
complex set of regulations.

We made some changes to these
rules that basically hadn't been contemplated
in years. The rules hadn't really been touched
in many, many years.

This is kind of a good time to
look at it with a fresh look.

I want to thank you. Even
though we had disagreements along the way as we
received your comments on the rules, and there
may be further comments today as we are holding
a public hearing, basically I think it is a
better set of regulations in my view.

I want to thank you. A lot of
hours went into this, and thank you, Arielle.

MS. DANNIS: Good morning,
Commissioners. Since presenting to you last we
have collaborated with the paratransit industry
through productive conversations which have led
us to agree upon a final version of the
paratransit rules. The only significant
changes made are with the retirement schedule
of paratransit vehicles and the replacement of
these vehicles.

We are proposing today an
upgrade of the paratransit fleet. Vehicles
will still have a life of seven years. This
will be phased into effect over a 4-year
period.

Beginning January 1st, 2008,
vehicles with a model year of 1998 or older
will retire.

2009, vehicles with a model year
of 2000 or older will retire.
In 2010, vehicles with a model year of 2002 or older will retire.

2011, vehicles with a model year of 2004 or older will retire.

And finally, in 2012, vehicles seven years of age will retire.

Vehicles retiring according to this schedule presented will be replaced with qualified replacement vehicles. The requirements for these vehicles are as follows:

January 1st, 2008, all qualified replacement paratransit vehicles will have been driven less than a hundred thousand miles.

January 1st, 2009, all qualified replacement vehicles will have been driven less than 50,000 miles.

January 1st, 2010, all qualified replacement vehicles will have been driven less than 25,000 miles.

January 1st, 2011, all qualified replacement vehicles will be of the most recent model year or the model year immediately preceding will have been driven less than 500 miles.

This schedule results in newer
vehicles being placed on the road over a
three-year period.

Lastly, beginning July 1st, 2008, we will be requiring paratransit vehicles
to utilize an electronic trip tracking system
in order to better track services and prevent fraudulent claims. The data which will be
provided to the TLC monthly includes date, time
of pickup, pickup location and drop-off
location, driver's TLC license number and
vehicle license plate number.

And this concludes the
presentation.

CHAIRMAN DAUS: Thank you,

Arielle.

I would like now turn over to
our general counsel, Chuck Fraser, who is going
to talk about some changes he made based on
written comments to date and verbal comments.

MR. FRASER: The proposed rules
when published for public comment on June 15
2007, three written comments were received,
copies of which have been distributed to the
Commissioners.

Based on consideration of those
comments, staff recommends four changes to the
proposed rules as published: First, staff
recommends elimination of the proposed
revisions in the definitions of the terms
paratransit vehicle, person with a disability
and wheelchair accessible van, and reversion
back to the definitions of those terms in the
existing rules.

Second, staff recommends that
the proposed rule be revised to allow a
paratransit vehicle owner three business days
instead of 48 hours to repair a malfunction in
the electronic trip sheet system.

Third, staff recommends that the
penalty provisions in the proposed rules for
failure to transmit electronic trip sheet data
each month be revised.

For a violation occurring before
January 1, 2009, staff recommends the penalty
be revised from a $250 fine and suspension
pending compliance to a $250 fine.

Fourth, staff recommends the
proposed rule be revised to allow the
paratransit vehicle owner to affix the license
decal on the vehicle windshield without
bringing the vehicle to the TLC Safety and
Emissions Facility.

In addition, staff recommends
that a newly licensed vehicle's compliance with
the maximum mileage provisions in the proposed
rule be established by the vehicle owner's
presentation of a New York State Department of
Transportation Inspection Form that certifies
the vehicle's mileage.

The revised version of the
proposed rules has been distributed to the
Commissioners. Copies are available to the
public in the back of the room, and copies were
posted on the TLC website earlier this week.

CHAIRMAN DAUS: Thank you,
Chuck.

The first pre-registered speaker
is Mr. Alan J. Ginsberg, Courtesy
Transportation Services. Mr. Ginsberg? And
then the second pre-registered speaker is
Moishe L. Ginsberg, Courtesy Transportation
Services.

Okay. Not here.

The next pre-registered speaker
is Mr. Steve Solarsh.
MR. SOLARSH: Good morning,

Honorable Commissioner Chair, Matt Daus and
staff, and Honorable commissioners.

I am fighting a little bit of a
cold this morning, but I will try to speak up.

My name is Steven Solarsh, and I
am the Executive Director of the New York
Ambulette Coalition Incorporated. We know
ourselves as NYAC, NYAC. We are a trade
association working on behalf of paratransit
providers serving the disability community in
the Metropolitan area in concert with
government agencies.

We are regulated by the New York
State Department of Transportation, the New
York State Department of Motor Vehicles, and
the New York State Department of Health, as
well as the New York City Taxi and Limousine
commission.

On behalf of NYAC, I want to
thank you for the time to address this agency.
We welcome the opportunity to work with the
Chair and staff of the TLC to improve the
quality and safety of the service we provide to
our client population.
Each day tens of thousands of medically necessary trips are performed by licensed paratransit operators with little or no incident. Our industry is entrusted with providing safe, timely and courteous service to the infirm and elderly to and from home, hospitals, medical centers, dialysis and radiation centers, medical clinics, physical therapy and other medical appointments.

Paratransit operators provide door-to-door service from within the confines of the pickup location to within the confines of the appointment.

Clients are wheelchair-bound or require assistance walking to our vehicles. Vehicles are wheelchair and non-wheelchair accessible depending upon the mode of transportation as determined by the medical ordering provider.

I am pleased to inform the Commission that NYAC and the TLC staff addressed several areas of the proposed rules changes, and that we are in concert with these proposed modifications to the existing rules governing the paratransit industry.
I would like to thank the Chair Commissioner, Matthew Daus, First Deputy Commissioner Andrew Salkin, and General Counsel Deputy Commissioner Charles Fraser and their respective staffs for their sincere efforts.

Two significant changes in the rules are vehicle retirement and GPS electronic trip data.

Commencing in January 2008, vehicles will be retired by age, and within a few short years no vehicle will be older than seven years of age, and soon thereafter, all licensed vehicles will be brand new.

This is in keeping with Mayor Bloomberg's clean air policy, and NYAC is pleased to do its part.

The GPS electronic trip data system will universally provide a monthly stream of data to the TLC.

NYAC is currently formulating an RFP to solicit proposals for this system. We will work with the TLC IT personnel and staff to achieve this goal by mid-2008.

We are pleased that TLC has agreed to examine other concerns that we have.
In particular, we have a severe shortage of drivers, and I was welcoming hearing Commissioner Dear talk about that.

We welcome the opportunity to work with TLC to encourage men and women to work in our industry. We are striving to improve our industry, and with the cooperation of the TLC and other regulators and their willingness to work together, we will strengthen the paratransit industry, which will ultimately benefit our clients, the elderly and infirm population of New York City.

Thank you very much.

CHAIRMAN DAUS: Thank you.

COMM. DEAR: On the driver issue, it is interesting. Why is it that you are having this shortage?

MR. SOLARSH: Part of the problem has to do with what we reimburse the drivers, and there is no getting away from that, and we are hoping that this new increase recently will help us, because a lot of this is trickling down. We can't get drivers for eight dollars an hour. It doesn't work in the City of New York.
The second part of the problem

is that when a driver comes to TLC, very often

he has not been fingerprinted because he is not

in the school bus environment by the 19A bus
driver certification program, which we are

under, under Department of Motor Vehicles, and

he has to get his fingerprints through the TLC,

which is fine.

He has a drug charge of five or

six years ago. We have had instances where

they have been basically pillars of their

community, they have been clean, they have

families, they are looking for work. He gets

denied.

He goes through a very difficult

appeal process, sometimes six, eight, ten

weeks. He can't wait around. He has to get a

job for his family so he goes out and gets a

job in a trucking company or someplace else.

We have had instances where it

has gone through appeals, and one particular

case we went right up to the Commissioner's

office, and we finally wound up after six or

seven months, the company got the driver

certified and licensed, and after the driver --
it was so anticlimactic for him, within three
days after he started to work he left and went
somewhere else he was just so drained by the
process so we need assistance in the review
process. We are not looking for change of your
criteria.

If somebody had a drug
conviction five years ago or seven years ago,
maybe that should be looked at based on the
current evaluation of that driver.

Beyond that, the appeal process
is a very long process for our industry.

COMM. DEAR: You are governed
both by the state --

MR. SOLARSH: Three agencies in
the state and New York City Department of --
and Taxi and Limousine Commission, of course.

