

# SUNLINE SERVICES GROUP BOARD MEETING AGENDA

Wednesday, June 22, 2011  
12:00 Noon  
Kelly Board Room  
32-505 Harry Oliver Trail  
Thousand Palms, CA 92276

**NOTE:** IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT SUNLINE AT (760) 343-3456. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE SUNLINE TO MAKE REASONABLE ACCOMMODATION TO ENSURE ACCESSIBILITY TO THIS MEETING.

The Chair requests that all cellular phones and beepers be either turned off or set on silent mode for the duration of the Board Meeting.

## AGENDA TOPICS

## RECOMMENDATION

1. Call to Order  
by Vice Chairman Eduardo Garcia

2. Roll Call

3. Finalization of Agenda

4. Presentations  
None.

5. Correspondence  
None.

6. Public Comments  
(NOTE: Those wishing to address the Board should complete a Public Comment Card and will be called upon to speak.)

**Receive Comments**

### **NON AGENDA ITEMS**

Anyone wishing to address the Board on items not on the agenda may do so at this time. Each presentation is limited to 3 minutes.

**AGENDA ITEMS**

Anyone wishing to address specific items on the agenda should notify the Chair at this time so those comments can be made at the appropriate time. Each presentation is limited to 3 minutes.

7. **Board Member Comments** **Receive Comments**  
Any Board Member who wishes to speak may do so at this time.

----- **DISCUSSION** -----

8. **Safety Review of Taxicab Franchise System** **Discussion**  
Board discussion on the safety review of the SRA taxicab franchise system. (Pages 1-2)

----- **ACTION** -----

9. **Consent Calendar** **Approve**  
All items on the Consent Calendar will be approved by one motion, and there will be no discussion of individual items unless a Boardmember requests a specific item be pulled from the calendar for separate discussion. The public may comment on any item.

- a) Minutes of the May 25, 2011 Board of Directors Meeting (Pages 3-11)
- b) SSG/SRA checks over \$1000 issued May, 2011 (Page 12)
- c) SSG/SRA Monthly Budget Report for May, 2011 (Pages 13-14)
- d) Taxi Vehicle/Rides Analysis (Pages 15-16)

10. **Taxicab Budget & Fee Schedule Resolution** **Approve**  
Request to the Board to approve fiscal year 2012 taxicab budget and fee schedule resolution. (Pages 17-24)

11. **Approval of Taxi Regulation R.25 Amendment (Naomi Nightingale)** **Approve**  
Request to the Board to approve Taxi Regulation R.25 Amendment, Interference with Driver Reporting. (Page 25)

12. **Resolution Adopting Fines Relating to Violations of Taxi Ordinance and Regulations (Naomi Nightingale)** **Approve**  
Request to the Board to approve the attached Resolution adopting fines relating to violations of taxi Ordinance and Regulations. (Pages 26-32)
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**13. Next Meeting Date**

July 27, 2011, or meet as needed.

12 o'clock Noon – Kelly Board Room

**14. Adjourn**

## SunLine Services Group

**DATE:** June 22, 2011 **DISCUSSION**

**TO:** Taxi Committee  
Board of Directors

**FROM:** Director of Taxi Administration

**RE:** Safety Review of Taxi Franchise System

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### Background

SunLine Services Group (SSG) is a local agency required by Government Code section 53075.5 to protect the public health, safety, and welfare by adopting an ordinance or resolution regarding taxicabs operated within its jurisdiction.

At the May 2011 meeting, staff presented concerns regarding the connection between high weekly leases and excessive hours being driven by the taxi operators. The SSG Board of Directors instructed staff to return with some examples of how each of the three proposed alternatives could be implemented and what the effect would be. Staff was also directed to consider additional alternatives such as seasonal rate restrictions. This report to the Board addresses those requests.

The three alternatives raised by SRA to alleviate these concerns were as follows:

1. Eliminate the ability of Franchises to contract out labor in order to avoid the prospect that drivers would earn less than a minimum wage and; therefore, work more hours to make up the difference.

This would be possible by SRA's modification of the Ordinance to remove the ability of the Franchises to subcontract for drivers. The action would be done in the public's interest in safe taxi operations. In this way the employer would be responsible for insuring that the taxicab drivers adhere to the vehicle code drive time in that the employer would be responsible to track actual hours worked and spot violations. It would also serve to ensure that the drivers are paid at least a minimum wage of \$8.00 per hour. Studies show a correlation between wages and taxicab accidents. SRA fees would fluctuate based on the number of taxis in operation.

There would be no increased cost to the public.

The Franchises would experience an increase in costs due to the payment of workers compensation, unemployment taxes, and increases in overhead for supervision. There would possibly be pressure on SRA to raise the ceiling on taxi rates. The overall effect on the industry is still under review.

2. Establish lease caps that would prohibit Franchises from charging more than a maximum amount to rent a taxi which would also deter a drivers' need to drive excessive hours to earn a living wage.

This would be possible by SRA's modification of the Ordinance and a Resolution to provide for a specified cap amount on leases charged by the Franchises. Seattle experienced several political challenges prior to final implementation of its lease caps. This change would be based on the interest in public's safety. Currently, each of the Franchises charges a different rate. The amount of the lease cap would be based on data audited from the books and records of each Franchise. All Franchises would be subject to a maximum rate. Compliance with this requirement would be verified by SRA. SRA would eliminate the Shared Revenue Fee and collect the 75 cent flag drop surcharge already in place.

There would be no increased cost to the public.

The Franchises would experience a possible decrease in revenue. The overall affect on the industry is still under review.

3. Require that drivers have an ownership interest in the vehicles substantial enough to eliminate the take-it-or-leave-it approach complained of by drivers with respect to the current franchises

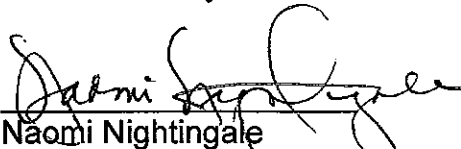
This structure would be modeled after the existing structure at Yellow Cab of The Desert. The Ordinance would be modified to require that each driver have an ownership interest in the taxicabs being driven. This structure is based on a share of the expenses and a share of the revenue. Though it is advertised as a 50/50 split, there is some indication that the actual split is more disproportionate against the drivers. Again, this structure implies the reduction of hours drivers are on the road in order to make a living wage. This option may be the most difficult to implement based on potential interference with free trade.

There would be no increased cost to the public.

The Franchises would experience a possible change in their business structure and possibly a fairly complex operating structure similar to the owner/operator structure in place prior to the transition to the franchise structure. The main difference would be the limit on the number of taxis.

The seasonal restriction option was considered based on its impact towards the overall objective of improving passenger safety. The restriction of rates would occur in the span of approximately three weeks and resemble a deterrent to price manipulation of the taxi market rather than a year round effort to improve passenger safety.

These options are being considered by SRA to promote safe driving practices in the Coachella Valley taxicab market.

  
Naomi Nightingale

**MINUTES**  
**SunLine Services Group**  
**Board of Directors Meeting**  
**May 25, 2011**

A regular meeting of the SunLine Services Group Board of Directors was held on Wednesday, May 25, 2011 in the Kelly Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

**1. Call to Order**

The meeting was called to order at 12:19 p.m. by Chairman Steve Pougnet.

**2. Roll Call**

Completed.

