NYC TAXI AND LIMOUSINE COMMISSION
PUBLIC MEETING
held on Monday, September 10, 2007
40 Rector Street
5th Floor
New York, New York
Public Meeting convened at 9:30 a.m:

PRESENT:

MATTHEW W. DAUS, COMMISSIONER/CHAIR
ELIAS AROUT, COMMISSIONER
NOACH DEAR, COMMISSIONER
HARRY GIANNOULIS, COMMISSIONER
HOWARD R. VARGAS, COMMISSIONER
EDWARD GONZALES, COMMISSIONER
LAUVIENSKA POLANCO, COMMISSIONER
JEFFREY KAY, COMMISSIONER
CHARLES FRASER, GENERAL COUNSEL
CHAIRMAN DAUS: If everybody would take their seats, please. We are going to get started. We are going to make an even more conscious effort to start as closely to as on time as we possibly can in the future because I know often everyone waits for 10 or 15 minutes and we are going to try to step up and see if we can start promptly at 9:30 each day.

Chairs report.

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

And I would also like to thank TLC staff and also all of our government colleagues who worked around the clock with us on conceiving and implementing the contingency
plan, including OEM, the Mayor's Office of
Emergency Management, Commissioner Bruno and
his staff; the NYPD, Commissioner Kelly played
a role in helping protect those drivers that
did come to work; Department of
Transportation, Jeff Kay and his team at
operations; the MTA; the Port Authority and
DoITT. And in particular, there is one person
I would like to single out from our staff who
did a fantastic job, and that is David Klahr,
the chief of staff to our first deputy, who
really was the project manager and the person
who oversaw our plan from beginning to end
internally working with OEM.

So I want to thank David.

Congratulations, David, you did a great job.

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

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

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

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

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

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

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

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

The contract was, I am happy to
report, was registered with the Comptroller
and the contract is ready to go. We have the
present CEO of the company here with us today,
Ken Murray. Ken, could you please stand so
everybody knows who you are.
Ken is the present CEO of TATC Consulting, Technical Assistance and Training Corp. He brings a tremendous resume with a lot of work dealing with government agencies, especially at the federal government level. And he is here to observe his first Commission meeting, see how we work and how we operate. And shortly thereafter, after setting out a timeline and a workflow plan, we are going to be meeting, as we promised, with each and every Commissioner individually so that they can some one-on-one time with the consultant to explain what they believe our vision should be.

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

Also I would like to conclude with some personnel announcements. First, I would like to announce the appointment of Sara Meyers officially as Assistant Commissioner.
for the Division of Licensing Standards.

Sara, congratulations.

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

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

We have some judicial appointments to
announce today. First, our Chief Judge Carmina Schwekie. Carmina, welcome.

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

And Carmina, along with Judge Cohen, will be working for and reporting to Joe Eckstein, our Deputy Commissioner for Adjudications.

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

Judge Cohen served at the District Attorney's office for several years, Kings County District Attorney's office. Also she did some very important work at the Committee to Combat Police Corruption. She also was a
law firm associate in trade infringement and
merchandise counterfeiting, has a varied
experience. Earned her JD at Fordham Law
School and has been with us for several years.

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

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

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

In particular, also the industry and
all those drivers. I made it my business
during that two-day period to stop drivers and talk to them and thank them. In fact, I saw a few cars parked and I saw them walking out, the drivers, and asked them, "Are you on strike?"

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

Because I have to tell you, many times you get good ideas from the people who are on the street, and I feel it's very important, and something that I have been
advocating many times, maybe after every
Commissioner meeting, if it doesn't get out of
hand, if we could have some sort of public
time where people could come in, like we did
on the City Council on the budget and many
other issues, where the public could come in
and register and speak to us and tell us what
the issues are and everything else. And we
should take it seriously.

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

Remember that the drivers are people
that we desperately need. We always talk
about the drivers, we give them so much, but
if they don't know -- if we have to announce
now that we gave you a 26 percent increase,
then something is wrong in our communication.
They are getting it in their pockets, money,
so something is wrong if they are not
appreciative or they don't understand.
I remember when I stopped one of the drivers, he was a little concerned. He looked at me, I realized, I showed them ID, I said, "I am not coming to report you or anything like that. I just want to have a conversation with you. I live in the neighborhood. You can always reach out to me personally if you have to." And he felt good afterwards, and I remember a group gathered afterwards and we talked about the issues and everything else.

