

Taxicab Board Meeting Minutes
July 24, 2014

Members Present: Michael Benson Robert Goeddel
Eric Sturgis Tom Crawford
LouAnne Bullington

Members Absent: Stephen Kunselman

Guests:

Alex Kescler, Select Ride
John Heed, Select Ride
J.P. Heythaler, Blue Cab
Dave Askins, The Ann Arbor Chronicle
Mark Neumann, Stadium Transport
Meryln Wade, Ann Arbor Cab
Mark LaSarge, Yellow Car/Select Ride
Rick Clark, Amazing Blue
JP Heythaier, Blue Cab Company
G. Berry

- I. CALLED TO ORDER – 8:40 a.m. by Mr. Benson
- II. APPROVAL OF AGENDA

Ms. Bullington moved to approve the agenda, Mr. Sturgis seconded. The motion passed.

- III. PUBLIC COMMENTARY

John Heed of Select Ride said neither the city nor Select Ride want unlicensed and unregulated drivers ferrying people around town. However, it is not necessary to reinvest the wheel by addressing every problem through local ordinance. The state has provided the tools necessary in the Limo Act. It not only provides the tools for enforcement, it mandates that they be used by local units of governments and police forces. Violation of the limo act is a primary offense, and can and should be used to address the safety risk and unfair business practice of people providing vehicle-for-hire services in their personal vehicles.

Mr. Heed said there is nothing in the limo act that requires limo licensed vehicles to only provide prearranged transportation. There is nothing at the state level prohibiting them from taking pickups. He also said he heard someone comparing the limo licensed companies to what Uber and Lyft are doing. There is a fundamental difference between someone who is licensed by different jurisdiction then someone not licensed at all. In referring to Uber and Lyft, he said, what they are doing is providing vehicle-for-hire service in private vehicles.

Merlyn Wade of Ann Arbor Cab and Ann Arbor Shuttle Service said everything he has to say is said in the handout (the State Limo Act) he provided to the Board. He said he didn't have a whole lot to say other than the Board/City has a big mess and he feels bad for them and he does not know what they are going to do about it.

Mark Newman of Stadium Transportation said Uber is still a problem. He sees Uber vehicles with top lights and police are doing nothing. He was told that all drivers were sent letters from the State that they would be fined if they did not stop. But again, the officers are doing nothing to stop Uber or Lfyt.

Mr. Newman said he has already spoken to Mr. Benson about upping the age limit on vehicles from 10 years to 15 years and is now asking the Board to consider doing so.

Mark LaSarge from Select Ride said he seconded what John Heed passed out to the Board and want to reiterate that according to current state law the drivers can currently and should be pulled over and ticketed. The enforcement ability for the city of Ann Arbor already exists and the time that has been spent trying to reinvent the wheel or re-enforce or re-write it is a waste of time. Enforcement just needs to be done.

IV. OLD BUSINESS

1. Approval of Taxicab Board Minutes from May 22, 2014

Ms. Bullington moved to approve the Board Minutes of June 26, 2014, seconded by Mr. Goeddel. The motion passed.

2. Discuss Taxicab Stands

Mr. Benson said a couple of months ago we resolved to work with the city and DDA to have a taxicab stand removed and to convert loading zones downtown into dual use taxi stands. Mr. Crawford said the taxicab stand to be removed near Pioneer High School and Seventh Street has already been removed. He has talked with Susan Pollay of the DDA. The DDA evaluated the signage around taxicab stands and loading zones. They are in the process of modifying and converting most of the loading zones for certain hours of the day to also be taxicab stands. During that process, the traffic engineer key to the process has left the city which has slowed down the progress. They are still proceeding with trying to convert most of the loading zone. Mr. Benson wants to know if there will be any advertisement to the public and industry. Mr. Crawford said there is no plan to do any special advertisement.

Mr. Sturgis moved to ask the appropriate city staff to look at taxicab stands in the neighborhoods and report back with the number of taxi stand and with a recommendation to keep them or not. Mr. Goeddel seconded. The motion passed.