**Members Present**

Steve Pougnet, Chairman, Mayor City of Palm Springs  
Eduardo Garcia, Vice Chairman, Mayor, City of Coachella  
Yvonne Parks, Mayor, City of Desert Hot Springs  
G. Dana Hobart, Mayor Pro Tem, City of Rancho Mirage  
Bob Spiegel, Mayor Pro Tem, City of Palm Desert  
Bill Powers, Councilmember, City of Indian Wells  
Mike Wilson, Councilmember, City of Indio  
John J. Benoit, Supervisor, County of Riverside

**Members Absent**

Bud England, Councilmember, City of Cathedral City  
Don Adolph, Mayor, City of La Quinta

**Guests:**

Robert Yates, RCTC  
John Standiford, RCTC  
Gadi Srulovitz –Yellow Cab of the Desert  
Ricardo Diaz, Yellow Cab of the Desert  
Harry Incs-American Cab  
Mabu Hossan-Airport Taxi  
Norman Strickland-LFR Associates  
Lydia Rodriguez-LFR Associates  
Debbie DeRoma, LFR Associates

**Staff:**

C. Mikel Oglesby, General Manager  
Maria Aarvig, Legal Counsel  
Carolyn Rude, Special Asst. to the General Manager/Clerk of the Board  
Christopher Mitchell, Director of Finance  
Tommy Edwards, Director of Maintenance  
Tommy Green, Director of Safety & Security  
Eunice Lovi, Director of Planning  
Naomi Nightingale, Director of Administration & Human Resources/EEO/Taxi Administrator

Michael Jones, Taxi Administration Supervisor  
Rudy Le Flore, Procurement Consultant  
Rick Barone, Procurement Officer  
Mannie Garcia, Senior Supervisor  
Michael Morrow, Maintenance Manager  
Francine DePalo, Administrative Assistant  
Ed Carson, Accounting Manager  
Diann Chumney, Desktop Publishing  
Ivanna Samokish, Safety, Risk Assessment & Training Coordinator  
Jim Rayl, Operations Coordinator  
Blanca Flores, Accountant  
Vanessa Mora, Administrative Assistant

3. **Finalization of Agenda**

Chairman Pougnet moved agenda item# 10, Safety Review of Taxicab Franchise System, to review prior to agenda approval item# 9, Approval of Taxi Regulation – Interference with Driver Reporting.

4. **Presentations**

None.

5. **Correspondence**

None.

6. **Public Comments**

**NON-AGENDA ITEMS**

None.

**AGENDA ITEMS**

Kimberly Webb – Item# 10. Ms. Webb addressed the three recommendations within the staff report to alleviate safety concerns. She stated that item# 1 does not appear to be appropriate; she stated that the drivers are not independent contractors as they are dominated by the owners. She stated the owners threaten drivers over the radio if they do not go to a particular call. She stated that the costs would be passed on to the drivers. Ms. Webb stated that item# 2 would be best across the board for all the taxi drivers; having a cap would enable a driver to know their finances and what their requirements are, rather than a random lease rate. She stated that currently the lease rates are anywhere from \$1000 to \$1200 a week and drivers are working 16 hours, and other push that limit. She stated that she personally pushed the limit and there were some weeks she still can't pay her obligations. She stated that she has been released and is no longer working in the taxi business; she is representing the drivers who are under duress; if they come to a Board meeting and speak their mind, they are in threat of termination. She stated that item# 3 relating to ownership. She stated that the 50/50 number is not realistic; after expenses, they still are coming home with substantially less than a 50/50 split.

Kimberly Webb – Item# 9 – She stated that after she had addressed the Board in January, she was subjected to retaliation, harassment and termination of driving privileges as direct result of a vehicle malfunction. She took the vehicle to a third outside party mechanic who deemed the vehicle unsafe, dangerous and recommended that a tow truck be called to transport vehicle back to the shop. She stated that she elected to drive the vehicle back to the shop and was then harassed by front desk personnel accusing her of being a complainer. She stated that the van was taken away from her that night and the next day she was belittled by Mr. Incs stating that there was nothing wrong with the vehicle. She stated that both mechanics stated that there was an axle problem. Ms. Webb further stated that she then received a call to decide what days she wanted her 12 hour shift as she was no longer on a 24 hour shift. She then informed her counterparts of the situation and on a Saturday, mid-lease, she was contacted after working 15 hours that she was to bring in her keys as they were removing the vehicle from her for “badmouthing the company”. She stated that in reference to the amount of money on section 10, the \$900 lease went up on January 1<sup>st</sup>, and a statement made by Mr. Incs at the front desk in the presence of many was “I have to write SunLine a check for \$24,000 tomorrow and that’s why you are going to pay me more.”

7. **Board Member Comments**

None.

8. **Consent Calendar**

Mayor Pro Tem Spiegel moved for approval of the consent calendar. The motion was seconded by Councilmember Powers and was approved by a unanimous vote.

10. **Safety Review of Taxicab Franchise System**

Taxi Administrator, Naomi Nightingale, addressed the Board stating that on many occasions staff has come before the Board and the Board expressed concern regarding the safety of the general public in reference to taxicab operation. As a result, the concerns have been looked into by SRA staff to address issues of safety. Included in the staff report are three options presented to the Board for discussion; it is not a total list. Ms. Nightingale stated that staff met with the Franchise owners to let them know of the issues being brought before the Board for discussion. The owners of the Franchises were invited to present other options to consider; however, to date, there have been no responses from the Franchise owners. Ms. Nightingale stated that the first option is the elimination of the ability of Franchises to contract out labor in order to avoid the prospect that drivers would earn less than a minimum wage and therefore work more hours to make up the difference. That essentially says that the drivers would become employees of the Franchise rather than independent contractors. The second option is to establish lease caps that would prohibit Franchises from charging more than a maximum amount to lease a taxi, which would also deter a driver’s need to operate excessive hours to earn a living. Ms. Nightingale stated that staff has completed an analysis of average cost per ride based on minimum rides per day, as mandated in the Ordinance, and looked at data that has been provided

by the Franchise companies as to what their average rides per day are. Staff has made some determination of the earning rate for the drivers as compared to the leasing rates charged by the Franchises. Item #3 is to require that drivers have an ownership interest in the vehicles substantial enough to eliminate the take-it-or-leave-it approach complained of by drivers with respect to the current Franchises. Ms. Nightingale stated that there currently is a Franchise that has a 50/50 split, 50% of the earnings to go the driver and 50% of the earnings go to the Franchise. This option is presented for discussion as well. Ms. Nightingale stated that the SRA would like the SSG Board of Directors to provide input on these options suggested by the preliminary data and the alternatives being considered by SRA to promote safe driving practices in the Coachella Valley taxicab market. Ms. Nightingale stated that staff believes that some measure of control and cap needs to be placed so that the safety of the drivers becomes the primary concern. She stated that what has been seen and what is being reported is that drivers are forced to work excessive hours in order to meet the demands of the weekly lease amounts, which can be up to and above \$1000 - \$1200 per week.

Mayor Hobart stated that a discussion took place in the Taxi Committee meeting earlier. He stated that in the staff report provided by Ms. Nightingale, it states "Safety Review of the Franchise System" due to the fact that the issues that are being discussed potentially tinker with the contractual relationship between the taxi drivers and the owners of the Franchises. Mayor Hobart stated that normally this would not be within the Board's jurisdiction; however when approached by the perspective of trying to reduce the issues that the drivers have had, such as driving excessive hours, with reduced sleep, accidents occur, and the incentive to work more than the law permits with respect to consecutive hours and the fact they are not making a living wage, there is concern. The consequence is that they are pushing themselves to work longer hours, thus, putting the public at greater risk. Mayor Hobart stated that the Board is trying to address and seek tools by which we can change some of the driving habits. He further stated that in the report to the Board, Ms. Nightingale lists three options as possible approaches to change the relationship between the driver and the Franchise in a manner that will take out much of the incentive of the drivers to work excessive hours. Mayor Hobart stated that during the Taxi Committee meeting the three subjects were examined and the Committee members came to the conclusion that each suggestion has potential and real merit. He stated that the Committee asked for staff to come back at the next meeting with some examples of how each item could be implemented and what the affect would be. Mayor Hobart stated that the Committee is hopeful that the Board, as well as staff, could come up with some additional thoughts as to what can be done to eliminate incentive of the drivers to work excessive hours. He stated one thought he has based on some discussion is the fact that leases are modified on a routine basis when a major function occurs in the Valley, such as the Coachella Fest. He stated that leases are increased from \$1050 a week to a significantly higher number. Mayor Hobart stated that this issue should be looked at to determine if that lease should change when traffic is the greatest, the cost of the vehicle is more and difficulty in

getting rides is compounded by everybody massing around the eastern Coachella Valley.

Mayor Parks stated that Harry Incs of American Cab indicated at the Taxi Committee meeting that his figures are different than staff figures as far as calculating revenue. She stated that Mr. Incs volunteered to open his books to staff to see how the figures differ. Mayor Parks stated that she also asked about the pass-through of the credit card; the drivers are charged 5% if a credit card is used. Mayor Parks stated that that cost should be burdened by the Franchise, not the driver. She stated we are looking at how much time a driver requires to work in order to simply meet the lease, which then affects the drivers' ability to drive safely.