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

And at this time also, besides all the drivers, I think a big faction here, a big group that helped us a lot was the fleet owners. And I would like to publicly acknowledge the fact that the fleet owners
came forward, stepped forward, did what they
had to to get those cars out. And I know also
LOMTO worked closely with you. They went out
and got the message out. And the Taxi Safety
Group also got their people out. So everybody
was out there, so I think collectively we had
a great response to something which could have
been a big crisis.

CHAIRMAN DAUS: Thank you. Those are
fair points. Any other questions or comments?
(No response.)
CHAIRMAN DAUS: Thank you,
Commissioner, for the compliments.
The next item on the agenda is the
adoption of the minutes. Does anybody have
any comments or corrections to the minutes?
(No response.)
CHAIRMAN DAUS: Okay, do I have a
motion to approve?
A second?
All in favor?
(Chorus of "Ayes.")
CHAIRMAN DAUS: So approved.
Item 3, Base License Application
Review. Do we have a rep from Licensing?
Please state your name for the court reporter.

MS. STEELE-RADWAY: Georgia Steele-Radway. Licensing would like to present before the Commission 19 bases with a recommendation for approval.

CHAIRMAN DAUS: Are there any issues?

COMM. DEAR: Are these already -- are we on round two now or still round one yet on the approvals?

MS. STEELE-RADWAY: These are round two.

COMM. DEAR: These are already round two. Are we finding with round two that we are getting more compliance and we are not having those problems that we had in the past?

MS. STEELE-RADWAY: Well, now that we are doing the inspections with Commissioner Pansy and we are working with the bases, we are finding that they are keeping in compliance with our rules, or at least they are trying.

COMM. DEAR: Also, remember, we had
problems with people sending in applications
-- well, we sent them letters, they didn't respond and all that. Are we getting better responses now?

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

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

MS. STEELE-RADWAY: Yes, we are.

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

MS. STEELE-RADWAY: Correct.

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

A second?

All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: And you have two denials?

MS. STEELE-RADWAY: Yes, there are
two bases that Licensing is recommending for
denial with a request that the Commission
grants an additional 30 days so that they may
present the outstanding items.

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

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

Commissioner Mullin?

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

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

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

COMM. DEAR: I have it.

CHAIRMAN DAUS: Yes, the field
enforcement summonses, we have different
designations.
COMM. DEAR: And what does enforcement mean, I'm sorry?

It's also TLC?

COMMISSIONER MULENS: Yes.

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

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

What does that mean?

COMMISSIONER MULENS: That is a catch all.

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

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

COMM. DEAR: I got you.

CHAIRMAN DAUS: It was upheld actually by Judge Garriman, just so you know,
Commissioner.

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

Do I have a motion?

A second?

All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Okay, very good.

Thank you, Georgia.

MS. STEELE-RADWAY: Thank you.

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

And there are a lot of things in the mix on this and we have some great staff presentations that we are working on. But first I would like to call up Rit Agrawal, who
is here with us, the primary architect of Plan
NYC, which the Mayor had announced several
months ago, and of which the TLC plays a vital
role.

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

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

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

Taxicabs are an important part of New
York City, and, therefore, they are an
important part of the plan, but I think it's
important to understand the context for why we
identify taxis as an area that can contribute
to several of the goals in the plan and lay
out why we thought there was a major
opportunity there.

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

On the next slide, one of the key
things, of course, that launched the whole
effort was the simple fact that our population
is growing. We hit a population record in
2000. For the first time in 30 years, New
York City had more people than ever before in
its history. Even with the attacks of
September 11th, that trend did not change. We grew again into 2005. We now have we estimate more than 8.25 million residents, on our way to 8.4 by 2010, and we expect 9.1 million residents by 2030.

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

But population was not the only thing that we realized we had to deal with. One of the big challenges we face as a city is that our air quality remains one of the very worst in the nation. In fact, what you have before you is how New York City stacks up to the
other largest cities in the United States with respect to one of the several key pollutants in the air, which is soot or particulate matter.

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

Here we have one of the reasons that compels us to take air quality seriously, which is the fact that increasingly we face health issues related to respiratory systems and others issues that are caused by poor air quality. We know that New York City as a whole has one of the highest incidences of
childhood asthma hospitalizations in the country. We know that those are concentrated and particularly among our poorest neighborhoods. And so this is the kind of thing, it is one of several reasons that we have to act to improve air quality.