COMM. DEAR: If your vehicles
don't serve the City, then you are not on the
TLC?

MR. SOLARSH: No, that is not
totally true. Sometimes vehicles do come into
the City, and their bases may be in Nassau,
Westchester and Suffolk Counties.

COMM. DEAR: Because you are
doing work --

MR. SOLARSH: That's correct.

COMM. DEAR: I understand that.

All this time, on the drivers, they are licensed by Department of Motor Vehicles. No one else looks at them at all?

MR. SOLARSH: 19A certification might be requiring -- I have to be involved with what is called a rewrite committee on 19A certification in Albany -- and we are requesting while they have it only for bus drivers now, we want DCJS to fingerprint them early on in the process through 19A so when they come to TLC they have already been fingerprinted to a system that you could tie into with your computer. That hopefully would save a little bit more time.

Years ago when the fingerprints would take two or three weeks to come back, that was a problem. Now with the new system it only takes 48 hours to come back so that really helps us get the answer.

I think we need the ALJs to be a little more understanding and considerate of some of the violations that these people have
been accused of.

Certainly anything with violent

crimes and certainly with any kind of

pedophilia, sex acts, anything like that, we

will not even go any further.

COMM. DEAR: Does each of the

individual companies besides coming here, do

they check their drivers to make sure --

MR. SOLARSH: Absolutely. We do

a driver check through their abstract, the

Department of Motor Vehicles.

We also have an application

which must go up to 19A which must indicate his

last three employers, and we contact those

three employers.

COMM. DEAR: How about criminal

records?

MR. SOLARSH: No criminal

records. Only the larger companies are doing

that on their own, because they don't want to

be exposed to having any problems. A lot of

the smaller companies -- our industry has a lot

of mom and pops. Out of 250 companies,

roughly, licensed in the City, I would say

probably 175, 180 are the family-owned small
business person. In many instances minority owned.

COMM. DEAR: I appreciate this is a pleasure when someone who is the head of -- well, association that works closely with the TLC and works out their issues, as you know, nine out of ten times you will get your issues resolved.

It is give and take, and that is what is so important. It gives you more credibility, because I'm sure you don't want the ones, say, that are not really licensed or licensed but not really operating the way they should be out there.

It just destroys the rest of the reputation of the rest of the industry so I appreciate that also, and I just wanted to make a remark about drivers.

I know you reached out to the Chairman. There is a head of -- we have a good head now of the Licensing Division which issues like that can be raised. I know people have reached out to him, and people are reasonable, and eventually the Chairman has to make that decision, but I think we could be reasonable.
But I would imagine that probably the pay increase and everything else you will probably be able to recruit more drivers.

I also would suggest to you to reach out to the industry, the taxi industry, the different associations. They could probably help you to help how they were able to deal with the shortage, what they have done.

A lot of them have added interesting benefits.

If you notice in the Chairman's remarks, he talked about in our facilities we added TVs, we added different things to make it more amenable to people to come and make it more pleasant.

Some industry people tell me just add a few nice things, and there is a relationship that develops between the owner and the driver and things like that.

I think we have it in a nice word, we call it in Yiddish, menschkite. You have to be a mensch.

But that is what part of it also.
MR. SOLARSH: We are fortunate that the nucleus of drivers that drive for our companies don't do it for money, because if they did they would have been gone many, many years ago. They do it because they like the work so we do that have, but, unfortunately, the nucleus is maybe 30 percent of the actual workers.

We have tremendous turnover rate, tremendous turnover rate.

One other thing I wanted to comment, there was a fast track system implemented by the Commissioner and this administration which really helped getting for-hire drivers. We want to go back and visit that and see if we can get for-hire drivers not having to go through the same process all over again, which is a duplicating process and just having to be 19A certified, which a for-hire driver doesn't have to be in the City of New York.

Once that driver is 19A certified and pays his money, we just want -- we would like that driver to be put on the road, and that is certainly something we can
revisit.

CHAIRMAN DAUS: I actually don't know how to spell mensch, but our goal is to be licensing mensches to all.

Certainly we are going to look at some of these suggestions as the Commission suggests.

There is always more we can do. I think this industry in particular, even though it is small and there are very high standards set, there are too many regulatory players involved. To get reimbursed, you have to go through these machinations; all this bureaucracy. You have DOT, you have DMV, you have us.

We understand that makes it difficult so our goal is if there are things that we can do, Gary, licensing, to streamline the process to not have to go back and forth between the facilities -- and we have done this with other industries -- certainly we will look at that and work with you on it.

MR. SOLARSH: Like drop-off windows have been very helpful.

CHAIRMAN DAUS: And they have
done great things in this regard, but there might be things that are peculiar to the whole scenario with paratransit as well.

MR. SOLARSH: We always wind up, as you mentioned before, with a couple of thousand drivers versus the size of the industries that you regulate; you get lost in the sauce.

I thank you very much, and we look forward to continuing our relationship.

CHAIRMAN DAUS: Thank you.

The next speaker on the pre-registered list is Craig Vorselen from Sterling Ambulette.

MR. VORSELEN: Good morning, Mr. Commissioner, Deputy Commissioner, ladies and gentlemen. My name is Craig Vorselen. I am the owner and president of Sterling Ambulette.

Sterling operates 41 TLC licensed paratransit vehicles. Sterling is at least one of several large paratransit fleets operating in New York City who are not members of the New York Ambulette Coalition.

Concerns of these large fleets
have not been adequately addressed in the coalition's discussion with the TLC, and I wish to ensure that the Commission has additional perspectives prior to finalizing the proposed regulations.

I do not purport to represent the other large fleets, but I think in all probability they share my concerns.

The people who really should be testifying today are the patients, many of whom are of limited means, who depend on paratransit vehicles for transportation, non-emergency medical transportation. They are not aware of these proposed regulations and the potential impact on their quality of life.

The proposed cost of implementation of these regulations will result in a reduced number of paratransit vehicles operating in New York City serving a population that is going to increase steadily over the next several years, and I ask the Commission consider these ultimate consumers of services.

My major concerns have to do with provisions related to the model replacement vehicles and the electronic trip
ticket. Both these mandates are unfunded. Unless the TLC can approve higher fares to offset the cost of these mandates, which is not within its charter, these vehicles will result in fewer paratransit vehicles on the road servicing the population.

The reason for this is as follows: An ambulette company's revenues, as the Commissioner points out, are largely pegged to fixed rates of reimbursement established by the New York State Department of Health.

Effective January 1st, 2007, these rates increased by 20 percent for some but not all transportation. Just to clarify that a bit, they increased for scheduled medical transportation to and from medical appointments. They did not increase for day treatment programs going into adult day health centers so those costs are held flat; however, you know, the cost of implementing the Commission's recommendations are -- now they are going to impact the scheduled medical appointments, of which there was a fee increase, but also areas that have not had a rate increase.
The previous rate increase was in or around 2001. The previous rate adjustment before that was in 1996. Since then, we all know the major operating cost for ambulette companies, such as gasoline, automobile insurance, Workers Comp insurance, utilities and labors, have increased by multiples of the figure approved in January.

The Department of Health rate increase is a reflection of increased operating costs. It does not allow for the significant capital investments the proposed regulation will require, and I would like to speak about each area of concern in a bit more detail.

In terms of model year requirement, please understand that I would be very happy to operate a fleet of brand new vehicles, as would all paratransit operators; however, the cost pressures of this business do not allow this.

Unlike taxis and black cars, paratransit vehicles are inspected semiannually by the New York State Department of Transportation. The DOT has a very well established safety and serviceability criteria
as the basis for its inspection, which ensures
the quality of the vehicles and serviceability
of vehicles passing its inspection.

Any fleet operator like myself
will tell you that the DOT is very thorough,
and it is very good at its job. Only self,
well-maintained vehicles pass their inspection.

The proposed regulations make
the generalization that newer vehicles have
more safety features. The DOT addresses safety
and serviceability with specifics which are
inspected semiannually.

For the TLC to take the position
that the ability of a vehicle to pass a DOT
inspection is irrelevant is not logical, and it
is not reasonable.

The Commission also wants to
mandate that after a phase-in period, all
vehicles placed in service must be brand new
and not used. Even with fleet incentive
discounts, the large scale replacement of
vehicles mandated by this regulation is cost
prohibitive.

My fleet upgrade program
consists of acquiring newer used vehicles from
organizations that don't have the capability
that I do for maintenance. I have three full
time mechanics, a 3-bay garage at my base
location, and I receive a fleet discount on
parts.