Chairman Pougnet stated that there has been discussion on how big the margins are; if Mr. Incs is going to open up his books, it might give the Board and staff the ability to see how big those margins are. The Chairman asked Legal Counsel to comment. The Chairman stated that currently we have three five-year lease agreements and asked Counsel what ability the Board has legally to potentially alter a Franchise Agreement. Legal Counsel, Maria Aarvig, stated that the request for proposals and the Franchise Agreement makes it clear that SSG is free to change the Ordinance; it is still the governing body. She stated that is part of the terms of the Franchise Agreement; the terms can be altered by a change to the Ordinance. She stated that if the motivation for changing the Ordinance provides some sort of protection for the purpose of public safety and is generated on the basis of such a concern, it is within the power of this Agency. She stated that the only reason that SSG exists is to protect public safety by government code. Provided there is evidence that there is an issue, such as exceeding the limitations in the vehicle code in terms of the number of hours they are driving, taking measures to address that is within this body's jurisdiction. Chairman Pougnet asked if other Franchise operators are willing to come forward to discuss revenue. Ms. Nightingale stated that staff will continue to have meetings with the Franchise owners. Chairman Pougnet asked Ms. Nightingale to provide further information on item# 1; he stated that it would be difficult to dictate that drivers become employees of the company. Ms. Nightingale stated that it would be difficult. She stated that as of now, all three Franchises operate as corporate owners; that is in their Franchise Agreement at this time. She stated that it was left up to the Franchises as to whether they would have employees or independent contractors; that choice was not dictated. Ms. Nightingale stated that staff would need to look further into the impacts.

Supervisor Benoit stated that he would be interested in the revenue estimates, which he assumes is based on the rides per mile, the rates we allow and the number of rides. Ms. Nightingales stated that we have minimum rides per the Ordinance, which is eight rides a day and is tracked on a monthly basis. She stated that staff came up with an average of what a fare is for a ride, times the minimum, to come up with the take-home fare for a driver. Supervisor Benoit asked if the take-home fare included a tip. Ms. Nightingale stated that tips are not included; however a survey was sent out to the drivers. Two hundred surveys

were distributed and staff received 10% return of the surveys. Questions asked were how many hours driven, what are they paying for lease fees, as well as their take-home pay. Supervisor Benoit stated that response from the owners might be that there is an additional revenue source that is not included in the numbers and could be significant.

Ms. Nightingale further stated that in relation to why the leasing fees are increased during Coachella Fest and Stage Coach, an answer received from one Franchise owner is that the drivers drive many more miles and there is a toll on the vehicles during the festivals. In addition, the insurance goes up, more dispatchers are hired due to the high volume of calls received and attribute to the increase of costs.

Supervisor Benoit stated that he gets a little nervous when government is asked to write the rules of how commerce should be undertaken. He stated that experience has shown him is that when government has tried to take on that task, they have not done a very good job. He stated that the Board needs to be very careful in establishing lease caps under the heading of safety. He stated that we may not have the right numbers to figure out what is an appropriate lease cap and the connection to safety is questionable in his mind. Supervisor Benoit asked what the penalties are under SunLine Regulation R.6.11. He stated that we should be focused on making sure that we have a safety Ordinance that is enforceable and effective. Ms. Nightingale stated that the penalties are dictated by the government code; the fees are in today's agenda #9. She stated there was discussion at the Taxi Committee meeting this morning and the SRA's ability to increase the fees or have an accumulation of fees to the extent that the Franchise owners might be presented to the Board for suspension for continued or accumulated violations. Supervisor Benoit stated that it is very difficult to enforce; who is watching to make sure that the drivers are not driving excessive hours. He further asked about the consequence if a driver is found to be driving excessive hours and how is it enforced.

Councilmember Powers stated that it is a weak argument to charge more for a lease to the driver during the Coachella Fest or Stage Coach. He stated the owners are making more money. He further stated that if a Franchise is going to open their books, they should bring their tax returns as well. Ms. Nightingale stated that tax returns are required in the application process and staff can ask for them at any time. Councilmember Powers further stated that the Franchise owner should be asked to sign a disclosure, or a permission slip that we get a copy of the return from the IRS as there could be several sets of tax returns.

Mayor Parks stated that she understands Supervisor Benoit's concerns. She stated that truck drivers have logs as far as signing in, etc. She stated that we have a GPS and we are supposed to know exactly when the drivers are driving; however, the driver has the ability to disconnect the GPS. She stated that it is difficult to regulate something that is so easily manipulated.

Councilmember Wilson asked if we can require a log book to be signed off by the drivers. He further asked that in relation to Coachella Fest and Stage Coach, if the fares during the events are a free for all. Ms. Nightingale stated that taxicab drivers negotiate their fees. Councilmember Wilson asked about a plan that is in place at the airport for the Coachella Fest and Stage Coach; the driver drives into a stall and the next one in line takes the next fare. He asked if that criteria was established with the promoter, Coachella Fest and Stage Coach representatives, and if they would work with SunLine to establish the fare, would that help. Ms. Nightingale stated that staff has attempted to set up taxicab stands so that the process could be controlled; during all events, staff attempted to set up a taxi stand. She stated that staff did have some issues with Stage Coach and the Coachella Fest as there was not a coordinated effort between law enforcement, the City of Indio and Golden Voice (the promoter) in order to make it smoother. She stated that there are hundreds of thousands of people and there are only so many cabs. Councilmember Wilson stated that the City could include in the routing system to get cabs into a designated street to pick up and drop off rides if it would help the situation created by the events. Mr. Oglesby stated that steps are being taken to meet with the City Manager and law enforcement to work together. Councilmember Wilson stated that getting law enforcement involved, as they are the logistics arm, is key in working with the City Manager to get the issue worked out. Oglesby further stated that staff needs to talk to law enforcement so they can understand what SRA staff is trying to do.

Mayor Garcia stated that the events we are discussing include nine days out of the entire year and we need to keep focused on what the drivers are making, as well as consideration, from a policy standpoint, if the Board can put a cap on what independent drivers pay for their leases. He stated that he believes there is a connection with public safety issues; drivers are paying drastic rates for a lease, which causes them to put additional time into their work, ultimately jeopardizing the safety of their passengers. Mayor Garcia stated that maybe through a mutual understanding with the Franchises a cap can be put on the leases. He further stated that the question remains; can we enforce a cap, which needs to be answered by Legal Counsel.

Councilmember Powers stated that he saw a presentation this week on taxicab service at the airport, which included a glowing report by the Commissioner about the taxi drivers and how courteous they are; no complaints in a long time.

Mayor Pro Tem Spiegel asked if the item will be brought back to the Board next month. Ms. Nightingale stated yes, the Committee has asked staff to come back. Mayor Parks stated that she would like staff to come back with some examples of what will work.

Supervisor Benoit stated that a GPS could possibility be the solution to enforce the safety issue and should be explored first before trying to regulate the business side. He stated that if we go to the business side, we could possibly set a caveat that the rates cannot be changed during a special event.

Ms. Nightingale stated that staff will look at the options and come back next Board meeting with definitive choices.

**9. Approval of Taxi Regulation – Interference with Driver Reporting**

Taxi Administrator, Naomi Nightingale, stated that staff requests approval of Taxi Regulation R.25, Interference with Driver Reporting. She stated on many occasions drivers have reported to the SRA staff that they have been retaliated against, threatened or intimidated by the Franchise, for coming before the Board, making phone calls or appearances to SRA staff, or complaining about safety hazards with the taxicab or the administration of taxis. If unsafe tires, or other mechanical failures of the vehicles are reported, the driver would either have their leases taken from them for a while, or could be terminated. If they came before the Board, or brought a safety issue before the Board, they were terminated or disciplined in some way. Ms. Nightingale stated the item before the Board is to approve the addition of Taxi Regulation R.25 that would prohibit the taxicab Franchises from interfering with, or prohibiting, discouraging or retaliating against any taxicab driver who comes before the Board or who makes a report of a safety issue to the SRA, staff or the Board. Included in the staff report are four paragraphs iterating the particular violations and the fees attached to the violations. Ms. Nightingale stated that at the Taxi Committee meeting there was a suggestion to add a paragraph R25.5 that strengthens the language about retaliation and the consequences referring back to penalty procedures within the Ordinance itself.

Mayor Parks stated that the Committee members felt that section R25.1, R25.2, R25.3 and R25.4 are very necessary to allow and eliminate intimidation of the drivers by the Franchise owners. Drivers should be able to report and come before the Board without fear of retaliation; they should not be intimidated by the Franchise for reporting problems that are occurring when the vehicles become unsafe. She stated that the members of the committee would like to approve the section before the Board and come back with an amendment with stronger language.