Mr. Benson asked about the possibility of doing something unique with the taxicab stands such as stripping the pavement where the stands are or something to help people identify the stands. Mr. Crawford said when we moved to opening up all of the loading zones to taxicab stands, he thought the issue of stripping or doing something else to identify the stands went away. He also said stripping may cause confusion due to the signage and weather.

Ms. Bullington said it would be helpful if the sign stated the hours for loading zone and the hours for taxi stand parking. Mr. Crawford said there is already a lot of information on the sign such as street cleaning and no parking.

3. Deregulation of Taxicab Rates

Mr. Crawford said the attorney and police were not able to attend today. He pointed out that the way to read Draft Ordinance No.2 is anything in black is the existing language, the red reflects all changes from the existing language, and the yellow reflects the changes from the last taxicab board meeting. So to highlight from the last meeting, there was discussion about whether we should deregulate by setting the maximum rate; should that be done by Board or by council, or should there be no maximum rate which would allow the rate to be set up by the companies. This Ordinance language says that council can establish maximum rates, whether it's one rate or at different times of the day. It also provides for how the rate information should be shared with the public and permits the regulations that this Board can implement.

Mr. Benson asked that a statement be added to the end of section 7:159a.(1) that allows council the flexibility to say if they want to have maximum rates for different geographical areas.

Ms. Bullington moved that council be allowed the flexibility to set maximum rates in different geographical area at different times of the day. Mr. Sturgis seconded. The motion was moved and seconded to take a vote on the pending motion. Roll call on motion: Mr. Goeddel – No, Mr. Benson – Yes, Ms. Bullington – Yes, Mr. Sturgis – Yes. The motion passed.

Mr. Benson said allowing council this flexibility could help in the future by creating a downtown zone or an art fair zone or even a zone around the football stadium. It does not have to be a higher rate, but maybe set a lower rate to encourage people to attend the art fair or other events so they would not have to drive.

Mr. Goeddel said he is mixed on allowing council the flexibility to set different rates. He appreciate the thought of what the motion is trying to do but thinks part of the reason for the ordinance change in the first place is to offer more freedom of movement in terms of the companies setting their own rates. This seems like a great way for council to end up restricting things, even if not intentionally, but would end up being detrimental to business. He does not feel the motion is going toward the goal of deregulation.

Mr. Benson discussed the 10 year limit on vehicles. He wanted to know if the 10 years was selected for a specific reason or was it somewhat arbitrary. Mr. Crawford said there was a lot a discussion with the Board during the time the decision was make to set the 10 year limit. One of the things in shaping the decision was the Board and staff thought it was a value to the community and the industry thought it was a value to them to have vehicles that was in good shape. There were instances in the past where vehicle came in that were not in good shape.

Mr. Sturgis moved to amend the Ordinance in Section 7:154(2)(i) to state the vehicle must not be more than 15 years old. Mr. Goeddel seconded. The motion was moved and seconded to take a vote on the pending motion. Roll call on motion: Mr. Goeddel – No, Mr. Benson – No, Ms. Bullington – No, Mr. Sturgis – Yes. The motion failed.

Mr. Benson said he would like to hear more from the industry before he can agree to change the number of years for vehicles.

Mr. Sturgis said we cannot base the decision on the age of the car. The city has inspection requirements that have to be met and if they meet our inspection standards, he is comfortable with increasing the age of the vehicle to give more leeway to the drivers. Mr. Crawford said we cannot make policy based on how great a vehicle looks. It is very difficult to enforce this if the expectation is that Officer Adkins is going to have an opinion on the maintenance quality of the vehicle. He said when the vehicle is being inspected, it is just looked upon as being clean, safe and in compliance with other thing she is aware of on the list. That leaves a large realm of discretion.

Mr. Benson said if the vote fails, he would ask that we get information and vote on a separate ordinance amendment for the 10 year old vehicle issue next month or the month after. Mr. Crawford said he thought it best to make all ordinance change at once rather than go back later to change this one item. He suggestion the verbiage be changed to say the vehicle should not be more than the age as identified in the taxicab regulations. The Board can change the regulations. Council may choose or not choose to allow the Board this flexibility but if they do, it is easier to go back and change the regulations.