Earlier this year I purchased a
model year 2001 ambulette from a senior center
in Park Slope. The vehicle had 60,000 miles,
and I paid $7,500 for it. Maintained by my
mechanics, this vehicle has much serviceable
life left. It easily passed a DOT inspection.
The consumers who ride in this
vehicle are very happy, but a comparable new
vehicle, as mandated by the TLC, even with
fleet discounts, will cost $27,000 plus tax.

Consequently, I can acquire
three to four late model vehicles for the cost
of one vehicle. As a result, I can operate a
large fleet which results in more vehicles on
the road serving the consumers and maintaining
a very high service level.

Obviously if my fleet
replacement budget has to cover new vehicles,
that number is going to be reduced, and the
ultimate consumers will suffer.
Should the Commission feel compelled to mandate paratransit vehicles, I suggest that it study requirements established by the Interagency Council of Mental Retardation and Developmental Agencies, the IAC. This is a consortium of 120 organizations which on a daily basis serves 75,000 disabled individuals and their families in metropolitan New York. Member agencies includes the United Cerebral Association of New York City, the Association for Help of Retarded Children, and the Jewish Association of Philanthropies.

Last year the IAC established a transportation management arm to centrally manage its consumer transportation. In their detailed study of this same topic of vehicle age, the IAC mandated that its providers provide vehicles that are not less than 12 years old, or have not less than 225,000 miles on the odometer, whichever criteria comes last.

There is no prohibition on placing a used vehicle in service, and the IAC contracts with a number of ambulette companies operating in New York City, including Sterling, for transportation of its consumers.
In terms of the electronic trip ticket, I would like to highlight a couple of issues. First, this mandate is discriminatory. To my knowledge, no other class of vehicles within TLC's purview is required to submit an electronic trip ticket.

Why is this just for paratransit vehicles? If the state of intent is to increase the accountability of the industry to its consumers and to the Commission, why is it limited to paratransit? If the Commission is interested in accountability, surely it should seek the same level of accountability for all for-hire vehicles it licenses.

This mandate is unfunded. It will require the purchase of hardware, it requires software that will be developed by third party vendors and integrated with a GPS. It is unclear what time frame this can be accomplished; however, a deadline has been mandated.

What is clear is there will be a cost for development of this software by the vendors, which fleet owners are not in a position to absorb and cannot pass on to
consumers in terms of higher fares.

CHAIRMAN DAUS: I'm sorry. Mr. Vorselen, could you try to sum up? We are way over the --

MR. VORSELEN: I understand.

CHAIRMAN DAUS: If you could sum up your main objections. I understand you are objecting to the vehicle retirement, the electronic trip sheet.

I just have to correct you. The whole issue about the strike has to do with the fact we just put this in every yellow cab so there is precedent for doing it.

Why don't you just continue and sum up your main points.

MR. VORSELEN: I have two other points.

CHAIRMAN DAUS: That is fine.

MR. VORSELEN: One is that the concept is unworkable and requires the driver to operate this, and unless we can tie the driver doing this to a fixed fare system like in a taxicab, it is unworkable. The driver has no incentive to do this.

No black car driver would do
this, and the Commission hasn't mandated it for
the black cars.

There is also implementation
issues that aren't fully addressed such as
purging, archiving, the trip data in the
vehicle, which we all know has to be done.
They are not there so I would recommend this be
tabled for further study.

CHAIRMAN DAUS: Actually, I am
going to ask First Deputy to join us and talk
about addressing some of your concerns. Based
on what I heard so far, even though you have
concerns about these rules, there are several
things which were just brought up which I think
are based upon either misunderstanding or
misinformation about the process and issues.

If you can take a seat, and I
will ask Andy to come up, and if we need more
questions from you, we will ask you to come up.

MR. VORSELEN: Can I make one
more point?

CHAIRMAN DAUS: Quickly. It is
not fair to the other people that are
testifying.

MR. VORSELEN: I understand.
On the drivers, I would also ask you to consider the impact on them. We talked about driver pay, we talked about taxi pay. The bottom line is if we need to invest in vehicles and technology to the level that you are asking, there is not money to pay the drivers.

CHAIRMAN DAUS: And Mr. Solarsh talked about the drivers. We are aware of that.

Thank you. If you could just stick around, we would appreciate that.

Andy and Peter?

MR. SALKIN: He raised several concerns. I don't know which particular concerns the Commission wants us to focus one. One thing that we did touch upon when we initially initiated this program is just what the changes are, and I think we have a slide from the old presentation at the end of the presentation Arielle gave.

Just to address the issue, it is estimated based on the fare change that was given to them, to the industry, we estimated that it would add about 12 to $13,000 per year
per vehicle that is run in the industry, and
the service enhancements that we are discussing
we believe would cost between 2,500 and $3,000
a year for the car, and a couple hundred
dollars a year for the electronic tracking.

So that is how we came up with
the numbers. I think one of the things that
was discussed was the idea of using new
vehicles versus old vehicles and the whole
state DOT inspection versus the TLC concerns on
safety.

Can you go to the end of the
presentation?

So that is a slide we had
presented initially that talked a little bit
about how some of the numbers break down and
what our estimates were based on working with
the industry to get a sense of how much the
cost is.

Peter is going to talk a little
bit about what State DOT does versus TLC's
concerns, because they are not exactly the
same.

MR. SCHENKMAN: Good morning.
The state DOT focuses on the overall safety of
the vehicle and the proper functioning of the
equipment to move the passenger.

TLC's concerns obviously are
emissions. The state has a higher threshold
for emissions on these vehicles. This all fits
into the Mayor's plan of having cleaner
for-hire vehicles.

A vehicle with over
200,000 miles pollutes at approximately
1.7 percent more than a vehicle with less than
100,000 miles, and that is a concern of ours.

CHAIRMAN DAUS: Any questions?
COMM. DEAR: How did the whole
genesis of this, how did it all start?

MR. SALKIN: The regulation of
this industry falls upon many different
jurisdictions. As is noted, I believe the
State Department of Health has jurisdiction
over Medicaid and Medicare payments, and the
industry has been soliciting a fare change from
the State Department of Health.

The way the State Department of
Health works is they go to the local entity to
find out if the local entity agrees to the fare
change or not, because the local entity, I
believe, pays 25 cents on the dollar for any increase in fares.

In that case, the local entity here in the City I think is split between the Department of Mental Health & Hygiene and HRA.

An agreement was reached on giving a fare change between those entities.

The Office of Management and Budget was involved, obviously, because they are paying money, and in turn they asked the industry for increased standards, and the things that they asked for, one was to help with tracking and understanding just what the trips are.

I think there is always issues of fraud and concern of fraud in the Medicaid and Medicare industry so that is where the electronic information and sharing information is.

And I will say this is much different than what we are requiring of the taxicabs, but it is still to be electronically transmitted on a monthly basis.

Then the idea of the whole retirement of the fleets, the age of these
vehicles you see around the City are very old.

Again, somebody talked about in the presentation, over 50 percent of the vehicles are over seven years old, eighteen percent of the vehicles are ten years or higher.

The idea of bringing that fleet down and making it new and making it really a good ride for the passengers that follow the latest standards and safety trends was something that everybody kind of came back to the TLC with so we are just carrying forth the rule making.

COMM. DEAR: We were contacted by the local agencies?

MR. SALKIN: It was initiated by others. Obviously if it was a fare change you regulated you would have been involved, but it is not something that is part of the TLC's purview.

COMM. DEAR: The industry, as you see now, somebody came forward and said "I don't belong to the bigger, larger agency."

Anybody like that?

MR. SALKIN: I think the
Chairman pointed out that it is an industry that kind of existed and done their thing for a long time without really hard core oversight by the TLC.

CHAIRMAN DAUS: I don't think we can govern by absolute, unanimous consent by people that we are regulating.

I do know that Mr. Solarsh represents a considerable number of operators in this industry, and, I think, Mr. Vorselen has some legitimate concerns, but I am looking at this as objectively as I can.

I think practically 90 percent of what you just mentioned was basically a misunderstanding of what we are looking to accomplish, and I disagree with you that we should just not do vehicle retirement because we shouldn't do it.

We understand that improvement is always going to take into account costs on the businesses. I think this is a fair objective and reasonable change.

When we did vehicle retirement for the yellow cab industry, it was the best thing we ever did for the cab industry, and if
you recall, it was all done on one day.

This was, I think, a very reasonable proposal. It has a phase-in over several years, and the more a vehicle is on the road, ten, nine, eight years, the more it pollutes the environment.

Even though there are a small number of these vehicles, we have to do everything that we can to clean up the air in this City.

I congratulate most -- the overwhelming majority of this industry coming forward and supporting it. We usually don't get it when we make our decisions.