Councilmember Wilson stated that the penalties may be a little low. Mayor Parks stated that the penalties are bound by government code. She further stated that in the staff report, it states “for a third violation in one calendar year”; she clarified it should be a rolling twelve months. Ms. Aarvig stated that the fines are limited by government code in terms of how much for the first, second and third fine; however, violations and regulations could also lead to termination of the Franchise. Each case should be judged on a case-by-case basis. Ms. Aarvig stated that hypothetically, if you have one Franchisee who is threatening all of its drivers, there would be a multitude of violations and could be grounds for immediate suspension of the Franchise; there are some teeth in this even though the fines are very small. Ms. Aarvig stated that this information is in the Ordinance; the amendment that is being made to the Regulation will make reference to emphasize that this is taken very seriously by SSG.

Mayor Pro Tem Spiegel stated that he agrees with R25.1; however, R25.2 could be a "he said, she said" situation. It would be difficult to judge the validity of either party. Ms. Aarvig stated that there are regulations that come down to a "he said, she said" and that is why we have a hearing process. She stated that there will be instances that are clear and others that are not clear. The hearing officer, the Taxi Cab Administrator or designee, would make that decision.

Ms. Aarvig stated that the request to the Board is that the Regulation be approved as is, with an amendment to be added next month to add language to R.25.4 that violation of the Regulation in Section R.25 may result in termination of the Franchise pursuant to Ordinance 2010-01 and to add R25.5. It shall be a separate violation for any Franchisee to attempt to pass through to the driver any fines issued under Section R.25. It would carry the same penalty as having retaliated in the first place; basically it is the second violation.

Mayor Parks made a motion, based on the comments and the recommendation by the Taxi Committee, to approve the staff recommendation R.25 as is, with future amendment to be brought back at a further date. Chairman Pougnet asked to approve Regulation R.25 as is, to provide the public an opportunity to speak on the amendment at the June meeting. The motion was seconded by Supervisor Benoit and approved by a unanimous vote.

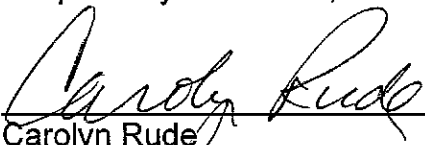
**11. Next Meeting Date**

Chairman Pougnet announced that the next regular meeting of the Board of Directors will be held June 22, 2011 at 12 noon – Kelly Board Room, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

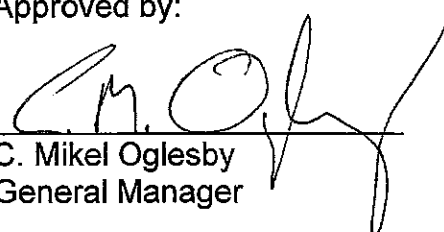
**12. Adjourn**

Chairman Pougnet adjourned meeting at 1:20p.m.

Respectfully Submitted,

  
\_\_\_\_\_  
Carolyn Rude  
Clerk of the Board

Approved by:

  
\_\_\_\_\_  
C. Mikel Oglesby  
General Manager

Date: 6-10-11

**SunLine Regulatory Administration**

**Checks \$1,000 and Over**

**For the month of May 2011**

NOTE: 1). Bold check payments represent "pass through" payments that were, or will be reimbursed to SunLine under the provisions of specific grants or contracts. 2). Underlined check payments represent "shared" payments with SunLine and specific vendors/employees.

<b>Vendor Name</b>	<b>Description</b>	<b>Check #</b>	<b>Check</b>	<b>Amount</b>
SUNLINE TRANSIT AGENCY	Payroll Liabilities Expense	089335	5/13/2011	\$10,805.18
SUNLINE TRANSIT AGENCY	Operating Expense	089338	5/19/2011	\$8,721.94
SUNLINE TRANSIT AGENCY	Payroll Liabilities Expense	089341	5/26/2011	\$8,031.70
LEFLORE GROUP LLC, THE	Consultant	089332	5/13/2011	\$2,720.00

<b>Total of Checks Over \$1,000</b>	\$30,278.82
<b>Total of Checks Under \$1,000</b>	\$2,025.46
<b>Total of All Checks for the Month</b>	<b>\$32,304.28</b>

<b>Total Amount of Checks Prior Years Same Month</b>	\$31,209.61
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**SRA--Taxi  
Statement of Activities  
May 2011**

	Audited	Total FY 10/11 Budget	Current Month				Year to Date						
			FY 09/10	Actual	Budget	Favorable (Unfavorable)	Actual	Budget	Favorable (Unfavorable)				
<b>Revenue:</b>													
Meter Readings	-	107,781	28,768	20,812	7,956	73,845	90,622	-					
Revenue Fines	5,900	15,000	10,867	2,083	8,784	95,494	12,915	82,579					
Vehicle Inspections	18,300	19,000	1,100	1,583	(483)	14,253	17,417	(3,164)					
New Driver Permits	9,840	5,500	150	458	(308)	3,750	5,042	(1,292)					
Driver Transfers	10,010	6,000	150	500	(350)	4,700	5,500	(800)					
Driver Renewals	10,390	7,250	650	604	46	6,700	6,646	54					
Driver Permit Reinstatement/Replacement	165	200	5	17	(12)	125	183	(58)					
Vehicle Transfers	65	130	-	-	-	(50)	130	(180)					
Vehicle Permits	108,000	78,000	833	-	833	82,096	78,000	4,096					
Operator Shared Revenue Fee	277,377	187,850	2,850	-	2,850	193,372	187,850	5,522					
Operator Application Fee	12,000	-	-	-	-	-	-	-					
Interest	192	-	17	-	17	137	-	137					
Other	1,078	36,065	-	-	-	47	-	47					
<b>Total revenue</b>	<b>\$ 453,318</b>	<b>\$ 462,776</b>	<b>\$ 45,389</b>	<b>\$ 26,058</b>	<b>\$ 19,332</b>	<b>\$ 474,469</b>	<b>\$ 404,305</b>	<b>\$ 86,942</b>					
<b>Expenses:</b>													
Salaries and wages	189,590	184,661	14,409	15,385	976	170,944	168,736	(2,208)					
Fringe benefits	145,448	131,315	11,040	10,651	(389)	126,284	120,462	(5,822)					
Services	120,551	131,800	8,533	13,600	5,068	87,740	109,602	21,862					
Supplies and materials	8,566	3,900	1,060	400	(660)	5,588	4,400	(1,188)					
Miscellaneous	20,056	11,100	1,215	1,192	(23)	16,718	17,608	890					
<b>Total expenses</b>	<b>\$ 484,211</b>	<b>\$ 462,776</b>	<b>\$ 36,256</b>	<b>\$ 41,228</b>	<b>\$ 4,971</b>	<b>\$ 407,273</b>	<b>\$ 420,807</b>	<b>\$ 13,534</b>					
<b>Total Operating Surplus/Deficit</b>	<b>\$ (30,894)</b>	<b>\$ -</b>	<b>\$ 9,133</b>	<b>\$ (15,170)</b>	<b>\$ 24,303</b>	<b>\$ 67,196</b>	<b>\$ (16,503)</b>	<b>\$ 100,476</b>					

SunLine Regulatory Admin  
 Comparison of Balance Sheets  
 June 30, 2005 through May 31, 2011

