

SALT LAKE CITY
TRANSPORTATION ADVISORY BOARD

Minutes of the June 8, 2009 Meeting

Present from the Transportation Advisory Board were Joel Ban, Milton Braselton, Brian Doughty, Jim Jenkin, Tim Harpst, Keith Jensen, Sherry Reptscher, Jonathan Springmeyer, Steve Sturzenegger, and Xuesong Zhou.

Also present were Kevin Young, Nick Britton, Laura Kirwan, Russell Weeks, Brent Kovac, John Holt, James Curtis, Larry Bowers, Todd Gubler, Don Barron, Dave Jackson, Sam Raafati, and Paul Koepp.

The meeting was called to order at 4:01 p.m. by Chairman Keith Jensen. Keith asked for approval of the minutes of the May 4, 2009 meeting.

Motion: Steve Sturzenegger moved to approve the minutes of the May 4, 2009 meeting. Jim Jenkin seconded the motion. The motion passed unanimously.

Nick Britton, a Principal Planner from the Salt Lake City Planning Division, was introduced to speak about the Euclid Small Area Plan. Nick referred to two posted maps and explained the boundaries of the Euclid area. He explained that a transit oriented goal is to have more pedestrian focus with better crossings and pedestrian lighting. Nick explained that the City wants this area to connect to the City Creek trail and the Jordan River so pedestrians and bicyclists can access any part of the city through the current and proposed trails; encourage new businesses and pedestrian traffic on the main area street (900 West); work around the railroad that divides the neighborhood into two halves and get rid of vacant buildings; and figure out the best way to maintain the current homes while giving the area an opportunity for redevelopment. Nick answered questions regarding how this plan would coincide with the North Temple light rail project and the City Creek corridor.

The next agenda item presented by Keith Jensen was the proposed taxi cab regulation changes issue. Keith said the board has previously heard presentations from various stake holders and has had multiple discussions and much material to read. Introductions of those in the audience were made. Russell Weeks gave a brief explanation of his understanding of an RFP system and why he feels it would be beneficial for the City to go to this system. Russell said the City found the current system to be contentious, archaic, and difficult to enforce. Russell went over a comparison table of the two different systems with the Board. Milton Braselton asked who in the City would review the new RFP system. Russell said it would be a new city ad hoc panel. Russell said that the methodology used to determine the proposed number of taxi cabs is based on Dr. Mundy's initial recommendations, but can be

increased or decreased rather quickly depending on need. Brent Kovac clarified that currently one certificate represents one taxi cab company.

Keith Jensen asked if approving the RFP system would require taxi cab companies to lay people off. John Holt responded to that question by indicating that yes many people would lose their jobs. John said that it would also put many taxi cab companies out of business and that the people who own and operate their own companies would not only be out of business, but would then be unable to liquidate their current equipment. John also indicated that there is nothing scientific about the number of cabs that the RFP system suggests and points out that their data is 10 years old. Don Barron said he's not sure how many people would actually lose their jobs. Don said that some taxi cabs have one driver and some have two drivers so 50 taxi cabs could represent as many as 100 drivers. Don said none of his drivers are sitting around waiting for customers. He further pointed out that they have had numerous customer comment cards indicating that their customers are happy with their cab quality and service. These cards are handed out to cab customers who then mail them directly to Brent Kovac.

Keith Jensen stated that he would like to go on record to say that he is opposed to the reduction in taxi cab services, but that does not mean that he is against the RFP program, if it was adjusted, but he is opposed to using 1999 information as a basis for decisions. Jonathan Springmeyer said he has not read how the undocumented taxi cab driver scenario will be resolved in either system. Russell Weeks responded by saying he believes the number of undocumented taxi cabs is greatly exaggerated. Russell said a license is needed to get onto the airport grounds in the first place. Brent Kovac said he has an investigator out in the field frequently and they are doing their best to enforce the ordinances. Brent said they caught numerous people over prom weekend but overall there are very few illegal operators and all of them had a city business license. Russell again said undocumented taxi cabs are not as prevalent as is suggested and most of them are legitimate businesses that have permission to pick up and drop off at the airport. John Holt pointed out that there are companies that do have city business licenses but are not following the law. John said these companies are operating a service that they shouldn't be or are operating vehicles they shouldn't be. While these companies may technically be licensed, they are overstepping their bounds. Brent Kovac said the City wants to ensure the industry is treated in an equal manner and the city wants to bring all transportation providers together so eventually there is a level playing field. Don Barron said that the taxi cab companies aren't just operating in Salt Lake City but in many other counties. Don said if you take away their vehicles you will be taking away business from the entire area and then other transportation companies will fill in because people will just go elsewhere. Don thinks they are being short sighted because the City doesn't realize the areas that the taxi cab companies actually cover.