With all due respect to Mr. Vorselen, I do disagree with us not moving forward on this.

COMM. GIANNOU LIS: Just anecdotally, I worked for one of the largest agencies in the City years ago. It provided service for people with disabilities, and not to disparage the industry, because if you could keep the thing on the road you do, but the ambulettes were horrible, and we probably dealt with 30 different companies.
You would regularly change companies because the ambulettes that were servicing you, you wouldn't put consumers in the vehicles. That is just the reality.

This isn't -- Mayor's initiative aside, this isn't about the environment, this is about the people with disabilities who are in these vehicles that have no air conditioning, the seats are damaged; severely disabled individuals who were transported numerous times during the day from either group homes to treatment centers.

There is a shared cost here. Even though the state and the federal government pay for a part of this, the not-for-profit agencies that provide these services are expected to also pay for a part of this if there is not enough money.

Quite honestly, looking at the groups that are mentioned here, I know them very well, and their budgets are very large, and everybody in those companies do very, very well so if they need to take a couple thousand dollars a year out of their salary to make sure people with disabilities have good vehicles,
they should.

I recommend -- I mean, if you are to look at a New York City cab and you are to look at an ambulette, the people in this Commission would be amazed at the difference. It is really a serious issue.

I think we should do what we can to make sure there are new vehicles on the street.

CHAIRMAN DAUS: That is a very good point. Thanks for pointing that out, Commissioner.

Actually, we do have two more speakers. I am not sure if you intended to sign up for this. Ethan Gerber, you put next to your name proposed auction rules. Do you have a desire to speak on paratransits?

MR. GERBER: Not at all.

CHAIRMAN DAUS: Mr. Bill Lindauer, do you have a desire to speak on paratransits?

MR. LINDAUER: Basically, other stuff, but I want to say one thing.

CHAIRMAN DAUS: If you could
please limit your comments, with all due
respect, to paratransit rules.

MR. LINDAUER: I am a true
mensch. I am not here to talk about the
mishagos, called GPS, for short.

Paratransit people can get
drivers very easily. Pay them 15 to $20 an
hour, give them a benefits package; as simple
as that. They will be knocking down the doors.

I think maybe you want a little
too much money for yourselves as the heads of
these companies. If you give it to the drivers
so that they earn it, and a driver can love his
job but he needs the money too.

You say, "Well, they don't do it
for money."

Well, at the rates that you pay,
it is obvious they don't do it for money.

Okay. Thank you.

CHAIRMAN DAUS: That concludes
our public hearing.

Do we have any other questions
or concerns, or do we have a motion to approve
the rules?

COMM. AROUT: Make a motion to
approve the rules.

    COMM. VARGAS: Someone was raising their hand.

    CHAIRMAN DAUS: Did you sign up?

    MR. HANUKOV: I wasn't aware I was supposed to sign in over here.

    CHAIRMAN DAUS: For para?


    Good morning, Chairman, and the Commissioners.

    I have heard a lot of things this morning. I agree with the gentleman with the hand up. I think he gave a very, very precise speech about the industry and the issues that we face in the industry.

    It is very easy for somebody to come up here and say pay the driver $15 an hour, give him this, give him that.

    Between all the agencies that govern us, it is basically -- there is a lot of left hands and not enough right hands.

    We are being forced to do $100 worth of service and get paid less than $100
I don't know who is very happy in this industry. I service quite a few hospitals. I don't do groups, I don't do anything like that.

What we are required to do is take patients up four flights of stairs, sometimes requiring two to three drivers to do that.

When the drivers pull up and they are forced to double park, they come downstairs, they have a couple of parking tickets. Then we got to fight with that agency.

Now, not only are we being paid less than $100, now we have to pay out of the pocket to do this job.

I was here today to see what the result of this hearing is going to be. I am actually in the midst of deciding whether I am actually going to stay in business or leave this business.

I service -- I do provide a very good service. You can get references about my company from the places that I provide service
If I leave, I don't know what is going to happen in this industry, but I have 100 percent passing grade from DOT, and I have proof to present that to you. My vehicles are all very safe.

I have a very good crew working for me, and basically the implementation of all these things that you are proposing has to come out of somebody's expense, and I really don't think it should be coming out of my expense.

Everybody is talking about this raise, this increase we received. It is as if it is all gravy.

This increase that we received is going to cover last year's gas bill, okay? Many of you might not know that. I still have a big debt to the gas supplier. It is going to cover a lot of the things, a lot of the expense that I had to pay payroll with credit cards that I am paying major vig on, and you are proposing for even more spending on this industry.

I don't know how the other companies operate. I am sure that Mr. Solarsh
made you believe that he is the leading --

leading the industry here. I think there are

over 200 ambulette companies, and I think with

his coalition there is only 12 companies signed

up.

So I don't see how you can say

that the industry leader is agreeing with you

on this. Maybe some of the people are not

here. Maybe some of the people are not aware

of this meeting, but I am not sure that Mr.

Solarsh represents the majority of the

industry. I am certainly not a part of that

majority that he thinks that or you think that

he is a majority of.

That is basically all I got to

say. Thank you very much.

CHAIRMAN DAUS: Thank you.

Any questions?

I think, Commissioner Vargas,

you had a point to make?

COMM. VARGAS: I have a

technical amendment to the rules. I think the

definition of "driver," the bracket needs to be

moved one space to encompass the word "a."

CHAIRMAN DAUS: Do you know what
COMM. VARGAS: Page 1 under the definitions.
The way it currently reads, it says "A driver is a person licensed by the Commission to drive a in the City of New York."

MR. FRASER: Actually, if you look, "paratransit vehicle" is not deleted so the rule as amended would say "licensed by the Commission to drive a paratransit vehicle in the City of New York."

Do you see? The brackets are kind of lost in the parenthesis.

CHAIRMAN DAUS: It is a little confusing, but those parentheses were there before so that is why they look weird.

There are two sets of brackets. One is "wheelchair accessible van," which is marked for deletion, and the words "or ambulette" are marked for deletion as well.

I had the same reaction when I looked at it, but I think Chuck is right on that.

Any other questions about the substance of the rules?
I think we had a motion on the floor.

Do we have a second?

COMM. KAY: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "ayes.")

CHAIRMAN DAUS: It is unanimous, if the record could reflect Commissioner Dear is out of the room.

Thank you.

For the two new people that we have had here today, I would encourage you to sign up and meet Samara Epstein, who is in the back, from Constituent Management.

I do believe Mr. Solarsh's group is bigger than what you are saying. I have personally been at the meetings, and I was a guest speaker several times.

You do have a valid point, and just because there is an organization that represents most, it doesn't mean that people who choose their First Amendment rights not to be involved shouldn't have their voice heard.

I just respectfully disagree with the comments that you are making, and I
have seen enough and I think the Commission has
seen enough data and information to believe
that even though you may have some issues with
your particular company, that overall this is
the right thing do.

We do want to learn more about
your situation, so if you would be kind enough
to give your contact information to Samara --
if you could just put your hand up in the back.
That is Samara -- we would be happy to get you
on our list, talk to you and see what the
issues are.

If anything needs to be
reconsidered or looked at in the future, we
will be happy to work with you.

I would like to now move to item
5 on the agenda, Proposed Rules for Commission
Action, item 5a, Medallion Auction Rules.

I want to thank my Commissioners
who brought up some very good points following
the public hearing about a month or so ago.

First and foremost, I want to
thank Commissioner Rose Gilhern and Inspector
General Julie Block, who is here today from the
Department of Investigation, as well as all the
people who worked so hard in the New York City
Law Department on not only coming up with these
changes to the rules, but the subsequent
revisions.

We work very closely with many
industry reps, including Ethan Gerber who is
here today, and I think we have been
responsive, and I think we have learned from
some of the comments that were made, and I
think we have come up with some pretty narrowly
tailored language that makes the rules even
better than we originally proposed them.

I again want to thank DOI for
their help over the years with the auctions.
They have been involved every step of the way
with every single one of our auctions in terms
of having integrity procedures in place, making
sure the bids are secure and so forth.

We look forward, in addition to
their report where they basically came up with
many of the recommendations that resulted in
these rules, we look forward to continuing,
Julie, to working with you as we go into our
final auction of accessible medallions making
that even more successful than the prior
auctions, and issue free, and with the utmost
of integrity and security to make it a
full-proof process.

I think these changes are
potentially a model for how auctions can and
will be done.

I want to thank you before I
turn it over to Chuck.

MR. FRASER: These proposed
rules were the subject of a public hearing at
the Commission meeting on June 14, 2007. The
proposed rules were tabled pending further
staff consideration of the written comments and
the testimony given at the public hearing.
Having concluded that review, staff recommends
a series of changes to the proposed rules.