	FY 2005 6/30/2005	FY 2006 6/30/2006	FY 2007 6/30/2007	FY 2008 6/30/2008	FY 2009 6/30/2009	FY 2010 6/30/2010	Current FY 5/31/2011
Cash	\$ 93,979	\$ 49,228	\$ 54,854	\$ 225,745	\$ 281,247	\$ 270,226	\$ 294,997
A/R	\$ 17,230	\$ 12,690	\$ 48,111	\$ 48,485	\$ 68,792	\$ -	\$ -
Prepays	\$ -	\$ -	\$ -	\$ -	\$ 1,580	\$ 3,978	\$ -
Due from other Govt's	\$ 3,447	\$ 2,488	\$ -	\$ -	\$ -	\$ 223	\$ 200
Leases A/R	\$ 164,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Assets, less Accum Depr	\$ 4,351	\$ 695	\$ 6,327	\$ 29,210	\$ 30,804	\$ 43,448	\$ 49,533
<b>Total Assets</b>	<b>\$ 283,925</b>	<b>\$ 65,101</b>	<b>\$ 109,292</b>	<b>\$ 303,440</b>	<b>\$ 382,423</b>	<b>\$ 317,875</b>	<b>\$ 344,730</b>
Accounts Payable and Accruals	\$ 49,150	\$ 50,592	\$ 33,100	\$ 74,272	\$ 35,440	\$ 75,768	\$ 35,510
Due to Affiliate	\$ 266,203	\$ 27,517	\$ 23,352	\$ 55,464	\$ 26,503	\$ 7,354	\$ 7,226
Due to General	\$ 3,853	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	\$ 20,403	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -
<b>Total Liabilities</b>	<b>\$ 339,609</b>	<b>\$ 138,109</b>	<b>\$ 56,452</b>	<b>\$ 129,736</b>	<b>\$ 101,943</b>	<b>\$ 83,122</b>	<b>\$ 42,736</b>
Invested in Capital Assets	\$ 4,351	\$ 695	\$ 6,327	\$ 29,210	\$ 30,804	\$ 43,448	\$ 49,533
Unrestricted	\$ (60,035)	\$ (73,703)	\$ 46,243	\$ 44,494	\$ 149,676	\$ 91,305	\$ 152,462
Restricted - Reserve	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total Net Assets</b>	<b>\$ (55,684)</b>	<b>\$ (73,008)</b>	<b>\$ 52,570</b>	<b>\$ 173,704</b>	<b>\$ 280,480</b>	<b>\$ 234,753</b>	<b>\$ 301,994</b>
<b>Liabilities &amp; Net Assets</b>	<b>\$ 283,925</b>	<b>\$ 65,101</b>	<b>\$ 109,022</b>	<b>\$ 303,440</b>	<b>\$ 382,423</b>	<b>\$ 317,875</b>	<b>\$ 344,730</b>
<b>Net Income / (loss)</b>	<b>\$ (91,753)</b>	<b>\$ (17,324)</b>	<b>\$ 125,578</b>	<b>\$ 121,134</b>	<b>\$ 106,776</b>	<b>\$ (45,727)</b>	<b>\$ 67,196</b>

**TRIP vs. VEHICLE ANALYSIS**

**TRIP vs. VEHICLE ANALYSIS**

	FY 04/05				FY 05/06				FY 06/07				FY 07/08				FY 08/09			
	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH		
JUL	193	32,877	170	205	33,123	161	240	28,204	117	269	25,681	95	184	27,321	148	184	27,321	148		
AUG	185	25,911	140	209	24,445	117	240	24,010	100	269	28,635	106	184	28,450	154	184	28,450	154		
SEP	195	29,145	149	215	35,072	163	240	35,278	147	269	28,182	105	184	28,206	153	184	28,206	153		
OCT	196	44,593	227	221	32,817	148	240	38,459	160	205	33,063	161	184	37,131	202	184	37,131	202		
NOV	197	36,344	184	227	40,343	178	240	41,751	174	203	41,851	206	184	33,450	182	184	33,450	182		
DEC	187	38,687	207	232	34,534	149	243	46,866	193	204	36,141	177	184	26,942	146	184	26,942	146		
JAN	191	40,638	212	240	42,539	177	245	27,290	114	204	30,363	149	183	39,745	217	183	39,745	217		
FEB	196	43,880	224	241	41,587	173	246	41,520	169	206	50,594	246	185	38,116	206	185	38,116	206		
MAR	204	42,973	210	241	51,373	213	255	54,598	214	205	41,492	202	186	42,705	230	186	42,705	230		
APR	206	53,980	262	241	50,791	211	269	46,823	174	205	44,697	218	186	59,997	323	186	59,997	323		
MAY	204	38,698	190	240	42,916	179	271	43,593	161	205	49,071	239	186	41,175	221	186	41,175	221		
JUN	203	33,348	164	240	34,427	143	271	35,711	132	183	26,819	147	186	38,696	208	186	38,696	208		
<b>TOTALS</b>	<b>2357</b>	<b>461,074</b>	<b>196</b>	<b>2752</b>	<b>463,967</b>	<b>169</b>	<b>3000</b>	<b>464,103</b>	<b>155</b>	<b>2627</b>	<b>436,589</b>	<b>166</b>	<b>2216</b>	<b>441,934</b>	<b>199</b>	<b>2216</b>	<b>441,934</b>	<b>199</b>		

	FY 09/10				FY 10/11				FY				FY					
	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH
JUL	170	26,487	156	151	31,211	207												
AUG	155	23,671	153	148	29,238	198												
SEP	158	29,239	185	150	31,807	212												
OCT	153	37,468	245	117	40,222	344												
NOV	153	40,466	264	126	40,494	321												
DEC	160	32,084	201	128	36,226	283												
JAN	155	38,276	247	133	45,232	340												
FEB	157	36,557	233	132	42,331	321												
MAR	159	44,219	278	138	48,942	355												
APR	167	57,645	345	141	60,821	431												
MAY	157	42,074	268	142	43,910	309												
JUN	156	29,940	192															
<b>TOTALS</b>	<b>1900</b>	<b>438,126</b>	<b>231</b>	<b>1506</b>	<b>450,434</b>	<b>299</b>	<b>0</b>	<b>0</b>	<b>#DIV/0!</b>	<b>0</b>	<b>0</b>	<b>#DIV/0!</b>	<b>0</b>	<b>0</b>	<b>#DIV/0!</b>	<b>0</b>	<b>0</b>	<b>#DIV/0!</b>



## SunLine Services Group

**DATE:** June 22, 2011 **ACTION**

**TO:** Taxi Committee  
Board of Directors

**FROM:** Taxi Administrator

**RE:** Taxicab Budget & Fee Schedule Resolution

---

### **Recommendation**

Recommend that the Board of Directors: approve Option 1 of the attached fiscal year 2012 budget and fee schedule resolution for SunLine Regulatory Administration based on the Level Pay Plan; or approve Option 2 of the attached fiscal year 2012 budget and fee schedule resolution for SunLine Regulatory Administration based deduction of 75 cents from the existing flag drop fee.

### **Background**

In accordance with the SunLine Services Group (SSG) Joint Powers Agreement, the SSG Board of Directors must approve an annual budget. In addition to the annual budget approval process, the Board approves the fees that serve as a basis for the Fiscal Year Budget. Complicating the process this year was the reduction of the SRA fee base from 180 taxicabs to 130 taxicabs. As such, the Board of Directors is presented with two alternative budgets and fee structures.

During fiscal 2011, the SSG Board approved a temporary surcharge to bridge the fiscal gap left by the departure of 50 taxis from the Coachella Valley. This surcharge will expire this month. The Level Pay Plan is budget Option 1.

Fiscal year 2011 also reflected a substantial increase in revenue by the three remaining franchises, based on total rides provided. American Cab experienced an increase in revenue of approximately \$1.9 million. Under Budget Option 1, Level Pay Plan, fees for American would increase \$16,000 for the year. The others would see less of an increase based on fewer taxicabs.

The franchises were consulted regarding the proposed budget options. Two of the franchises supported the option of a 75-cent deduction from the current flag drop fee presented as Budget Option 2. The two franchises also supported the rate caps being contemplated to address safety concerns. Staff is not currently prepared to make a final recommendation of lease cap amounts and as such, will be coming back to the Board in 60 days with a lease cap recommendation commensurate with this budget option.

SRA's overall budget was reduced by three percent though SRA anticipates a substantial amount of administrative effort relating to the vetting of American Cab as the newly constituted Franchise, the possible establishment of lease rate caps, and the possibility of adding another franchise through the RFP process. In addition, legal action to recover lost revenues is expected to proceed.

possibility of adding another franchise through the RFP process. In addition, legal action to recover lost revenues is expected to proceed.

**Highlight of Fee Changes**

Operator Shared Revenue Fee	Budget Option 1 - \$322.00 increase per taxicab
Operator Shared Revenue Fee	Budget Option 2 - \$.75 surcharge per ride replaces collection of level pay per taxicab

**Fiscal Impact**

This proposal is designed to generate sufficient revenue to sustain SRA's regulatory mandate provided by the SSG Ordinance. Staff will revisit the budget estimates after six months to determine if the fee changes are meeting anticipated goals.