Todd Gubler, representing Little America and Grand America Hotels, said they are probably the two biggest users of taxi cab services other than the airport. He said they have been impacted greatly by the taxi cab issue. He hopes the City Council can limit private transportation because he said currently there is a feeding frenzy of transportation providers. He usually has eight to nine taxi cabs lined up at his hotel each

morning and has had them sitting there for as long as 8 hours. He stated that only during the outdoor retailers can they not get taxi cabs because the driver's want the airport runs rather than the downtown runs. He doesn't care who moves his guests, but he wants them moved and currently contracts with four private transportation companies and the three taxi cab companies. He indicated the City should go to the RFP system and make sure that there is clean, consistent transportation provided. Milton Braselton asked why he's hearing conflicting information from the taxi cabs and the hotels regarding a "feeding frenzy" versus "all of our cars are full". Don Barron said that most of his drivers have been with him for five years or more. He said he doesn't think they would stay with them if they weren't making money. He said the only drivers that complain are the ones who take many days off. In his 25 years of driving taxi cabs he doesn't remember ever having lost money.

Keith Jensen said he would like a brief summary from the SLC International Airport since they have the majority of the taxi cab business and Milton Braselton said he would like to know what the future prediction of the airport taxi cab use is. Larry Bowers said there used to be problems with the number of taxi cabs staging at the airport. He said things have gotten better and operate quite well since they went to a system where they limited the number of cabs to 25 vehicles, proportional to the current number of certificates per cab company. The airport is never short of taxi cabs with this system and it is running very well despite the taxi cab companies saying that they could never operate this way. Larry said the airport industry is growing and there is also a strong need for other types of transportation. One thing that the SLC International Airport does not have that they have requested is a shared ride van service. All other airports have other transportation alternatives that the SLC Airport does not yet offer. Larry would like a shared ride van service set up on an RFP contract with the SLC Airport. The airport would love to contract their own transportation right now, however the Mayor and City Council are looking at the betterment of transportation service for the entire city.

Jim Jenkin asked if the airport were taken out of the equation would it be easier for the free market to balance service within SLC. Russell Weeks said that so far the City Council and Ray Mundy's study have looked at the City as a single study area. Within this study the long standing traffic generators are the airport, the downtown area and the University of Utah. Jonathan Springmeyer asked how many of the waiting taxi cabs are within SLC boundaries at any given time. Don Barron stated that it changes at any given time but most are probably within SLC. Don said in 2008 Yellow Cab had 278,833 taxi cabs dispatched, with 156,742 of those taxis going to or from the airport, but he doesn't know if those taxis were picking up or dropping off. He said that these figures are quite accurate since the airport charges them \$.85 for every cab that goes through their gate.

Jim Jenkin asked whether an RFP system would be a financial benefit to SLC. Russell Weeks answered that no it would not because the City would not be charging a fee to the companies that are selected. He said it would be like it is now and what accrues would be coming out of the general fund so there would be no fundamental changes. Russell Weeks said that the City believes that given the independent contractor status

of drivers, an RFP system is an opportunity to find out which companies are interested in managing independent contractors better than they might be now. He said they also believe that there are other technologies out there that are more up to date that lead to better management and dispatch of drivers. The third thing is that this is possibly an opportunity to open up a market that has remained in many ways a closed market for 47 years. Russell said that under the current system if someone wants to start a taxi cab company they have to seek a certificate of public necessity and need then the city holds a hearing where the existing holders can give evidence as to why the company seeking a certificate should not have one. He said it might also make it possible for current companies to expand their fleets. Bryan Doughty said it seems like it would be easier for someone to enter into the market now versus if the city changes the system. He can't see how it's a benefit. Russell said anyone can apply today but no one has received a certificate since about 1962. Russell said that existing companies have successfully defended their niche of the market from someone else entering and that has led in great part to other companies taking away that niche around the edges. He said when the City Council allowed limousine companies to enter the transportation market, it was at the opposition of the taxi cab companies.