First, the staff is recommending
that the bidder certification contained in
Section 1303a of the Rule be amended to
eliminate the requirement that the bidder
certify the bid was based on independent
evaluation. Instead, the staff recommends a
provision requiring the bidder to certify that
the bidder has not relied on statements made by
New York City in determining the amount to bid.
Second, the staff is recommending a change in Section 1303a of the proposed rules relating to bidder certifications, and section 1303o relating to collusion among bidders.

The proposed rules as published would have prohibited a bidder from disclosing a bid price to any other bidder and would have required a bidder to certify such nondisclosure.

Staff recommends narrowing those provisions to say that only disclosure of a bid price for the purpose of restricting competition or inducing other potential bidders to bid or not to bid. The staff is recommending a parallel change in the section on bidder certifications.

Third, the staff recommends the addition of a sentence to section 1303n which would provide that a bidder who wins on more than one bid must close first on that bidder's highest bid, and then in descending order of bid prices.

Similarly, in 1303g, the staff recommends 1303g be revised to prohibit the
assignment of a winning bid to a corporation or
other entity if an owner of that entity has
defaulted on a higher bid.

Fourth, the staff is
recommending a change to the provisions of
section 1303p, which prevent a broker from
bidding, to limit the prohibition to brokers
who have advised as to bid price or who have
obtained actual knowledge of the bid price that
a bidder is bidding.

As a result of this change, a
broker who provided assistance with paperwork
but did not learn the price or did not advise
to a price being bid by any clients would be
permitted to bid.

Copies of the proposed rules
revised to reflect the staff's recommended
changes have been distributed to the
Commissioners and are available to the public
in the back of the room and were posted on the
TLC's website earlier this week.

CHAIRMAN DAUS: Any questions or
comments about the changes? I know
Commissioner Giannoulis, you had concerns last
time.
COMM. GIANNOLIS: A lot of them were addressed. What is the issue with the paperwork?

MR. FRASER: It was pointed out to us that some brokers, or at least one broker who pointed it out, in certain circumstances advises as to bids, but the bid form at the point that that broker advises does not have the bid price on it.

In other words, advises as to the technicalities and logistics, but not as to the price and so that broker would not be disqualified if that is all that broker did from bidding.

COMM. GIANNOLIS: Somebody fills out the form and says "Here, fill in your number?"

MR. FRASER: Right, that sort of thing.

CHAIRMAN DAUS: I think there are a lot of good ideas that came out of this, and I want to thank Commissioner Giannoulis in particular -- Commissioner Dear is out of the room -- but we had a very good debate and discussion about this and came up with a lot of
scenarios and concerns which I think have been addressed, and also I want to thank Commissioner Ed Gonzales, who actually behind the scenes did a lot of work and committed to providing us with some very interesting information about how Treasury bond auctions are run and how they do things.

And while they had some great ideas, we did learn that, like Sothebys and Christies are called English auctions, and what we have been doing for a couple of years are called Dutch auctions. They are different in their procedures, but some of the good ideas Ed had don't seem to apply because of the way the Local Law is written.

You know, with the industry, I think we are better off sticking with the same type of auction. It has been very successful.

I just want to thank you. He spent a lot of time on it and had conference calls with our attorneys as well so I want to thank you for doing that extra work for us.

Any questions, comments, concerns about the rules?

Do I have a motion to pass as
amended?

COMM. WEINSHALL: So moved.

CHAIRMAN DAUS: Do I have a second?

COMM. AROUT: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "ayes.")

CHAIRMAN DAUS: Okay. It is unanimous. Thank you.

That concludes item 5a on the agenda. I would like to go to item 6a, a Proposed Pilot Program for Commission Action.

COMM. GONZALES: Mr. Chairman, Commissioner Dear was out of the room.

CHAIRMAN DAUS: If we could just note Commissioner Dear was out of the room. I don't know if he has left for the day. His papers are here so he may be coming back. His briefcase is here so he is out of the room.

Proposed Pilot Program for Commission Action, 6a, is Evo Wash. This is a company that wrote to us under our pilot program rules asking us to approve and mandate. It seems like a very nice product, a waterless car washing liquid. You can basically wash
your car without using water. I guess that is
great to conserve water. They say it is 100
percent biodegradable, and it is great for the
environment.

Be that as it may, the
Commission has mandated that you have clean
cars. We are not at the point that we are
mandating the type of products you use, whether
it be Turtle Wax or Evo Wash so I don't think
it is really something that is appropriate for
regulatory action or consideration, but we do
have these procedures to bring good and new
ideas to our attention, and we have to respond.

Accordingly, since we have no
regulatory role, in my view, over this type of
stuff, even though it is a beautiful product,
it looks like, their literature, I recommend
that we deny their pilot program, and we do
officially have to bring that to a vote.

Any questions, concerns?

Could I have a motion to deny
the pilot program for Evo Wash?

COMM. AROUT: Motion.

COMM. VARGAS: Second.

CHAIRMAN DAUS: All in favor?
(Chorus of "ayes.")

CHAIRMAN DAUS: If you still have new ideas, we would certainly love to hear from you, but you might want to take the time out to contact our Constituent Management Office first or Jen Palmer of our staff before you actually spend hours and hours on putting together a formal proposal to see if you need to do it at all, but certainly we will take them as they come. We have had a lot over the years, and it is working out very well.

Item 7a, turning to the staff presentations, 7a 1, we have a couple of items that require Commission approval involving taxicab decals, both of which we will point out ahead of time are voluntary, and we would also like to get an update on Garden in Transit, the project we are working very closely with the administration and portraits of hope on.

We have Reyna Jenkin here from the Mayor's Volunteer Center. Reyna, and Jen Palmer, welcome.

They are going to give us a brief update on the project and talk about the sticker that is being proposed for approval.
Welcome, good morning, good to see you.

MS. JENKIN: I am here from the Office of the Mayor along with Jennifer Palmer from TLC.

We are just here to give you a brief update on Garden in Transit as well as present a public information sticker for your approval.

You have heard a lot about Garden in Transit over the past year, and we want to share some highlights with you all as they just recently completed their painting and are now switching gears to the installation phase.

To date, more than 23,000 adults and children throughout New York City have participated in the painting covering three-quarters of a million square feet of floral panels, which is approximately 80,000 florals flowers.

As mentioned, Garden in Transit is now moving towards the installation phase, which is why we are here. We wanted to present to you this public service announcement component, which we believe will go a long way
in educating the public about this exciting project.

MS. PALMER: On your screens you have a copy of the sticker for your approval. The main purpose of this sticker is to quickly communicate with the passengers in the vehicles the purpose of the project and to give them more information and point them in the direction of the websites, 311, et cetera.

The size of the sticker will be 5 by 5 inches and will be placed on the vinyl part of the partition on the right-hand side and, Gardens in Transit will be covering all costs associated with the production and installation, which is voluntary and will happen at the time of panel installation.

If the Commission has any questions for us, we would be happy to answer them.

CHAIRMAN DAUS: I guess, I mean -- let's cherish the moment of these two presentations, because with the technology systems, by the beginning of next year we won't be having any more stickers anymore. We are going to be communicating items such as this on
our public service announcements, on the
screens of every cab, but certainly, I mean, I
have no objection to supporting this program
and giving a voluntary sticker, unless anybody
has any other comments.

COMM. KAY: What is the timing
of when this is going to get rolled out?

MS. PALMER: The installation
phase starts in September, so the stickers will
be produced before then and then will start be
applied as the panels are applied to vehicles
as well.

COMM. KAY: For how long will
they stay on?

MS. PALMER: They will be
removed when the panels are removed,
December 31st.

CHAIRMAN DAUS: Any other
questions?

Okay. I would like to make a
motion to approve the sticker.

COMM. AROUT: Motion.

CHAIRMAN DAUS: All in favor?

(Chorus of "ayes.")

CHAIRMAN DAUS: Thank you,
Reyna, Jen. We appreciate it. We are very, very excited about this program. It is going to be a tremendous success.

Next item on the agenda is item 7a 2, credit cards. We have Gary Roth joining us from our Customer Service Technology team to talk about an exterior decal.

MR. ROTH: Good morning. My name is Gary Roth. I am on the Service Enhancement Team.

We have a brief proposal to put credit card stickers on the exterior of the taxicab. The purpose of the sticker is to inform passengers that credit card and debit cards are accepted in cabs, especially during the roll-out phase, because not all of the cabs will be accepting credit cards. This will give them notice as they enter the cab.

