



SFMTA
Municipal
Transportation
Agency

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS AND
PARKING AUTHORITY COMMISSION**

MINUTES

Tuesday, September 16, 2014
Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

**REGULAR MEETING
1 P.M.**

SFMTA BOARD OF DIRECTORS

Tom Nolan, Chairman
Cheryl Brinkman, Vice Chairman
Gwyneth Borden
Malcolm Heinicke
Jerry Lee
Joél Ramos
Cristina Rubke

Edward D. Reiskin
DIRECTOR OF TRANSPORTATION

Roberta Boomer
SECRETARY

ORDER OF BUSINESS

1. Call to Order

Vice-Chairman Brinkman called the meeting to order at 1:06 p.m.

2. Roll Call

Present: Cheryl Brinkman
Gwyneth Borden
Malcolm Heinicke
Jerry Lee
Joél Ramos

Absent: Tom Nolan – with notification
Cristina Rubke – with notification

3. Announcement of prohibition of sound producing devices during the meeting.

Vice-Chairman Brinkman announced that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at the meeting. She advised that any person responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices might be removed from the meeting. She also advised that cell phones that are set on “vibrate” cause microphone interference and requested that they be placed in the “off” position.

4. Approval of Minutes

On motion to approve the minutes of the September 2, 2014 Regular Meeting: unanimously approved (Nolan, Rubke - absent).

5. Communications

Board Secretary Boomer stated that there would be no closed session.

6. Introduction of New or Unfinished Business by Board Members

None.

7. Director’s Report (For discussion only)

-Ongoing Activities

Director Reiskin discussed the SFMTA’s new blog, the Safe Driver Awards Event, rollout of a pedestrian safety ad campaign, and approval of the contract to purchase light rail vehicles.

8. Citizens’ Advisory Council Report

No report.

9. Public Comment

Richard Rothman expressed appreciation for the 5L and concern about the intersection at 38th and Balboa. The Dept. of Public Works redid the streets but forgot about doing bus bulbouts and

installing stop signs. He almost got hit when he walked across the street. The engineers suggested stop signs but Muni thinks it's more important for the buses to not stop. The location needs a stop sign there given the city's priority is Vision Zero. It's hard to communicate with SFMTA staff because they don't listen to the public.

Nathan Dwiri stated that the "rent to ride" companies are unfair and illegal. Yellow Cab is engaged in a proactive effort to get drivers to be more customer conscious. We want to maintain our customer base and increase it. He asked for help with regulatory support such as doing something about abusive drivers. The consequence should be that they lose their permit to drive a cab.

Charles Rathbone discussed a recent study from UC-Berkeley that gave a negative view of the taxi industry response time. They compared ride share apps to the entire taxi service rather than compare apps to apps. Taxi apps have shorter response times than Uber and Lyft. He also commented on photos of a man wanted for murder at Church and Duboce that has been in the press. Those photos were taken by a taxicab. Taxis continue to enhance the overall public safety in the city.

Tone Lee provided a report about the taxi industry. Cab drivers have to compete with ride share companies and don't make enough money. They want justice and fairness but it will get crazy sooner or later.

Hansu Kim stated that is important to enforce the red transit only lanes. It's been a terrific development for taxicabs but they're not being enforced and are now being used by other ride services. There's nothing wrong with using an interface that the public likes but what's destroying the industry is people in their personal cars with an unlicensed driver. We can't compete with people in their personal cars providing the same service as taxicabs. A cab driver's income is steady because of the demand but there are fewer people applying for an A card.

Ashwani Aeri discussed the San Francisco Taxi Workers Alliance. They have over 450 members with over 800 who have pledged to join.

Mark Gruberg stated that United Taxicab Workers is fully supportive of the new alliance. UTW never achieved the goal of a mass taxi driver alliance but this is happening with this new alliance. Cab drivers need a strong organization to defend their rights and promote their interests. They are looking forward to working with the Board.

Carl Macmurdo asked the Board to address the section of the code regarding those who bought a medallion under the auspices of Prop A. When they try to sell the medallion decades later, the 20% transfer tax has put a yoke on them. He asked that it be lowered to five percent. The perceived value would then rise. Young drivers can put a pink moustache on a car and make a lot of money.