  
Naomi Nightingale

# Taxi-Admin

				Option 1	Option 2
Acct. No.	Line Item	Projected Final Expenses for 2010/11	Annual Budget YR 2010/11	Annual Budget YR 2011/12	Annual Budget YR 2011/12
<b>Labor:</b>	<b>Management Sch. Work Days</b>				
	<b>Operating Days</b>				
<b>Revenue:</b>					
964010101100	Meter Reading Revenue	115,277	107,781	-	297,123
964010101200	Revenue Fines	101,552	15,000	5,000	5,000
964010101300	Vehicle Inspection Revenue	15,244	17,200	13,000	13,000
964010101400	Vehicle Reinsertion Revenue	540	1,800	1,300	1,300
964010101500	New Driver Permit Revenue	4,320	5,500	5,000	5,000
964010101600	Driver Transfer Revenue	5,460	6,000	5,800	5,800
964010101700	Driver Renewal Revenue	7,260	7,250	6,100	6,100
964010101750	Driver Permit Reinstatement/replacement	144	200	200	200
964010101800	Vehicle Transfer Revenue	(60)	130	1,500	1,500
964010101900	Vehicle Permit Revenue	81,263	78,000	78,000	78,000
964010101950	Operator Shared Revenue Fee	190,522	187,850	229,752	-
964070301000	Rental of Property Revenue	-	-	3,000	3,000
964070301050	Operator Application Fee	-	-	10,500	10,500
964010102200	Other Revenue	57	-	-	-
964010102000	Interest Revenue	144	-	-	-
	Usage of Reserves	-	36,065	90,000	22,629
	<b>Total Revenue:</b>	<b>521,724</b>	<b>462,776</b>	<b>449,152</b>	<b>449,152</b>
<b>Labor:</b>					
965010201600	Staff/Clerical Salaries	139,393	136,211	151,449	151,449
965010201610	Admin Salaries-OT	-	-	-	-
965010700000	Allocated Salaries	48,449	48,450	45,973	45,973
	<b>Total Labor Expense</b>	<b>187,842</b>	<b>184,661</b>	<b>197,422</b>	<b>197,422</b>
				<b>6.91%</b>	<b>6.91%</b>
<b>Benefits:</b>					
965020100010	Medicare Tax	2,429	2,340	2,551	2,551
964010101000	Pension	45,621	46,918	49,632	49,632
965020300000	Group Health Insurance	29,035	29,737	30,645	30,645
965020400000	Dental Insurance	827	849	793	793
965020400001	Vision Insurance	348	348	348	348
965020500000	Group Life Insurance	590	624	684	684
965020600000	Group Disability Insurance	1,187	1,605	1,187	1,187
965020600100	Employer Assistance Program	124	137	137	137
965020700010	Unemployment Taxes	1,781	1,092	1,484	1,484
965020800000	Workers Compensation	765	743	689	689
965020900000	Sick Pay	1,199	3,548	2,398	2,398
965020900001	Sick Pay Sell Backs	5,188	2,600	2,600	2,600
965021100000	Vacation Pay	20,754	17,266	18,335	18,335
965021100001	Vacation Pay Sellbacks	-	1,501	1,501	1,501
965021600000	Allocated Payroll Factors	28,445	22,007	21,297	21,297
	<b>Total Fringe Benefits Exp.</b>	<b>138,292</b>	<b>131,315</b>	<b>134,280</b>	<b>134,280</b>
				<b>2.26%</b>	<b>2.26%</b>
<b>Services:</b>					
965030103120	Lab & Drug Services	-	-	-	-
965030103240	Background Check Svcs	2,209	5,000	4,000	4,000
965030300005	Legal Services-General	56,326	85,000	50,000	50,000
965030303240	Other Professional Svcs	24,195	20,000	25,000	25,000
965030303310	Audit Services-External	7,080	6,000	6,000	6,000
965030500000	Maintenance Contracts	4,548	6,000	6,000	6,000
965039903800	Other Services	690	1,200	1,200	1,200
965050200001	Utilities	5,899	5,000	5,000	5,000
965050200003	Trash Pick-up	416	600	600	600
965050200006	Communications	2,518	3,000	3,000	3,000
	<b>Total Services Expense</b>	<b>103,881</b>	<b>131,800</b>	<b>100,800</b>	<b>100,800</b>
<b>Materials and Supplies:</b>					
965040404300	Office Supplies	3,273	3,000	3,500	3,500

# Taxi-Admin

Taxi-Admin				Option 1	Option 2
Acct. No.	Line Item	Projected Final Expenses for 2010/11	Annual Budget YR 2010/11	Annual Budget YR 2011/12	Annual Budget YR 2011/12
965040404340	Allocated Overhead	600	-	-	-
965049900002	Postage	544	500	500	500
965049900026	Facility Maintenance	-	100	200	200
965049900032	Repair Parts-Taxi Vehicle	270	300	300	300
<b>Total Materials/ Supplies</b>		<b>4,687</b>	<b>3,900</b>	<b>4,500</b>	<b>4,500</b>
<b>Miscellaneous Expenses:</b>					
965040101000	Fuel CNG	747	900	1,200	1,200
965060100000	Ins.-Gen Liab/Phy. Damage	4,046	4,000	4,000	4,000
965079900000	Fuel Taxes	10	-	-	-
965090100000	Dues, Memberships & Sub	315	600	750	750
965090200000	Travel & Training	4,167	4,500	5,000	5,000
965090200002	Mileage Reimbursement	-	100	200	200
965099905990	Miscellaneous Expense	399	1,000	1,000	1,000
965099906000	Rent to Transit	-	-	-	-
992010000000	Reserve	-	-	-	-
<b>Total Misc. Expenses</b>		<b>9,684</b>	<b>11,100</b>	<b>12,150</b>	<b>12,150</b>
<b>Total Dept. Operating Expenses</b>		<b>444,387</b>	<b>462,776</b>	<b>449,152</b>	<b>449,152</b>
<b>Operating Income (Expense)</b>		<b>77,338</b>	<b>-</b>	<b>0</b>	<b>0</b>
				<b>-2.94%</b>	<b>-2.94%</b>

**BUDGET OPTION 1**

**SunLine Services Group**

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION ADOPTING FEES RELATING TO  
TAXICAB SERVICES WITHIN THE COACHELLA VALLEY  
JULY 1, 2011 THROUGH JUNE 30, 2012**

WHEREAS, SunLine Services Group is a local agency and its Board of Directors is authorized pursuant to Government Code Section 53075.5 to levy by resolution, fees in an amount sufficient to pay for the costs of regulating taxicab services within the Coachella Valley; and

WHEREAS, the staff of SunLine Regulatory Administration presents a budget for Fiscal Year 2012, which may be approved by the Board; and

WHEREAS, the Board of Directors hereby finds that the fees established herein are reasonable fees imposed solely to recover the actual costs of regulating taxicabs within the Coachella Valley;

NOW, THEREFORE, be it resolved by the Board of Directors of SunLine Services Group:

Section 1. That the following fees shall be charged for the administration and regulation of taxicab services within the Coachella Valley:

The following fees are effective July 1, 2011:

Driver Permit	\$ 50.00
Driver Permit Renewal	\$ 50.00
Driver Transfer Fee	\$ 50.00
Driver Permit Reinstatement Fee	\$ 25.00
Driver Permit Replacement	\$ 5.00
Vehicle Inspection Per Vehicle	\$ 50.00
Operator Shared Revenue Fee Per Vehicle	\$1767.00
Vehicle Permit, new	\$ 600.00
Vehicle Permit, renewal	\$ 600.00
Vehicle Re-Inspection	\$ 50.00
Vehicle Permit Transfer	\$ 65.00
Appeal Fee	\$ 100.00

PASSED, APPROVED AND ADOPTED by the Board of Directors of SunLine Services Group on this 22<sup>nd</sup> day of June, 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Date: \_\_\_\_\_

\_\_\_\_\_  
Eduardo Garcia  
Vice Chairman of the Board of  
Directors

Date: \_\_\_\_\_

\_\_\_\_\_  
C. Mikel Oglesby  
General Manager

**BUDGET OPTION 2**

**SunLine Services Group**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION ADOPTING FEES RELATING TO  
TAXICAB SERVICES WITHIN THE COACHELLA VALLEY  
JULY 1, 2011 THROUGH JUNE 30, 2012**

WHEREAS, SunLine Services Group is a local agency and its Board of Directors is authorized pursuant to Government Code Section 53075.5 to levy by resolution, fees in an amount sufficient to pay for the costs of regulating taxicab services within the Coachella Valley; and