In addition, taxicabs are currently viewed as a cash business. As you are aware, all businesses which accept credit cards have a sticker on the door, and this would just be similar to any other type of business.

It would also be useful to
inform tourists, as the many visitors to New York may be unaware of the progressive policies of our Taxi & Limousine Commission. This would help to inform them that credit cards are accepted.

We would also use it to remove the old credit card stickers. You may have seen there are some stickers on cabs, and we would remove those and place only the approved stickers, and it would provide a cleaner, more standardized appearance.

So we have proposed to standardize both the size and placement of the sticker. Placing the stickers will be optional.

The stickers will be required, or we suggest they contain all mandatory credit card brands. They would have American Express, Visa, MasterCard and Discover with JCB card optional.

The logos can be placed in any order. It would be a total about 6 inches in length with four stickers and 7.5 inches with five stickers, and each logo would be allocated 1.5 inches.
The stickers will be transparent where no logo is present and will require to be double sided, and they will be affixed to the rear passenger window, or in the case of the Crown Victoria, the rear quarter window.

Also, if the stickers, if the medallion owner decides to place stickers on, we are requiring they place two, one on each side.

Then I have a couple of mockups we made showing how they would look with the new taxicab designs.

As you know, it would be in the rear of the window just above the door handle, and this is the Crown Victoria. I have the Toyota Prius, Ford Escape and also the Toyota Sienna.

My presentation is complete if you have any questions.

COMM. KAY: How come we chose to do it vertical rather than horizontal?

MR. ROTH: It was just aesthetics.

COMM. WEINSHALL: My guess is if you do it horizontal you are going to block the
view of the mirror. Vertical you block less of
the view. Aesthetically, what I think is going
on.

COMM. KAY: I will leave the
aesthetics.

COMM. WEINSHALL: We have had so
many aesthetic presentations on this logo I
don't think we should go there.

COMM. KAY: Fair enough.

CHAIRMAN DAUS: I have a
question. Is there a point at which we can
decide we want to remove them because it has
become common knowledge, like maybe a year or
two from now? Is that included in your
presentation?

MR. ROTH: Of course you could
remove them after a certain point in time, but
it still would be valuable for tourists who may
not be aware that credit cards are accepted.

CHAIRMAN DAUS: So the motion
that you are requesting we vote on it would be
to approve it until we decide to come back and
make an affirmative vote to remove them so they
will be allowed until further notice?

MR. ROTH: Yes.
COMM. DEAR: It is optional or mandatory?

MR. ROTH: Optional.

COMM. DEAR: Is it mandatory they have to put it the way you want it, or they could put it --

MR. ROTH: That is correct.

COMM. DEAR: Based on the outside of the cab, why would you want to put it on the outside?

MR. ROTH: It is on the window as a 2-sided sticker so it will be visible from both the inside and outside.

CHAIRMAN DAUS: I have an aesthetic objection to the way that would look, because I don’t want it to interfere -- you are talking about the long sticker? It is going to interfere with the whole beautiful logo we came up with.

Motion?

COMM. AROUT: I make a motion.

CHAIRMAN DAUS: Do we have a second?

COMM. KAY: Second.

CHAIRMAN DAUS: All in favor?
(Chorus of "ayes."
)

CHAIRMAN DAUS: Thank you. Good work. I am sure the vendor is very happy.

They had proposed and advocated for this as well. Hopefully that will help with the program that I think is going to help. Every little bit helps. It is going to help awareness. It has functional use, not just aesthetics. It is going in increase awareness. A lot of people don't know that these new cabs are accepting credit cards.

I have gotten nothing but positive feedback about the cabs that have been rolled out there, and as we get more of them and there is more heightened visibility, including the sticker, it is only going to make people use the credit cards more often, which means more money for the drivers.

Item 7b I am going to table for now due to all of the -- we were kind of pretty much absorbed in the storm contingency plan yesterday so we weren't able to complete this 2006 fare adjustment update, but in the near future we will finish that project.

This is basically so the data we
have collected from the electronic trip sheets so far, very comprehensive, and we have analyzed it but we are not finished so I'll put that on at one of the next Commission meetings and we will go over it.

Item 7c, the Accessible Vehicle Demonstration Project, we had several presentations in the past, and this is hopefully our final presentation where we are going to go over our draft rules and a project update.

I would like to thank Chuck Fraser and Samara Epstein, who have been working very hard on this project, as well as Liz Weinstein, who is here from OPS, and Jason. Welcome, Jason from the Mayor's Office for People with Disabilities.

We have gotten a lot of positive feedback so far from the Commissioners. We are at the point now where Samara is going to make a presentation so that what she is proposing, unless we have any final comments, will result in Chuck drafting rules for hopefully our next meeting.

So Samara, thank you and
welcome.

MS. EPSTEIN: I did a presentation a few months ago that most of you will probably remember. Some of you are new so you won't remember that, but basically what we are looking at is to match the unknown demand for wheelchair accessible taxi service with a limited supply of accessible vehicles.

There are 81 accessible vehicles on the road. A person in a wheelchair who needs that vehicle has a lot of trouble trying to flag that down on the road so we are trying to match them up with those vehicles so they are more useful.

The idea to do this is to consolidate demand through a central call center. One thing that is very important to us in looking at this is a reasonable level of service.

I use the word "reasonable" because we are not sure what "reasonable" means at this point. We are working closely with a bunch of advocacy groups for people with disabilities to help us determine what that means.
Again, this is a demonstration project, and the reason for the demonstration project is because we have a lot of unknowns so we are not sure what a reasonable level is going to mean, and that is something we want to figure out when we do this.

The demonstration project, the reason we decided to go with this is it really allows us to test the idea of a central dispatch, because we are not sure what it is going to mean for us. It has been very successful in other cities.

Chicago has had a lot of success with this. Their program is a little different than ours because theirs is subsidized and ours wouldn't be, but we do have good contacts in Chicago, San Francisco and a number of other cities, and we talk to them about how theirs have worked so that is something that we want to continue doing over the course of this.

The demonstration project would gauge the demand for hire accessible service. We would have to be dispatching technology which really isn't out there right now in a way we would be using it; establish best practices
using our counterparts in other cities and also
groups for people with disabilities in other
cities to help us figure that out; and it would
also enable us to monitor the program for two
years so we can determine how to best provide
service in the future.

We don't know that this is going
to be something that should be continued, or
maybe it will be great and something that will
want to be continued. This is sort of one of
many steps in trying to figure out the best way
to provide accessibility in our not for-hire
vehicles.

What I am going to walk you
through today is just sort of a basic outline
of the way we envision the rules working to
make sure that you are on board with a lot of
the ideas before we bring them forward to you
for a vote.

So the first major group of
rules deals with passengers. A major factor in
this system is for passengers using wheelchairs
only. There are many -- I am sure there are
other people that would want to use the system
that had disabilities, but we have a limited
supply of vehicles right now so we are looking
at just assisting people that need the ramp.
They need the ramp. They have to get into the
car in their wheelchair; they can't transfer so
a lot of other people with disabilities can
actually hail a car on the street or call a
regular community car service, and that is why
starting with this program, it is just for
people in wheelchairs.

They must be able to get to the
curb. I think we had an example before from
the paratransit driver going up four flights of
stairs. This is a passenger that can get to
the curb, and then the driver will help them
into the car.

Passengers who call and are not
in wheelchairs, something we are trying to
figure out is how can we try and discourage
that kind of fraud, because really this is for
people in wheelchairs.

An idea we had is allowing
drivers to charge a person who is not in a
wheelchair who call for their service twice the
normal fare.

Also, if passengers are more
than ten minutes late for the ride, the driver is permitted to leave, because they are taking time out of their normal driving rounds schedule picking up rides so we think ten minutes is a reasonable window.

And we have been working with people in the industry trying to figure out what a normal standard is, and we will continue to discuss this with the advocates to make sure everyone is okay with that.

The next thing I would like to talk about is the drivers. There is a lot of specifications for the drivers, particularly with these rules, because we have to make sure they are going to comply with the system.

So the first, and very important, factor is that vehicle drivers have to be properly trained. They are going to be trained to use the technology and trained in helping the passenger in and out of the vehicle and securing them in the vehicle as well.

Drivers need to help the wheelchair user in and out, as I just mentioned, so we want to make sure they know how to do this properly; also securing any
packages that they may have.

They should be available to return to an accessible dispatch. The way this system would work is we sort of envision that the dispatcher would send a message to the driver, and we don't want drivers to say "I am not available."