Mary McGuire discussed how TNC's are using cab stands. Cab drivers can't get to the cabstand at the ballpark because they're filled with illegal cabs. SFMTA staff should enforce the cabstands as well as enforce the rule at hotels. The TNC's are using transit lanes as well and have requested the ability to use these transit only lanes at the CPUC. There's so much traffic because of the number of TNC's on the road.

THE FOLLOWING MATTERS BEFORE THE SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY BOARD OF DIRECTORS ARE RECOMMENDED FOR ACTION AS STATED BY THE SFMTA DIRECTOR OF TRANSPORTATION OR CITY ATTORNEY WHERE APPLICABLE. EXPLANATORY DOCUMENTS FOR ALL CALENDAR ITEMS ARE AVAILABLE FOR REVIEW AT 1 SOUTH VAN NESS AVE. 7th FLOOR.

CONSENT CALENDAR

10. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the San Francisco Municipal Transportation Agency Board of Directors and will be acted upon by a single vote. There will be no separate discussion of these items unless a member of the Board of Directors or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

(10.1) Requesting the Controller to allot funds and to draw warrants against such funds available or will be available in payment of the following claims against the SFMTA:

- A. Truck Insurance Exchange vs. CCSF, Superior Ct. #CGC13532319 filed on 6/24/13 for \$250
- B. Estate of Manuel Tomaneng vs. CCSF, Superior Ct. #CGC12523234 filed on 8/14/12 for \$20,000

RESOLUTION 14-139

(10.2) Approving the following traffic modifications:

- A. ESTABLISH – CROSSWALK – Hayes Street at Pierce Street (east side crossing).
- B. ESTABLISH – BUS ZONE – Hayes Street, north side, from Pierce Street to 60 feet easterly.
- C. ESTABLISH – STOP SIGNS – Ulloa Street, eastbound and westbound, at 26th Avenue.
- D. ESTABLISH – RESIDENTIAL PERMIT PARKING AREA Y, 2-HOUR PARKING 9 AM TO 9 PM, MONDAY THROUGH FRIDAY – Berry Street, north side, from 7th Street to 248 feet westerly; Berry Street, south side, from 7th Street to 300 feet westerly; and King Street, south side, between 7th and Division streets.
- E. ESTABLISH – TOW-AWAY NO STOPPING ANYTIME – Geneva Avenue, south side, from 55 feet to 185 feet east of San Jose Avenue.
- F. ESTABLISH – RIGHT LANE MUST TURN RIGHT EXCEPT MUNI – Geneva Avenue, westbound, at San Jose Avenue.
- G. ESTABLISH – STOP SIGN – Rossi Avenue, southbound, at Turk Street.
- H. ESTABLISH – STOP SIGN – Midway Street, southbound, at Francisco Street.
- I. ESTABLISH – STOP SIGN – 24th Street, westbound, at Kansas Street.
- J. ESTABLISH – STOP SIGN – Hopkins Avenue, westbound, at Burnett Avenue.
- K. ESTABLISH – STOP SIGN – La Salle Avenue, westbound, at Phelps Street.
- L. ESTABLISH – TOW AWAY NO STOPPING ANYTIME – Randolph Street, north side, from Orizaba Avenue to 35 feet westerly; Orizaba Avenue, west side, from Randolph Street to 70 feet southerly; Orizaba Avenue, east side, from Randolph Street to 100 feet northerly; Randolph Street, north side, from Bright Street to 25 feet westerly; Randolph Street, south side, from Bright Street to 25 feet westerly; Randolph Street, south side, from Head Street to 30 feet westerly; Randolph Street, north side, from Victoria Street to 25 feet westerly; Randolph Street, north side, from Ramsell Street to 25 feet easterly; Randolph Street, south side, from Ramsell Street to 25 feet westerly; Randolph Street, south side, from 19th

Avenue to 25 feet easterly; 19th Avenue, west side, from Randolph Street to 20 feet northerly; Broad Street, north side, from Plymouth Avenue to 25 feet westerly; and Broad Street, south side, from Plymouth Avenue to 25 feet easterly. (Explanatory documents include a staff report and resolution. The proposed action is an Approval Action as defined by S.F. Administrative Code Chapter 31.)

RESOLUTION 14-140

(10.3) Authorizing the Director to execute Contract No. 1236R, Third Street Light Rail Project - Mission Bay Loop, with Mitchell Engineering to install track work around the 3rd Street/18th Street/Illinois Street/19th Street block to create a short line loop for the T-Line, in the amount of \$3,521,115, and for a term of 240 calendar days. (Explanatory documents include a staff report, financial plan and resolution. The proposed action is an Approval Action as defined by S.F. Administrative Code Chapter 31.)