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

New York City, of course, is a very efficient city. The average New Yorker only is responsible for less than 30 percent of the carbon dioxide emissions of the average American. That stems from the fact we live in smaller homes, we rely more on transit, we have a relatively but not in a leading way, a relatively efficient set of power plants that support us.
However, the fact is that with population growth and with economic growth, our carbon footprint is increasing. And although transportation is not the largest segment of our carbon dioxide emissions, it is a sizable segment. It is roughly 20 percent of our total carbon footprint of this city is related to transportation.

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

What you have before you, and I realize, particularly for you all in the audience, it is unreadable on the screen. But I assure you it is a long list of many things that we seek to do that will have significant impacts on both air quality and carbon
efficiency. They range from transportation
through buildings, through energy supply,
which are the three key areas in which we
create air pollution. And only one of them is
taxi, but we do have to address taxis.

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

So if we are going to have a
measurable improvement in our overall fuel
efficiency as a city, we cannot avoid to ask
the taxi industry to become more efficient.
We also know that efficiencies are there to be
had. I think it's widely understood, and
these are the official EPA fuel efficiency
statistics, which I think we all know are
probably optimistic for performance in New
York City, but our standard vehicle, the Crown
Vic, is one of the least efficient automobiles
on the road today. And if we look at some of
the more efficient, particularly the hybrid
vehicles that are in the fleet today, with
more than 500 of them today, we can increase
our fuel efficiencies by more than double in
some cases related to what is actually being
experienced by the Crown Vic out on the roads.

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

We also believe, and I know the TLC
staff will present after this and will go into
this in greater detail, that by making our
taxi fleet more efficient, we will achieve
benefits for everybody. The residents of the
city will experience cleaner air. The city as
a whole will have its carbon footprint
significantly reduced. The drivers, every
driver I talk to who has a hybrid, loves the
fact that the cost of fuel per shift has gone
down dramatically, and we believe that this is
a real opportunity for the fleet owners to
enhance the value of their fleets. And so, this is not, I think, a zero sum game. I think this is a very clear win-win opportunity for all of us.

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

So this is something that really will be an example of how the taxicab is such an iconic example of what New York City does and it is an opportunity for New York to lead the way. And with that, I would like to turn it
over. I am not actually sure who is following me.

CHAIRMAN DAUS: Okay, any questions for Rit?

(No response.)

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

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

So, Jen, welcome, good morning.

MS. PALMER: Good morning, Commissioners. As Commissioner Daus
mentioned, we are here today to talk to you about clean air vehicles with respect to Plan NYC and the Taxi of Tomorrow.

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

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

Of the 526 hybrids that are on the road today, there are nine different makes and models: The Ford Escape, Honda Civic, Lexus,
Mercury Mariner, Nissan, Saturn Vue, Toyota Camry, the Highlander and the Prius. You can see the breakout below, but the overwhelming majority of these vehicles being the Escape, followed then by the Highlander.

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

Moving forward, there are a number of things that the TLC has planned that coincides with both Plan NYC and the Taxi of Tomorrow. With regards to Plan NYC, the Commission will soon be presented with rule making implementing miles per gallon standards in the taxi fleets. And these standards will require that by October 2008, all taxis must meet a 25 miles per gallon minimum, and that by 2009, all taxis must meet the 30 miles per gallon standards.
It will also provide that in May of each year going forward, the Commission will oversee a review of the standards and ensure that the industry is moving forward and making progress.

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

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

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

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

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

There are more and more vehicles that are meeting the 25 mile per gallon minimum. They run from super small, from the Nissan Versa, which, incidentally, has almost as much
leg room as a Crown Vic. You've got new hybrids coming out this year, a full mode GM SUV. You've got the Aura hybrid. We are about to put 20 Ultima hybrids on the road in the next two weeks through one of the larger fleets. The Chevy Malibu hybrid is coming. And then away from the hybrids, you've got the Corolla, even the four cylinder Camry currently gets 25 miles per gallon. There is a lot of vehicles and over the next couple of years we are going to see a lot more that are not necessarily hybrids. And I think that's it.

CHAIRMAN DAUS: Okay, thanks, Peter.

Any questions?

And just bear in mind, when we actually get working with our consultants on the Taxicab of Tomorrow RFP that we put out, the contract that we have with the Economic Development Corp., we are going to be looking at not just the conversion which will result in rule making to our Commission of vehicles that will be required to go 25 miles per gallon or better, but we will also be looking at a long-term plan to come up with
 specifications or some manner in which we can
hopefully design a cab for future use that is
not just clean air but accessible, meets any
other requirements that the Commission wants
to set at that time to make it more customer
friendly.