WHEREAS, the staff of SunLine Regulatory Administration presents a budget for Fiscal Year 2012, which may be approved by the Board; and

WHEREAS, the Board of Directors hereby finds that the fees established herein are reasonable fees imposed solely to recover the actual costs of regulating taxicabs within the Coachella Valley;

NOW, THEREFORE, be it resolved by the Board of Directors of SunLine Services Group:

Section 1. That the following fees shall be charged for the administration and regulation of taxicab services within the Coachella Valley:

The following fees are effective July 1, 2011:

Driver Permit	\$ 50.00
Driver Permit Renewal	\$ 50.00
Driver Transfer Fee	\$ 50.00
Driver Permit Reinstatement Fee	\$ 25.00
Driver Permit Replacement	\$ 5.00
Vehicle Inspection Per Vehicle	\$ 50.00
Operator Shared Revenue Fee Per Vehicle	\$ 0
Vehicle Permit, new	\$ 600.00
Vehicle Permit, renewal	\$ 600.00
Vehicle Re-Inspection	\$ 50.00
Vehicle Permit Transfer	\$ 65.00
Appeal Fee	\$ 100.00

PASSED, APPROVED AND ADOPTED by the Board of Directors of SunLine Services Group on this 22<sup>nd</sup> day of June, 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Date: \_\_\_\_\_

\_\_\_\_\_  
Eduardo Garcia  
Vice Chairman of the Board of  
Directors

Date: \_\_\_\_\_

\_\_\_\_\_  
C. Mikel Oglesby  
General Manager

SunLine Services Group

DATE: June 22, 2011 ACTION  
TO: Taxi Committee  
Board of Directors  
FROM: Taxi Administrator  
RE: Approval of Taxi Regulation R.25 Amendment

---

**Recommendation**

Recommend that the Board of Directors approve the amendment of Taxi Regulation R.25 (Interference with Driver Reporting) as stated below, establishing a penalty for discouraging SunLine permitted taxicab drivers from attending or speaking before SunLine Regulatory Administration (SRA) Board or Committee Meetings or from taking retaliatory actions against permitted taxicab drivers who exercise this privilege or who report safety concerns.

**Background**

At the May 25, 2011 Board meeting, Board members approved the addition of Taxi Regulation R.25 (Interference with Driver Reporting), with the direction that staff bring back for Board approval, an amendment of the Regulation as follows:

R. 25 INTERFERENCE WITH DRIVER REPORTING

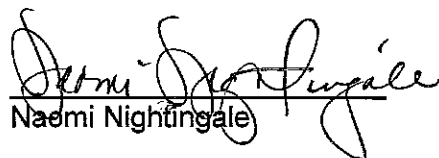
R.25.1 It shall be a violation of these Regulations for any employee, officer, manager, or owner of a Franchise to take any action to prohibit, discourage, retaliate against, or otherwise interfere with any Driver's attendance at a Board Meeting of SSG or any Committee thereof.

R.25.2 It shall be a violation of these Regulations for any employee, officer, manager, or owner of a Franchise to take any action to prohibit, discourage, retaliate against, or otherwise interfere with any Driver's attempt to report a safety concern to SRA or any of its agents or employees, the SSG Board, the Taxicab Administrator or any other governmental agency.

R.25.3 Conduct constituting a violation of R.25.1 or R.25.2 shall be counted as a separate violation for each individual Driver affected.

R.25.4 The penalty for violating the Regulations in Section 25 shall be as set forth in the Ordinance of SSG 1.255 and the penalties shall accumulate as set forth therein. *Violation of the Regulations in Section R.25 may result in termination of the franchise pursuant to Ordinance of SSG 1.110.*

*R.25.5. It shall be a separate violation of these Regulations for any Franchise to attempt to pass through to the Driver any fine issued under Section R.25.*

  
Naomi Nightingale

**SunLine Services Group**

**DATE:** June 22, 2011 **ACTION**  
**TO:** Taxi Committee  
Board of Directors  
**FROM:** Taxi Administrator  
**RE:** Resolution Adopting Fines Relating to Violations of Taxi Ordinance  
And Regulations

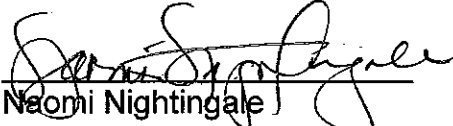
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**Recommendation**

Recommend that the Board of Directors approve the attached Resolution adopting fines relating to violations of taxi Ordinance and Regulations.

**Background**

Taxicab Regulations have been amended to adopt additional provisions, necessitating an update of the previously adopted schedule of fines. The fines established within the Resolution are reasonable fines imposed to address violations of its Ordinance and Regulations by taxicab franchises and taxicab drivers within the Coachella Valley. The fines contained in the Resolution shall be levied for the first violation of Ordinance 2010-01, and any regulation adopted to implement it, within the Coachella Valley, on a per day per vehicle basis as applicable for violations of a continuing nature.

  
\_\_\_\_\_  
Naomi Nightingale

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ADOPTING FINES  
RELATING TO VIOLATION OF TAXICAB  
ORDINANCE AND REGULATIONS WITHIN  
THE COACHELLA VALLEY**

WHEREAS, SunLine Services Group ("SSG") is a local agency and its Board of Directors is authorized pursuant to *Government Code* §53075.5 to levy by resolution fines for violations of Ordinance 2010-01, and any regulation adopted to implement it, within the Coachella Valley; and

WHEREAS, the Board of Directors is authorized pursuant to Ordinance 2010-01 §3.050 to set forth by resolution a schedule of fines, including increased fines for repeat violations and late charges; and

WHEREAS, the Regulations of SSG have been amended to adopt additional provisions, necessitating an update of the previously adopted schedule of fines; and

WHEREAS, the Board of Directors hereby finds that the fines established herein are reasonable fines imposed to address violations of its Ordinance and Regulations by taxicab franchises and taxicab drivers within the Coachella Valley;

NOW, THEREFORE, be it resolved by the Board of Directors of SunLine Services Group:

Section 1 That the following fines shall be levied for the first violation of Ordinance 2010-01, and any regulation adopted to implement it, within the Coachella Valley, on a per day per vehicle basis as applicable for violations of a continuing nature, effective as of June 22, 2011:

Regs	Ordinance 2010-01	Offense	Fine
R.3.1/ R.3.6.1	1.030 A/ 1.125 A-G	Operating without Franchise Agreement/ Unauthorized taxicab services	\$5,000.00
R.3.6.3/ R.3.6.14	1.030 A	Failure to maintain Vehicle Identification List	\$100.00
R.3.6.9/ R.3.10	1.030 B	Failure to maintain Drivers List	\$100.00
R.3.10/ R.3.6.14		Failure to provide SRA with monthly current Drivers List	\$100.00
R.3.10	1.030 B	Failure to notify SRA verbally within 24 hours of termination of driver	\$100.00
R.3.10	1.030 B	Failure to notify SRA in writing within 5 days of termination of driver	\$100.00
R.23.1/ R.24.1.5	1.030 D/3.040 A	Franchise responsibility for driver violations	\$100.00

	1.030 E	Failure to revoke driver authority for violation of §1.110 (permit denial, revocation, suspension)	\$100.00
R.3.6.17 /R.22	1.030 F/2.040-2.070	Failure to comply with mandatory requirements for substance and alcohol testing and/or submission for testing	\$100.00
R.3.6.14 /R.22.2	2.035 E	Failure to submit monthly random drug and alcohol testing results to SRA	\$100.00
R.3.6.17 / R.22.1.1	2.035	Failure to maintain written required drug and alcohol abuse policy	\$100.00
R.3.6.17 / R.22.1.2	2.035	Failure to maintain proof of implementation of required drug and alcohol certification program	\$100.00
	2.060 A-H	Unlawful consumption of alcohol/controlled substance while operating Taxicab	\$100.00
	2.060 B	Unlawful possession of alcohol container in Taxicab	\$100.00
R.24.1.3	2.070D	Franchisee failure to immediately notify SSG of positive controlled substance/alcohol test	\$1,000.00
R.5.1/ R.5.5/ R.5.6/ R.6.1	1.030 G/1.095 A-K/1.110 E	Driving without driver permit or permission of Franchise; driving with expired, suspended or revoked permit; Franchisee allowing person without permit to drive	\$100.00
R.3.6.2/ R.24.1.2	1.050 A & B	Operating without required insurance	\$100.00
R.3.6.2		Failure to verbally notify SRA within 24 hours of change in insurance coverage	\$100.00
R.3.6.2		Failure to notify SRA in writing within 3 days of change in insurance coverage.	\$100.00
R.3.6.15 /R.9.15	1.060 A-C	Operating without SRA approved name, numbering system, telephone number, color, monogram, logo or insignia markings	\$100.00
R.9.3.2. a	1.065 B-E	Unlawful advertising	\$1,000.00
	1.065 E	Unlawful use of telephone number	\$1,000.00
R.8.2	1.070 A-G	Failure to present vehicle for cosmetic inspections required under §1.070 on or before inspections due date	\$100.00
R.8.2/ R.8.4/ R.8.9	1.070 A-G/ 1.255 B.1	Failure to present vehicle for safety inspections required under §1.070 on or before inspection due date	\$1,000.00
R.8.3		Failure to pay vehicle inspection fee	\$100.00