You know, if they are working, if they are driving, they are available. And I added in here something that happens is if a driver is in the middle of something, and they know they can't get there for a half hour, that we are going to allow them to do that. They can estimate a reasonable time based on their activities, but we want them to be available to participate in this system. That is why they are driving the accessible vehicle.

If a driver refuses too many dispatches, we don't know what "too many" means yet, we are trying to determine that, then they would be subject to penalties.

Drivers put the meter on either at the time of the reservation or when they get to the pickup, whichever one is later, and that
is to encourage both the driver and the
passenger to be there on time and keep this
running efficiently.

Lastly, we have to have rules
for the vehicles that will be participating in
this program so all wheelchair accessible
yellow taxies are going to be mandated. They
have to meet the TLC specifications for
accessible vehicles, which we have up on our
website.

And of course we will continue
to work with Peter and all of the people that
work in this industry, manufacturers and second
stage manufacturers, to keep having the best
vehicles on the road that we can.

Wheelchair accessible for-hire
vehicles can opt into the dispatch system.
Once they opt in, then they are going to be
subject to all of the accessible dispatch rules
and held to the same vehicle standards as
accessible taxis.

Also, accessible FHVs that are
in the dispatch system would be equipped with
meters, because we have to make sure that a
passenger calling, since this system would all
be together, FHVs and taxis would be in the
same system, that that passenger is going to be
paying the same amount whatever kind of vehicle
they get in, and that is why for the handful of
FHVs, we want to put meters in them.

There have been a number of people
that have been working with us on this project,
and we anticipate they will continue to do so as
we go through.

Once this starts, we are going to
be continuously evaluating it and trying to make
it better.

The Mayor's Office for
Disabilities, the Mayor's Office of Operations do
it, and 311, because we are anticipating they are
going to take the call and transfer it to the
dispatcher, and that is because we want this to be
an easy number. Somebody that comes in from out
of town, we want them to be able to use this
system as well. That is one of the reasons we
need to use 311 and also why we don't have any
sort of certification to participate in this
program; because we want anybody to be able to use
it at any time.

Outreach and discussion, we have
already reached out to a lot of different people
and will continue to do so. There is advocates
for the disability community, central service
providers, other cities as I mentioned, and also
Easter Seals is a non-profit organization that has
been working pretty closely with us.

Lawrence Carter Long is here today
from the Disabilities Network of New York, and he
has been providing a lot of great feedback for us
as well.

I think we are in a good position
to work with a lot of people to make this the best
it can be.

So the next steps we are looking at
is in August and September, we are going to do
more outreach. We will soon have a draft of the
rules that we can share with people. Advocates,
drivers and owners are three groups, and we will
post the proposed rules on the TLC website where
we would like to be able to have a longer comment
period than we always are able to do because we
want to get really good feedback on this.

In October we anticipate having the
public hearing and hopefully having Commission
action on the proposed rules.
In November we see doing a soft launch, and by that what I mean is we are going to sort of launch it slowly to make sure everything is working so all the vehicles will be equipped with the technology, they will be running, people will be using the system, but we think it is going to take a while to gear up so November would be the beginning.

And then January we can come back and update you and let you know how things are going.

CHAIRMAN DAUS: Commissioner Giannoulis?

COMM. GIANNOULIS: How many accessible taxis are there?

MS. EPSTEIN: 81.

COMM. GIANNOULIS: I assume this doesn't include the mythical livery taxis that are supposed to exist by law?

MS. EPSTEIN: Not right now. We think Easter Seals is going to purchase a bunch of livery vehicles that would participate in this, and also we are planning on doing auction in this fall for 150 medallions. We are going to do that over the course of the next year.
COMM. GIANNOLIS: So the dispatcher would be able to speak both to the driver and to the passenger and back and forth?

MS. EPSTEIN: Yes.

COMM. GIANNOLIS: Would it make sense more then to have as opposed -- if you set up a time for reservation, if I say 5:00 o'clock, and somebody is late, either the driver is late or the passenger can't get downstairs for some reason, will anybody -- I am just concerned, and I am sure you are concerned too, that either the driver turns around and says "Well, I was there ten minutes, I went, or" -- I mean --

COMM. WEINSHALL: You are asking for some method to call --

MS. EPSTEIN: Something that we anticipate is -- you know, human nature. It is not always going to work perfectly, and they are going to need to get in touch with each other. The driver can get stuck in traffic. Anything can happen.

The dispatcher that we are negotiating with right now on the contract is a black car dispatcher that does a lot of this
kind of work, and something that they are very familiar with doing, especially with their corporate clients; matching up the driver and passenger, and they do a lot, so we expect that the dispatchers' number will be given -- the driver will be able to communicate with them quickly, and the passenger will know they can call if they are wondering why the vehicle isn't there, if there is a problem; that there will be a lot of back and forth.

We are also asking to get data on those kinds of communications so we can monitor them.

COMM. GIANNOLIS: I would be also concerned about the passengers delays not having to do with anything but their disability. There may be only elevator in the building that they can get onto. There is issues that they can't control that will delay them.

Just quickly walk me through this. If I am a driver and I go to a fleet that has accessible vehicles -- of the 81, how many of those are fleet owned?

MS. EPSTEIN: All one fleet.
COMM. GIANNOLIS: If I am a driver who goes to this fleet and I lease a car, and I get -- in theory the dispatch would attempt to find a taxi that is close to the passenger?

MS. EPSTEIN: Yes.

COMM. GIANNOLIS: But I am in Manhattan. I get a call saying "Harry lives in Jackson Heights. You have to go pick him up." That is a lot of dead time. That is the problem, I know.

MS. EPSTEIN: We have been talking to the owner of the fleet that has these vehicles. I think he wants to make sure that these are being driven and they are on the road, because those are the rules as well, and we are trying to work on different ways that we think might incentivize the drivers to want to do it. He may decide there are certain things he wants to do. I am not even sure yet. That is a valid concern. It is one we have as well.

We are going to kind of have to see how this plays out. Again, we don't know where everyone is going to be coming from either and how that is going to work out.
COMM. WEINSHALL: Can I just ask this question? Weren't those medallions sold at a discounted rate because they were handicapped eligible?

MS. EPSTEIN: Yes.

COMM. WEINSHALL: Those medallion owners paid a lower price recognizing that this is a possibility, correct?

MS. EPSTEIN: Yes.

COMM. GIANNoulis: I am more talking about the driver.

COMM. WEINSHALL: I understand that, I understand that.

COMM. GIANNoulis: That is the real issue.

COMM. WEINSHALL: Maybe the fleet owner has to make it up to the driver. All I am saying is there was a certain price that was paid for the regular medallions, and these were at a much discounted rate; they were much lower. The idea was that they were going to have to provide the service, and that is why we discounted the rate. What I am saying is if the fleet
owner borrowed money to buy these medallions,
he is paying less than the guy with the regular
cab and maybe he has to make it up to those
drivers.

MS. EPSTEIN: Something else we
have been thinking about, there might be times
of day where drivers are really excited to be
able to get dispatches, and we have to see how
that plays out as well. It may be an incentive
at certain times of the day when you are
driving around for a while trying to find a
ride.

COMM. WEINSHALL: I hear your
point. It is going to be hard to get a cab to
leave Manhattan to drive to Jackson Heights and
pick you up in your wheelchair.

COMM. GIANNOULIS: I am not
being critical. It is great that you are
trying to get this done. It is a real problem.

MS. EPSTEIN: It is a valid
concern, and I think that we need to try this,
and hopefully some of these FHVs that we are
going to have in the outer boroughs that are
serving as community cars will help with some
of that gap.
Also, taking reservations in advance allows us to maximize efficiency by having them -- say it is a yellow cab driver and they are routed to do a few rides, they would go to point to point, and it would be at least efficiently routed so it wouldn't be as painful.

The on-demand stuff, that is a big question.

COMM. GIANNOLIS: Maybe after you do the pilot, you could -- we could try to figure out how to get some money for it.

The reality is you could play it out now, because these are statistics. People with disabilities, especially people with wheelchairs, their income is going to be lower, they are going to live in the outer boroughs. It is just reality.

You know, it is going to be tough to do it.

COMM. KAY: I think there is also a focus -- correct me if I am wrong -- to get the community cars out in the outer boroughs involved in this in some way so you are not just stuck with the 81 yellows that are
presumably obviously driving around Manhattan.
I think that is important in making this thing work.

Certainly this is the service we should do. We should try and roll out and learn from the mistakes of the other services out there, and we should try to work this thing out.

COMM. WEINSHALL: Can I ask a question? You said in your presentation there are other cities that do this, and I think you had Chicago, San Francisco and London. What were you able to pick up from those other cities? Is it also a dispatch system? How many cabs do they have? Have they had a problem like this where it has been difficult to get these type of cars to various areas of their city because it is not part of the center city?