RESOLUTION 14-141

On motion to approve the Consent Calendar:

ADOPTED: AYES – Borden, Brinkman, Heinicke, Lee, and Ramos

ABSENT – Nolan and Rubke

REGULAR CALENDAR

11. Presentation and discussion regarding the status of the taxicab industry in San Francisco. (Explanatory documents include a slide presentation.)

Vice Chairman Brinkman asked the Board Secretary to call Items 11 and 12 together.

Kate Toran, Director, Taxis and Accessible Services presented the items.

PUBLIC COMMENT:

Richard Hybels stated that things are really bad in the taxi industry. In April 2014, they had 25 cabs and 77 unfilled shifts. By August 2014, there were 20 cabs with 250 unfilled shifts. The company is getting smaller and cab drivers are walking out the door.

Charles Rathbone stated that the cab industry has to solve its' own problems. Luxor Cab has begun experimenting with variable length shifts and is also trying to address driver needs. All taxicabs should be on an app. There is an issue with integration of these apps with existing dispatch equipment. He commented that Uber won't comply with transit only lanes. They'll pay the fine and continue to use the lanes. It's time to review the credit card policy.

Tone Lee expressed sorrow for taxi drivers. The TNC's are using technology to get into the public transportation business. Somebody is organizing the mafia against the government. Cab drivers are going to the State to demand justice.

Hansu Kim stated that Desoto is distinguished in Item 12. He didn't think that taking cabs off the street would be good for the industry and had hoped that rents would be adjusted. He expressed appreciation for the payment plan. Desoto is trying to stay loyal to the industry, reduce debt, and

keep drivers. The mandate for an app should have been done two years ago. The taxi industry can beat these TNC's at their own game even in a deregulated market. The industry can be profitable and stable but the SFMTA has to work with us to come up with a drastic plan.

Nathan Dwiri said it would be helpful to have a premium service fee for customers. There are drivers who accept over \$4,000 in credit cards and some who take \$0 each month. Those who don't are uninformed, greedy, petty and shortsighted. Our job is to teach and inform them but it would be good if there were also punitive ways to make them understand. In August 2013, Yellow Cab did 672,000 metered rides. This year, Yellow Cab did 670,000. There hasn't been a major drop in business. Of the 120,000 calls per month, approximately 25% don't get a cab. Ten percent is acceptable; 25% is not.

Jim Margolis discussed how the industry can level the playing field with things such as credit cards. The industry is at a disadvantage. The industry isn't against the TNC's but the issues are things like the number of TNC's that can operate at one time or what they can charge. State law is flawed regarding what they consider "pre-arranged" versus "on-demand."

Carl Macmurdo stated that promoting an industry-wide app is critical. The larger companies may think that their app is better rather than cooperate with the entire industry. First, they should support a citywide app and then augment if needed. The number of people wanting to buy a medallion is a false indicator of the health of the industry. It's a wise investment by the end but it's a sign of desperation. The SFMTA should lower the retransfer fee to make a medallion more attractive. He discussed a case pending at the California Supreme Court that challenges the CPUC's decision regarding the nature of an app dispatch call.

Barry Korengold stated that it's appalling that the SFMTA is requiring the cab industry to follow requirements when it's not making others do it. There isn't enough enforcement. It's not competition when people are cheating. If taxis didn't have to operate by regulations, they could get it done. TNC drivers drive worse than cab drivers. He suggested that the SFMTA put a FlyWheel ad on every bus that has an Uber ad.

Ashwani Aeri stated that there aren't enough taxi stands and the ones we have aren't effective. Hotels let limos or TNC's park but not taxis. He suggested a \$1,000 fine to discourage people from parking at cabstands.

Mark Gruberg stated that most of the issues are beyond everyone's control. In 2009, Green Cab started with an app named "Cabulous" which is now called FlyWheel. By 2010, there was a proposal to have an open taxi access but due to opposition of certain cab companies and the refusal of the SFMTA Board to take it up, the proposal was killed. It would be a different landscape today if that hadn't happened. For 14 years, cab drivers weren't responsible for credit card fees but that decision was changed by SFMTA Board and the refusal to accept credit cards by cab drivers is a direct result. It could have been avoided. Last year, the SFMTA collected at least \$25m in transfer fees. There is only \$3.8m in a driver fund and is only being augmented by \$120,000 per year. That money won't go far.