Ms. Bullington moved to change the verbiage in the ordinance to read, “the vehicle should not be more than the age as identified in the taxicab regulations.” Mr. Goeddel seconded. The motion passed.

Mr. Goeddel moved to approve the second draft ordinance amendment to deregulate taxicab rates along with changes discussed in this meeting. Ms. Bullington seconded. The motion passed.

Mr. Crawford opened discussion regarding rate cards in vehicles and section 7:159b of the ordinance. Ms. Bullington said she wanted to make sure the cards are all accessible especially to people who are visually impaired. It was asked that the language state the cards be placed in the rear of the vehicle along with rates and the operator’s license.

4. Registration of all Livery Drivers

Ms. Bullington said she considers this very important because of the drivers that have come into the area that we can’t do anything with and this will help the police handle some of these issues if we say someone has to register to drive in our city. It will help us to know who is here and if there is a problem, the driver/vehicle can easily be identified.

Mr. Benson said section 7:154a(1) of the ordinance will make it easier for the police to enforce the ordinance for non-metered vehicles.

Mr. Sturgis said his concern is that the Board recommends the ordinance amendment to council and there is still no enforcement.

Mr. Crawford said a large portion of the livery drivers are limos. That issue is being revisited by our state government and a number of other states as a result of these new business models. Many local entities are waiting to see where that goes before they pass something locally.

Mr. Sturgis said he cannot support this ordinance amendment at this time. He believes the city is opening itself up for a lawsuit if our ordinance is different than what the state law says. He would be more comfortable if this ordinance amendment was brought back after he sees the state guide lines.

Mr. Benson said it was brought up that this ordinance could potentially impact pedicabs. But he does not believe it will. Mr. Crawford said he believes there are separate rules around that type of transportation but he would need to verify. Mr. Benson also asked that Mr. Crawford verify if paddy cabs are covered under the taxicab ordinance.

Ms Bullington moved to approve the second draft ordinance amendment to require registration for drivers of vehicles for hire that are not taxicabs. Mr. Goeddel seconded. The motion was moved and seconded to take a vote on the pending motion. Roll call on motion: Mr. Goeddel – Yes, Mr. Benson – Yes, Ms. Bullington – Yes, Mr. Sturgis – No. The motion passed.

V. NEW BUSINESS

1. Maximum Meter Rate Recommendation

Mr. Goeddel said this discussion should be where the Board believes the rate should be as a maximum. Mr. Sturgis believes strongly that the Board should send something to council, even though it will be the first reading, it will give council a chance to give the Board feedback if they have concerns.

Mr. Benson said maybe a special meeting should be scheduled between the 12th and 16 of August to discuss the meter rate. Because of the limited time today, it may not get discussed thoroughly and a decision may not be reached.

Mr. Crawford said an alternative for the Board would be to allow the ordinance to go through the first reading prior to the next scheduled Board meeting and if the issue can be resolved at the next scheduled board meeting, that would allow staff time to get it to council for the 2nd reading which is where the action will actually be taken.

Mr. Sturgis moved to not send the deregulation ordinance to council until after our next meeting until the Board has had a chance to address the maximum and minimum rates issue and also to not send the ordinance to require registration for drivers of vehicles for hire that are not taxicabs so that both ordinance can go together. Ms. Bullington seconded. The motion was moved and seconded to take a vote on the pending motion. Roll call on motion: Mr. Goeddel – No, Mr. Benson – No, Ms. Bullington – No, Mr. Sturgis – Yes. The motion failed.

Mr. Benson said he would like to hear from staff again on proposed maximum rates.

Mr. Sturgis moved to hold off on sending the deregulation ordinance to council until we have seen staff's recommendation on maximum meter rates and until the Board also have a recommendation to send with it. Mr. Goeddel seconded. The motion was moved and seconded to take a vote on the pending motion. Roll call on motion: Mr. Goeddel – No, Mr. Benson – No, Ms. Bullington – No, Mr. Sturgis – Yes. The motion failed.