MS. EPSTEIN: Chicago is a really good example for that, because Chicago has a central business district in the loop, for those of you who know Chicago, and then there are people who live in the suburbs or a little further out that is not in their normal
course of cruising around.

Chicago and San Fransisco, and all other cities that do it, except for London, that do this, they are usually, you can call or hail at any time so what makes New York City very unique is that we normally have an only-hail system for yellow cabs, and that is why it is a little bit different for us than it might be for them.

Chicago also subsidizes the ride. They give out vouchers so something we are not sure about is who is going to take the service for the exactly the reason that you are mentioning; how many people are going to be able to take the unsubsidized service and decide to do that so we really don't know what the demand is going to be for this particular type of service.

Chicago, I can't remember how many vehicles they have right now.

It is 51 vehicles, and what they ended up doing was mandating that you had to do, I think, two rides a day and so once you had finished your two rides, you didn't have to do more, but that was what they did to tell
them that they had to do that, and that was
sort of how they handled it.

But they have had some of the
same kinds of issues, and they are working
through them.

COMM. WEINSHALL: Thank you.

CHAIRMAN DAUS: That is a good
question, and I am glad, Commissioner
Weinshall, you pointed this out, because we are
different from every other city, because we do
have this unique hail system for yellow cabs,
and the administration has been tremendously
devoted to enhancing the rights and the
convenience for disabled passengers. It has
been a very tough issue to tackle.

We have the 150 new medallions.
We have this program. I think the
Commissioners here have raised some very valid
concerns and some challenges. Yes, there is a
challenge here. The challenge is that you take
this on, not everybody is going to agree with
it, not everybody is going to be happy.

Certainly at the beginning
before the word gets out there will be kinks in
the system, so there will be some criticism, so
I commend the Mayor, the staff and Commission for spending so much time on this.

Quite frankly, we are expending some political capital, and we probably will at some point when we first start getting out there, if it doesn't work, we are going to be criticized, but that is okay.

This administration does things that sometimes, you know, people may complain about it, but it is the right thing to do.

You know, the disability community doesn't 100 percent support this. There are some people that want to do 100 percent accessibility. I don't think that works. We have tried a lot of things over the years. This is the one area where we really need to make a difference and make it happen.

I think the plan will work. There may be some kinks in the beginning, but a lot is going to fall on the shoulders of the Mayor's Office for People with Disabilities. Jason and Commissioner Saplin have been there every step of the way, but we need to really get the outreach out there.

Not everyone who takes
access-a-ride is going to want to use the service. They don't want to use taxicabs. They want to use access-a-ride. That is their decision.

There is no way we can determine what the demand is unless we actually get out there, and I think that staff's recommendation that we go with the demonstration project I think is a good one, because we are not going to be taking people like the yellow cab industry who are not used to doing dispatches and telling them from the beginning "Let's just try it and see how it goes."

You are taking somebody who has the biggest conglomeration of bases in the black car industry, who does it day in and day out, one of the most successful operators, and I visited practically every black car base in my travels over the years, and they know how to do this. They know how to deal with stranded customers. They have the system down to a science.

If we had to pick a way to go, I think this is the way, in my opinion. I think that is going to make it a lot better than if
we would have done it on our own with a consultant, and just with the one fleet that is involved in the yellow industry.

COMM. GIANNOU LIS: Is access-a-ride fully funded, or do the users pay?

MS. EPSTEIN: I think they pay the MTA fare.

COMM. KAY: It is a very small amount. The costs are extremely high.

COMM. DEAR: My concern here is we are starting now to go down a very slippery slope in the sense that yellows was never -- the idea of yellows being dispatched was a no-no, and that is why we took out the two-way radios, we talked about all kinds of things we were concerned about.

Here what you are doing is mandating the yellow driver. The car service is not mandated in this program, and then what happens is we know the reality is it is just a matter of time before if not half or the entire fleet, new cars are coming out, we are talking about new things happening, we are going to see a lot more accessible vehicles on the street.
What is going to happen is we are now going to have a new system that because they are accessible, you are going to have to now have a new type of car service.

There are alternatives. The idea with -- the community of disability, all they wanted is the equal access so that is saying "Listen, you don't dispatch cars out." They are in a wheelchair, or if they are disabled, they want to be able to get in a car. That is where we should be focused.

I know the frustration we are going through because we want to do something for the community of --

CHAIRMAN DAUS: Are you suggesting we just mandate every cab become accessible? That is what it sounds like to me.

COMM. DEAR: It is going to eventually happen by itself, and you know that is going in that direction, because you see the new cars coming out, the new ideas.

If the standard is going to be a reality, that is going to be an interesting car, and then with the study that the Economic Development Corporation is doing.
There are a lot of things we know it is a matter of time, a lot of things are going to be changing.

I am just concerned that we are going to start dispatching, where does it stop? All of a sudden we dispatch these kind of cars, and tomorrow we will say, you know what? There is another program we have to dispatch.

We have to take a hard look at dispatching yellow cabs. I am not there yet. It is something we should take a hard look at.

CHAIRMAN DAUS: Fare enough.

COMM. DEAR: The other thing is, Commissioner Giannoulis brings it very well, is someone going to come from here to Jackson Heights?

The owner may say go ahead and do it, and he may compensate him, he will do whatever it is, but you have many different drivers, you have many different drivers. If you are going to start going after the drivers for not doing it, I am concerned.

There is going to be a new mandate on them, and then what you may have, a lot of drivers saying "I am not taking a car
with accessibility. I am not going to be
responsible for that."

CHAIRMAN DAUS: I understand
your point. I disagree.

COMM. WEINSHALL: I just want to
say one thing. I want to commend the staff
also. I know that this sector of the
population has been very concerned about this
issue, and the one thing I would say is just
what Jeff said, which is you try it. If it
doesn't work and we got to sort of nudge it a
little bit and correct it, I think that, you
know, this Commission has to be nimble enough
to be able to do that.

But I do know this community has
for the last two years been crying out for some
type of approach.

I would just like to commend the
staff for sort of coming up with what will
probably be a first step in this area.

CHAIRMAN DAUS: Again, I know
Liz worked on this, Leslie is here, Schwani has
joined us from OPS, as well as Carol who is not
here -- Carol Post did a lot of work, and of
course Jeff, thank you for your staff spending
time with us on it.

COMM. DEAR: If what we are really doing here is because there is a failure in the other transit system that picks up people with disabilities, if it is a total failure, if we want to be smart, we should tell them to use the dispatch system we are going to use, and start shaking them up, and they get paid for it.

I am not disagreeing. This is something we should have a real discussion on, because this is -- the failure of another agency, the Transit Authority on a program that -- I can't believe it -- they are getting paid zillions of dollars for it, and they just don't know how to work. That is they system.

Somehow we should take a harder look, and maybe we could be helpful in some way, but I am just concerned because someone else failed, it doesn't mean we have to take over.

CHAIRMAN DAUS: We will look at it from that angle.

COMM. KAY: It is something that has certainly been on my mind, and I think this
is a good shot for us to provide an alternative, but it doesn't mean we should not work with the MTA on this issue.

COMM. DEAR: We will fire them, we will embarrass them. We will do it with less cars and do a better job. Maybe they will get embarrassed.

COMM. KAY: Start small.

CHAIRMAN DAUS: It sounds good, and there may be areas to work together on that.

I want to point out, Commissioner Dear, that this is a different service. It is a premium service, and access-a-ride was built for -- to supplant public transportation.

This is not public transportation. This is a private industry that people pay more so I think this is something people need to bear in mind.

We are not voting on anything today. This is our third staff presentation, so we are not making any decisions, but I would like to ask the staff to work with Chuck Fraser and the Legal Department and the Law
Department's attorneys into a draft of rules that we can get out to the stakeholders through the Mayor's Office for People with Disabilities or Constituent Management Office.

Let's get some input before we actually bring it here for a hearing, and then we will have our hearing and make our final decision on tweaking this or tweaking that.

Any other questions?

Thank you, Samara.

COMM. AROUT: I vote to adjourn.

CHAIRMAN DAUS: We have a motion to adjourn.

COMM. WEINSHALL: So moved.

CHAIRMAN DAUS: Unanimous.

Thank you.

(Time noted: 11:50 a.m.)
CERTIFICATION

I, HELENE GRUBER, a Notary Public within and for the State of New York, do hereby certify:

THAT the foregoing is a true and accurate transcript of my stenographic notes.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ________________, 2007.

_________________________

Helene Gruber, CSR