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

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

But it requires a lot of things. We
believe that to achieve the Mayor's goal of
having the cleanest air of any bit city in
America, we not only have to do hybrid cabs,
we have to address the black cars in some way, presumably voluntarily. We have to implement congestion pricing. We will have to clean up our fuel oil. We have a host of things to do.

CHAIRMAN DAUS: Okay, great.

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

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

We can have meetings with them at
some point and sit down and tell them what we are looking for, and then we are going to craft, obviously, some type of fair and competitive process where any and all comers can come forward, including Standard, Toyota, Ford, whoever wants to participate.

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

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

COMM. DEAR: The question is, if we
have somebody who has already done it, who has put a lot of work into it, we should work closely with them to see what their expertise is because they, obviously, either they will succeed or fail. So we can pick up the pieces from there.

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

Come on, let's understand the real world. I have said it many times and I said it the other day to the Mayor. I said if the Mayor himself went to Ford, he is part of their group of people, he is a businessman. And they look at him as a businessman as well. And if he presented to Ford, to any of the companies, and we made a real presentation and said, this is your opportunity, even greater
opportunity. I don’t see why someone else who
is a consultants will make a difference.

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

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

And I think you are right, I think
the Mayor, I think the Commission, I think the
city can actually go too any car company and
say, "We are looking to establish a single
cab, and that's a huge market for you." And I
think having a consultant on board to help put
together all the different specifications
required, as well as what the Chair mentioned
of accessibility, environmental, the security,
the space in the cab, and all the different
needs, I think will take a lot of work from
both the industry, us, drivers, passengers,
and everyone in order to get that RFP in a way
that makes sense, that we can implement in
time to meet the 30 miles per gallon standard
that I hope the Commission passes by the end
of '09, and beyond them.

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

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

CHAIRMAN DAUS: I am not disagreeing
with either of you. I think what needs to be
pointed out for the record is that we have had
those discussions over many years with Ford, 
with Toyota, with everybody. And it has 
worked. We've had the discussions with 
Standard. Standard is not here.

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

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

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

In fact, Rit mentioned the tremendous coverage that the Mayor got when he announced the taxi component of Plan NYC and then going hybrid or better. And one of our Commissioners who is sick and wasn't able to join us today, but I think was on a bus in Moscow that same day, and they were talking in Moscow on the bus about what the Mayor had just announced. And true to form, New York City being the leader, especially in the taxi regulatory field, within several weeks, we had several other cities coming out and doing something similar to what the Mayor had announced. Including San Francisco, I had a
discussion with the Commissioner from Chicago TLC the other day, who are looking to do more with hybrids in Chicago. So the good news is that Mayor's announcement has had a ripple effect and it is not only going to help clean up and make the environment better in New York City, but other city partners from around the world are following his lead, and it is going to make for a better environment for everybody.

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

Is that correct, Jen?

MS. PALMER: Yes.

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

MS. PALMER: Right, October of 2008
for new hack-ups.

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

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

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

MR. SCHENKMAN: The Ford Escape Hybrid, two-wheel drive is currently $5,000 less than the Crown Vic. And as far as safety, it's a major manufacturer, there are federal standards.
COMM. DEAR: I don't think it is not.
I just have to tell you something, we
are talking about accessibility of cabs in
general. That is not even accessible for
someone who has a little disability. It's a
very hard car to get into.

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

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

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

CHAIRMAN DAUS: Commissioner
Gonzalez and then Commissioner Kay I think wanted to say something.

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

CHAIRMAN DAUS: Right.

COMM. GONZALEZ: Okay.

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

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

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

So I hear your point, I think it makes total sense. I think that is why it should go hand-in-hand with the project of the
Taxi of Tomorrow in order to inform us in October of '09 to see if we should move forward.

CHAIRMAN DAUS: Any other questions or comments?

(No response.)

CHAIRMAN DAUS: Okay. Thank you, Jen, Peter, Rit. Appreciate your time. Jen, I guess you should stay. The next item is the Medallion auctions. We are embarking on our final auction. We are very excited about it. We have had very successful auctions over the years. I think we have the process down to a science now. And this is significant because it is the last auction that we are authorized by state and local law to do, and it involves a very initiative and bill that was passed and signed by the Council and signed by the Mayor to provide for 150 additional accessible Medallions to help the disabled community.