Mary McGuire stated that there's clearly a demand for taxis. Cab companies are reluctant to take new medallions. The SFMTA should consider what will happen if cab drivers start defaulting on their loans. All payments to the SFMTA should be suspended. Cabs can't compete with Google but not all residents prefer TNC's. FlyWheel's response times are better than the TNC's. TNC's are picking up at the airport. Monies should be used to advertise and promote the industry.

Andrew Sun expressed support for Item 12. Mandates are clear and useful but there has got to be follow-up to make sure the mandates are followed. Not all cab companies meet current mandates such as the requirement of rear seat monitors. Yellow Cab and Luxor are trying to change fast. Cab companies need to be congratulated for maintaining their levels of service but they have to pay \$250,000 that the "rent to ride" cars don't have to pay. The cab industry is "price fixed" and these TNC companies come in and cut prices which is damaging. The industry can do more to get information to the public that taxis are an important part of the transportation system. It's important for cab companies to provide service and let cab drivers know that customer service is paramount.

Anthony Ballester expressed support for cab drivers and companies. Safety is the top priority. He noticed the Flywheel ads on buses. TNC's do travel in the red "transit only" lanes. He suggested that transit operators use "DriveCam" to capture people driving in those lanes.

Board members expressed concern about the lack of enforcement of the transit only lanes and asked staff to get back to them about enforcement.

Director Heinicke requested that staff bring legislation to the Board that would require all drivers to use an app and that there be follow up on monitoring and training. He also requested a report back on current advertising plans regarding how the taxi industry is serving customers. Lastly, he requested that staff return to the Board before the end of the year to discuss pricing flexibility.

12. Ratifying all past permit renewals that were granted without timely payment of renewal fees or other monies owed to the SFMTA; authorizing the Director to enter into agreements with Color Schemes for the payment of Fiscal Year 2014-15 medallion permit renewal fees; authorizing the Director to enter into an agreement with DeSoto Cab Company for payment of past due 8000 Series Monthly Taxi Medallion Use Fees; and amending Transportation Code Section 320 to implement a temporary reduction of the 8000 Series Taxi Medallion Use Fee through June 2016. (Explanatory documents include a staff report, agreements, TC amendment and resolution.)

RESOLUTION 14-142

On motion to approve:

ADOPTED: AYES – Borden, Brinkman, Heinicke, Lee, and Ramos

ABSENT – Nolan and Rubke

13. Approving the Seventh Amendment to the Armed and Unarmed Security Services Agreement with Cypress Security for a total contract amount not to exceed \$35,900,000, and for a term ending March 31, 2015; recommending that the Board of Supervisors approve an ordinance

authorizing the SFMTA to require payment of prevailing wages and transitional employment and retention for the prior contractor's employees; and authorizing the Director to issue a Request for Proposals for security services. (Explanatory documents include a staff report, amendment, and resolution.)

No public comment.

RESOLUTION 14-143

On motion to approve:

ADOPTED: AYES – Borden, Brinkman, Heinicke, Lee, and Ramos

ABSENT – Nolan and Rubke

14. Discussion and vote pursuant to Administrative Code Section 67.10(d) as to whether to conduct a closed session.

The closed session was cancelled.

ADJOURN - The meeting was adjourned at 3:25 p.m.

A recording of the meeting is on file in the office of the Secretary to the San Francisco Municipal Transportation Agency Board of Directors.

Roberta Boomer
Board Secretary

California Environmental Quality Act (CEQA) Appeal Rights under S.F. Admin. Code Chapter 31:
For identified Approval Actions, the Planning Department or the SFMTA has issued a CEQA exemption determination or negative declaration, which may be viewed online at the Planning Department's website. Following approval of the item by the SFMTA Board, the CEQA determination is subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16 which is typically within 30 calendar days. For information on filing a CEQA appeal, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or submitted in writing to the City prior to or at such hearing, or as part of the appeal hearing process on the CEQA decision.

The Ethics Commission of the City and County of San Francisco has asked us to remind individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [S.F. Campaign and Governmental Conduct Code section 2.100 et seq.] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 415.581.2300; fax: 415.581.2317; 25 Van Ness Avenue, Suite 220, SF, CA 94102-6027 or the web site: sfgov.org/ethics.