2. Discuss Driver Sensitivity Awareness for Special Needs

Ms. Bullington moved to postpone this discussion until Linda Evans from the Ann Arbor Commission of Disability Issues can attend the meeting for discussion as well as Carol Grawly from the Center for Independent Living. Mr. Goeddel seconded. The motion passed.

VI. ADMINISTRATOR COMMENTS

None

VII. PUBLIC COMMENTARY

Mr. John Heed of Select Ride said the insistence in the ordinance addressing prearranged transportation and top lights, when it's not in the state law, is going get this kick out as written. The law which allows the city to regulate limos or any no taxi vehicles refers only to companies that operate wholly within the city's boundaries.

Mr. Mark LaSarge of SelectRide asked Mr. Dave Askins from Ann Arbor Chronicle to include links to the verbiage of the limos transportation act. Ann Arbor has already issue a cease and desist order which the city has legally recognize the illegal operation of Uber and Lyft. Mr. LaSarge wanted to highlight a couple of issues in the limo transportation act section 257.1903(c) that say for hire means the remuneration or reward of any kind, paid or promised, either directly or indirectly, plus subsection (e), (f), (k), etc. Part of section 257.1927 in the act states, state and local police officers shall enforce this act and the rules promulgated pursuant to this act. A peace officer may arrest, on sight or upon warrant, any person found violating, or having violated, a provision of this act or a rule promulgated under this act. The attorney general of the state and the prosecuting attorneys of the counties of the state shall prosecute all violations of this act. When this act is violated, the offense may be prosecuted in any jurisdiction in or through which any limousine implicated was present at the time of the violation. He said we have been arguing for months on how to deal with Uber and Lyft and from what he just quoted from state law, police officers have the right to uphold the laws of the state of Michigan.

Mr. Mark Newmann of Stadium Transport quoted the transportation act section 257.1907(1) that states, "A limo carrier of passengers that operates class B limousines for the purpose of picking up passengers within a city with a population of 750,000 or more shall also comply with the vehicle for hire ordinance of that city with respect to those limousines." Also, regarding the change the years of a vehicle, he said, if items like no rust in the interior is added to the inspection form, he believes that would help out a lot. Mr. Newmann suggests using Braille rate cards for the visually impaired but he said he does not agree with putting the operator's driver's license in the back of the vehicle because of identity theft.

Mr. Gordon Berry, Ann Arbor resident, said he was confused because in a deregulated pricing system, the market sets the price and what is being done here is changing who set the rates, going from the Board to City Council. He suggested that the Board change the verbiage because as written they are still regulating rates.

Merlyn Wade, Ann Arbor Cab said public safety is the primary concern for everyone. No one wants to see a young girl get accosted or someone get ripped off. He agreed with some things that he hear and some he didn't. Everyone has valid concerns. He believes the ordinances as written will land the city in court if they try to pass it. He is not opposed to working with the city and is current doing so. He and his drivers take pictures and videos of incidents. He thinks the Board should rethink the ordinances and consult with more people.

Mr. Benson said this is a step in the process for both ordinance and is not currently law. It will have to go through city council process which involves consultation, public commentary and the likes. He encourages everyone, both members of the Board and the public to attend. Mr. Benson said the Board received a complaint from a passenger of a limo operator that, if true, the conduct of the driver was reprehensible. He said these are businesses and services being provided in the public right of way and understandably people are trying to make a living, but there are a few bad apples out there. It is Mr. Benson's hope that these ordinances are approved, he believes public health, safety and welfare will be served.

Mr. Strugis thanked everyone for their hard work from coming. He said, again, public safety is number one and with the law on the book, referring to the state transportation act, he would like to see the police be more active in enforcing the law. He asked that the city attorney's office find out if this law can be backed up in court and if so, let's start getting Uber and Lyft off the street.

VIII. ADJOURNMENT

Ms. Bullington moved to adjourn the meeting, Mr. Strugis seconded. The motion carried and the meeting was adjourned at 10:00 a.m.