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

MS. PALMER: Thank you.

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

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

The sale of these 150 accessible Medallions is unique in many ways. It is the first of its kind that the TLC has ever done and because these vehicle were required to participate in an accessible dispatch program that the TLC has been working on.
I just quickly wanted to review some of the components of the program since all vehicles will be required to participate. All accessible taxicabs will be equipped with dispatching equipment that is provided at no cost to the owner. Wheelchair passengers will call 311 to request an accessible ride and drivers will be automatically dispatched to provide that. Drivers will not be allowed to refuse or reject a dispatched ride.

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

Because the Medallion or this auction is unique, I want to highlight the vehicles that meet the vehicle specifications. Over
the past several years the Commission has worked hard to set standards that wheelchair accessible vehicles must meet, and as such, new accessible Medallion owners should be aware of these requirements.

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

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

So now I want to highlight the components of the November 1st sale. The TLC has been working hard with OMB and has just set the upset price of these Medallions at $189,000 and will be doing a lot of outreach, informational sessions, technical workshops, mailers, website design, to let everybody know
about the opportunity that is coming up.

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

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

The technical workshops will allow
potential bidders and the public a chance to
walk through the actual bid forms with the TLC
staff, will also discuss the required
documentation and be able to answer any
questions that people might have. The dates
for these are October 10th from 10:00 to 11:00
and 6:00 7:00 p.m., and October 16th from
10:00 to 11:00 and again from 6:00 to 7:00.
Both of these sessions will be held here at 40
Rector Street.

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

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

CHAIRMAN DAUS: Thank you, Jen.

Any questions?

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

COMM. DEAR: I got you. There is no
original car yet put out there?
MR. SCHENKMAN: No. That's one of the visions of Taxi of Tomorrow.

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

MR. SCHENKMAN: Absolutely, yes.

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

MR. SCHENKMAN: Yes.

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

MS. PALMER: 82.

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

MS. PALMER: Correct.

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

MR. SCHENKMAN: There are currently no Brauns on the road. Braun kind of pulled out. Currently 48 of them are El Dorados and four, I believe, are the Caravans. And then there are two pilot Siennas that are on
regular Medallions. But we are not counting those yet. And the preexisting Free Stars.

COMM. GIANNOULIS: And who makes these vehicles?

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

COMM. GIANNOULIS: Thank you.

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

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

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

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

COMM. DEAR: It's the rear entry?
MR. SCHENKMAN: Yes.

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

MR. SCHENKMAN: Currently by our rules.

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

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

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

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

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

COMM. DEAR: I think it's important for us to take a hard look at that.
MR. SCHENKMAN: Right. And, finally, unrelated to the auction, we are piloting the --

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

COMM. GIANNOULIS: Are you allowed to track that?

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

CHAIRMAN DAUS: Why not?

MR. SALKIN: We probably could, but the whole point of the dispatch program is to find out exactly how many people are using the vehicle and what the demand is. And part of the program is to consolidate the demand, keep track of that demand.
I think what we really don't know, and we need to know that in order to --

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

COMM. GIANNOULIS: Right.

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

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

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

CHAIRMAN DAUS: There is certainly a compelling governmental interest in expanding or making sure that the service works like Access-A-Ride does with MTA, counting the
number of wheelchair users and various
disabilities.

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

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

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

MR. SCHENKMAN: Longer.

COMM. GIANNOULIS: Which is how long?

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

COMM. GIANNOULIS: And most of the
vehicles that are owned, what's the percentage
of fleet and individual right now; do you know?

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

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

COMM. GIANNOU LIS: Earlier Medallions were only for fleet?

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

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

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

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

COMM. GIANNOLIS: Five years. And this will have a requirement to be turned over?

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

COMM. GIANNOLIS: So they get an extra, in theory, two years?

MR. SALKIN: Yes.

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

MR. SCHENKMAN: Five years on a
regularly shifted vehicle is going to have
well over 200, 250,000 miles. Resale, just
around the country, is usually pretty high.

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

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

COMM. GIANNOULIS: Thanks.

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

MR. SCHENKMAN: I am sure.

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

MR. SCHENKMAN: Right.

CHAIRMAN DAUS: Very good.

Any other questions?

(No response.)

CHAIRMAN DAUS: Okay, thank you
everybody.

May I have a motion to close the
meeting?

All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Thank you everyone.

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

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

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

MARGARET EUSTACE,
Shorthand Reporter