R.8.6		Failure to submit to road inspection when required	\$100.00
R.8.7/ R.8.8		Failure to make and report vehicle repairs required after road inspection	\$100.00
R.3.6.3 R.8.2/R. 9 - R.9.24	1.070 A-G	Operating vehicle in violation of vehicle safety inspection or cosmetic standards	\$100.00
R.3.3/ R.3.6.11	1.080 B. 1	Failure to maintain required year-round, computerized 24 hour dispatch system	\$100.00
R.3.2	1.080 B. 2	Failure to maintain minimum number of vehicles in service	\$100.00
R.3.3	1.080 B. 3 & 4	Failure to maintain proper principal place of business	\$100.00
R.3.4		Failure to maintain telephone or radio access to all on-duty drivers	\$100.00
R.3.1.1/ R.3.6.6/ R.3.6.8	1.080 B.6	Failure to maintain fictitious business name or business license	\$100.00
R.3.5/ R.3.6.12	1.080 B.7	Failure to maintain required GPS system	\$100.00
R.3.6.20	1.080 B.7	Failure to maintain electronic processing of credit cards	\$100.00
R.3.6.3. b	1.080 B.7	Failure to maintain required ADA compliant wheelchair accessible vehicles	\$100.00
R.3.6.10 / R.3.6.14		Failure to respond to customer complaints/maintain required customer complaint procedure/data/reports	\$100.00
R.13.6		Failure to carry/maintain SRA Comment Cards in plan view of passengers	\$100.00
R.9	1.080 C	Operating vehicles in excess of maximum model years of age	\$100.00
R.3.6.14	1.080 C	Failure to make required reports to SRA of dispatch data or other required periodic reports	\$100.00
	1.080 C	Failure to certify minimum trips per day per vehicle	\$100.00
R.3.6.13	1.080 D	Failure to maintain required electronic data records	\$100.00
R.3.6.16		Failure to maintain written vehicle safety program	\$100.00
R.3.6.18		Failure to maintain written discipline policy/training program for drivers	\$100.00
R.3.6.21		Failure to timely reimburse overcharges	\$100.00

R.3.7/ R.8.1/ R.8.5/ R.19	1.091 A	Operation of Taxicab without proper stickers	\$100.00
R.19.2/ R.19.4/ R.19.11	1.091A	Failure to pay vehicle permit fees	\$100.00
R.8.10	1.092 B	Failure to display "Out of Service" signs as required	\$100.00
R.19.5/ R.19.6/ R.19.8	1.092 A-D	Failure to follow permit transfer/out of service/suspension or revocation procedure	\$100.00
R.6.1		Failure to present/carry California Driver's License and/or Taxicab Driver Permit	\$100.00
R.6.4		Driving while afflicted with physical/mental incapacity/ailment	\$100.00
R.6.5		Failure to meet required driver appearance standards	\$100.00
R.3.6.19 /R.6.6		Smoking or use of profanity in taxicab	\$100.00
R.6.6	1.110 A	Acting in unprofessional, dangerous, discourteous, argumentative and/or threatening manner	\$100.00
R.6.7/ R.6.9		Failure to transport/assist with wheelchairs, packages, luggage or service animals	\$100.00
R.6.8		Failure to assist passenger in and out of taxicab	\$100.00
R.6.10		Failure to maintain minimum of \$20.00 in change	\$100.00
R.13.7		Failure to accept vouchers as payment	\$100.00
R.6.11		Driving in excess of mandatory rest/driving hours	\$100.00
R.6.12		Unlawful use of cellular telephone	\$100.00
R.6.14		Unsafe/illegal parking of taxicab	\$100.00
R.6.15		Improperly accepting pick-up appointment during designated events	\$100.00
R.6.16		Failure to complete SRA Collision/Injury Report	\$100.00
R.9.23/ R.10.1	1.140	Failure to use and maintain toplight	\$100.00
R.11/ R.12/ R.14.3	1.150 A-C	Failure to display required information/rate cards	\$100.00
R.14.2/ R.15.1	1.160/1.240 D	Improper or lack of outside signage/rate information/Franchise identification display	\$100.00

R.13.1	1.170 A	Failure to take most direct route	\$100.00
R.6.13/ R.13.1	1.170 A	Failure to accept dispatch/accept available passengers	\$100.00
R.13.2	1.170 B & C	Violation of exclusive use by passenger/solicitation of additional passengers	\$100.00
R.13.4/ R13.5	1.170 D & E	Violation of number of passenger limits/seat belt or constraint requirements	\$100.00
R.19.5		Unlawful transfer of vehicle permits	\$100.00
R.20.1	1.180 A	Inaccurate taximeter	\$100.00
R.20.2		Failure to maintain taximeter certification/produce for inspection	\$100.00
R.20.3		Failure to file taximeter certification	\$100.00
R.20.4		Failure to produce taximeter for inspection	\$100.00
R.4.3/ R.9.19.2	1.180 A/ 1.255 B.2	Tampering with any Riverside County Weights & Measures or SRA applied taximeter seal	\$1,000.00
R.4.4.1	1.180 B.1/ 1.255 B.3	Failure to present vehicle to SRA for taximeter trip counter inspection prior to taking vehicle out of service	\$1,000.00
R.4.4.2	1.180 B.4/ 1.255 B.4	Return to service of vehicle with uninspected taximeter/trip counter	\$1,000.00
R.21	1.180 B/1.255 B.5	Unlawful transfer of taximeter from one vehicle to another.	\$1,000.00
R.4/ R.9.19/ R.10	1.190 & 1.200	Unlawful use of taximeter/trip counter	\$100.00
R.4.3		Failure to present vehicle to SRA for monthly taximeter/trip counter inspection	\$100.00
R.3.3.8	1.210	Refusal to give passenger(s) receipt for fare	\$100.00
R.6.6/ R.13.1	1.220	Violation of street stand regulations	\$100.00
	1.225	Unlawful use of exclusive arrangements with venue	\$100.00
R.3.12/ R.6.1	1.230	Operation of Taxicab under a Franchise by other than employee or independent contractor	\$100.00
R.10.4/ R.12.4/ R.14.1	1.240	Violation of maximum/uniform/reported rate charges	\$100.00
R.4.4.1	1.245 F & G	Failure to pay surcharges	\$50.00

	1.260 B	Violation of Airport Rules and Regulations	Per Palm Springs Municipal Code
R.25		Unlawful interference with driver reporting	\$100.00 per driver
R.25.5		Unlawful attempt to pass through to driver any fine issued under Section R.25	\$100.00 per driver

Section 2 The monetary penalty for a second violation within the same year of any provision of Ordinance 2010-01 or any Regulation of SSG for which the first violation carries a fine of \$100.00 shall be \$200.00, and for a third violation in the same year shall be \$500.00. The monetary penalties for continuing violations shall apply on a per vehicle per day basis.

Section 3 A late payment charge of \$20.00 shall be due for any fine that is not paid within the timelines set forth in Ordinance 2010-01.

Section 4 Nothing contained in the foregoing schedule of penalties and late payment charges shall be construed to limit or restrict the authority of SRA to revoke or suspend any of the franchises and/or permits issued pursuant to Ordinance 2010-01.

PASSED, APPROVED AND ADOPTED by the Board of Directors of SunLine Services Group on this 22nd day of June, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Eduardo Garcia  
Vice Chairman of the Board

\_\_\_\_\_  
C. Mikel Oglesby  
General Manager

Attest:

\_\_\_\_\_  
Carolyn Rude  
Clerk of the Board