John Holt said the RFP system places management responsibility on the cab companies based on the assumption that there is some sort of problem with the drivers, which there isn't. He asked why move to a franchise system to fix a problem that doesn't exist. There are always going to be issues with taxi cabs, but SLC ranks higher than any other jurisdiction that Mr. Mundy studied. John said an RFP system would require investment into new technology but no one will want to do that for only up to 6 years. No one wants to spend a lot of money on new technology when they could lose the bid and there is no guarantee that they'll be around. John said the RFP system will not guarantee that the market will be open. He said it's very expensive to start a new cab company and just because no one has entered the taxi cab market doesn't mean that they haven't tried. Don Barron pointed out that it literally takes 3-5 years to build a customer base. He said during that 3-5 year period a new taxi cab company is in for a rough ride as SLC is not a typical "cab" town.

Xuesong Zhou asked if there would be enough service for visitors if you put a small limit on the number of cabs at the airport. Russell Weeks said the Airport Director could change the number of taxi cabs allowed at the airport at any given time. Larry Bowers said the airport limits the number of taxi cabs to 25 staged at any one time and the companies must replenish the vehicles as they are dispatched. Milton Braselton asked how much the ground transportation vehicles are charged to go up to the terminals and where does the money go. Larry said they charge all transportation companies dropping off or picking up at the airport. The amount charged is determined by the type of vehicle and number of passengers. The money collected is used for maintaining areas of the airport used by the transportation companies. Milton asked if they see undocumented taxi cab drivers or private transportation dropping off and/or picking up without a technology tag and if they have 24 hour enforcement. Larry said transportation providers can't get through to the commercial drop-off area without a technology tag but

the airport enforcement also checks for companies using other areas and have caught many throughout the years. The airport does have 24 hour enforcement.

Sherry Repscher asked how the City is going to ensure they are addressing usability and accessibility by people with disabilities more effectively with the RFP system than under the current system. Brent Kovac said that under the current system taxi cab companies are required to have one ADA vehicle themselves or through contract, but under the RFP system they're going to make a recommendation of one fully compliant ADA vehicle per 25 allocated vehicles in the fleet not contracted out. Don Barron said they don't ever do that much ADA business and that many vans might make only one trip per month. He said they contract through Gold Cross and that they are very good, located close to the airport and all of their vans have the meters and a wheelchair lift. Todd Gubler said he would love to see more accessible vehicles. He said they currently go through handy van and definitely see a need for it.

Jim Jenkin says he continues to hear that there are issues around the airport that necessitate the airport setting limits on the number of cabs that can wait there and the hotel industry says in busy times there is a problem getting people to take non airport fairs. Jim said he sees a real dichotomy between airport and city service. Brian Doughty asks whether the taxi cab drivers can refuse fairs based on destination. Don Barron said if a driver refuses a fair for any reason they are laid off for one week on the first offense and for a second offence they are fired. Todd Gubler said that drivers refusing a fare happens all the time, especially during outdoor retailers. Jim Curtis said he would like a convergence of regulations for transportation providers so everyone is treated the same but doesn't see how you can do that with an RFP system for cabs and another ordinance for everyone else.

Motion: Jim Jenkin moved that the Board recommend to the City Council that since the current ordinance is transitional and inhibits capital investment by the taxi companies for improvements in their operations and establishes a practical monopoly that they replace ordinance No. 87 of 2005. Keith Jensen seconded the motion.

Roll call vote: Joel Ban-yes, Jonathan Springmeyer-no, Steve Sturzenegger-yes, Keith Jensen-yes, Milton Braselton-no, Brian Doughty-yes, Jim Jenkin-yes, Xuesong Zhou-yes, Sherry Repscher-yes.

The motion passed.

Tim Harpst gave four points he picked up on during the Board's discussion, which are 1) a decision by the City Council should be made soon; 2) there needs to be a mechanism to allow adequate regulation to make sure everything works well; 3) there should be clear regulation that shows the differences between taxi cabs and the other ground transportation providers; and 4) there is a desire to ensure there is an ability to enforce the regulations, whatever they turn out to be.

There was a discussion among board members regarding the current system versus a new RFP system. Russell weeks read ordinance No. 87 of 2005 to clarify some issues.

Motion: Jim Jenkin moved that the Board recommend to the City Council that the Airport be allowed to issue their own RFP for transportation services. Jonathan Springmeyer seconded the motion.

Roll call vote: Joel Ban-no, Jonathan Springmeyer-yes, Steve Sturzenegger-no, Milton Braselton-no, Keith Jensen-no, Brian Doughty-no, Jim Jenkin-yes, Xuesong Zhou-no, Sherry Repscher-yes

The motion did not pass.

Motion: Jim Jenkin moved that the board recommend to the City Council that they institute an RFP proposal for taxi services in SLC. Motion failed for lack of a second.

Joel Ban asked what Ground Transportation is doing to enforce undocumented taxi cabs. Brent Kovac said they are working right now on an interim revision to city code which should happen in the next number of months and they are also doing a re-write that deals with the rest of ground transportation. Joel asked why they aren't doing all of this at once so it can be looked at comprehensively. Russell Weeks said the goal is to have revisions to ground transportation ordinances take effect at the same time as an RFP system. Joel said it's kind of hard to evaluate an RFP system before other ground transportation regulations have been developed. He feels it would be better for the City Council to look at these other issues at the same time.

Motion: Keith Jensen moved that the Board recommend to the City Council that they evaluate both chapters 5.7.1 and 5.7.2 simultaneously, before issuing an RFP under 5.7.2. Joel Ban seconded that motion.

Roll call vote: Joel Ban-yes, Jonathan Springmeyer-yes, Steve Sturzenegger-yes, Milton Braselton-yes, Keith Jensen-yes, Brian Doughty-yes, Jim Jenkin-no, Xuesong Zhou-yes, Sherry Repscher-yes

The motion passed.

Motion: Jonathan Springmeyer moved that the Board approve motion No.2 as listed in the memorandum to City Council from Russell Weeks dated March 18, 2009 which states in part that motion No. 2 would end City Council consideration of alternate methods of regulating taxi cab companies in favor of certificates of convenience and necessity.

Brian Doughty seconded the motion.

Jim Jenkin asked that the author consider amending the motion to include increased accessible vehicle service. Jonathan Springmeyer accepted the amendment to his motion.

Amended Motion: Jonathan Springmeyer moved that the Board approve motion No.2 as listed in the memorandum to City Council from Russell Weeks dated March 18, 2009 which states in part that motion No. 2 would end City Council consideration of alternate methods of regulating taxi cab companies in favor of certificates of convenience and necessity and include increased accessible vehicle service. Brian Doughty seconded the motion.

Roll call vote: Joel Ban-yes, Jonathan Springmeyer-yes, Steve Sturzenegger-yes, Milton Braselton-yes, Keith Jensen-yes, Brian Doughty-yes, Jim Jenkin-yes, Xuesong Zhou-yes, Sherry Repscher-yes

The motion passed.

Motion: Keith Jensen moved the Board recommend that if the City Council does move forward with an RFP process that they do not reduce the number of taxi cabs in service for a period to include two six-month review cycles.

Steve Sturzenegger seconded the motion.

Roll call vote: Joel Ban-yes, Jonathan Springmeyer-yes, Steve Sturzenegger-yes, Milton Braselton-yes, Keith Jensen-yes, Brian Doughty-yes, Jim Jenkin-no, Xuesong Zhou-yes, Sherry Repscher-yes

The motion passed. (It is noted that Jim Jenkin wanted a shorter review period.)

Milton Braselton said during the time he's sat in on meetings of this Board or been a member of the Board he believes this is the most time consuming and difficult issue to come to the Board. He would like to let the City Council know how long and how tough it has been to thrash this out to send them a recommendation.

Motion: Milton Braselton moved to inform the City Council regarding the gravity of this entire issue. Motion failed due to lack of a second.

Keith Jensen indicated that this information can be noted in the minutes. Keith thanked all those involved in this issue for their comments, time, and effort.

The Board decided not to meet in July. The next meeting of the Board was set for Monday, August 3, 2009. Tim proposed that rather than setting an agenda now for the August meeting, a tentative agenda would be sent out to the Board in a month or so. The Board agreed to defer setting the August agenda.

Under general updates and other business, Tim informed the Board regarding an upcoming North Temple public workshop on June 18 and a 900 South Trail open house on June 11 to which they are invited to participate. The Board was also given an update on the 1300 East traffic management project.

With no further business, the meeting was adjourned at 7:09 p.m.