

SUNLINE SERVICES GROUP BOARD MEETING AGENDA

Wednesday, October 26, 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**
Chairman Eduardo Garcia
2. **Roll Call**
3. **Finalization of Agenda**
4. **Closed Session**
 - a) Closed Session Conference with Legal Counsel regarding significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9 – one potential case.
5. **Presentations**
6. **Correspondence**
None.
7. **Public Comments** **Receive Comments**
(NOTE: Those wishing to address the Board should complete a Public Comment Card and will be called upon to speak.)

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.

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

----- **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 September 28, 2011 Board of Directors Meeting (Pages 1-4)
 - b) SSG/SRA checks over \$1000 issued September, 2011 (Page 5)
 - c) SSG/SRA Monthly Budget Report for August, September, 2011 (Pages 6-7)
 - d) Taxi Vehicle/Rides Analysis (Pages 8-9)
- 10. Application for Change in Ownership of Franchise (Naomi Nightingale) **Approve****
Discuss request of American Cab, LLC for approval of a proposal to provide taxicab services. Continued from September Board meeting. (Pages 10-11)

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- 11. Next Meeting Date**
December 7, 2011, or meet as needed.
12 o'clock Noon – Kelly Board Room

- 12. Adjourn**

MINUTES
SunLine Services Group
Board of Directors Meeting
September 28, 2011

A regular meeting of the SunLine Services Group Board of Directors was held on Wednesday, September 28, 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 1:00 p.m. by Chairman Eduardo Garcia.

2. Roll Call

Completed.

Members Present

Eduardo Garcia, Chairman, Mayor, City of Coachella
Bob Spiegel, Vice Chairman, Mayor Pro Tem, City of Palm Desert
Yvonne Parks, Mayor, City of Desert Hot Springs
Rick Hutcheson, Councilmember, City of Palm Springs
G. Dana Hobart, Mayor, City of Rancho Mirage
Bud England, Councilmember, City of Cathedral City
Bill Powers, Mayor Pro Tem, City of Indian Wells
Glenn Miller, Mayor Pro Tem, City of Indio

Members Absent

Don Adolph, Mayor, City of La Quinta
John J. Benoit, Supervisor, County of Riverside

Guests:

Robert Yates, RCTC
Harry Incs, American Cab
K.D. Labana, Airport Taxi
Mabu Hossain, Airport Taxi
Arturo Diaz, Airport Taxi
Bill Meyers, Yellow Cab of the Desert
Ricardo Cruz, Yellow Cab of the Desert
Gadi Srulovitz, Yellow Cab of the Desert
Michael Brock, Yellow Cab of the Desert
Peter Angone, Citizen
James Abraico, Citizen
Jennifer Kurzon, Citizen

Staff:

C. Mikel Oglesby, General Manager
Maria Aarvig, Legal Counsel
Carolyn Rude, Special Asst. to the General Manager/Clerk of the Board
Tommy Edwards, Director of Maintenance

Polo Del Toro, Director of Operations
Joe Forgiarini, Director of Transit Planning
Naomi Nightingale, Director of Administration & Human Resources/EEO/Taxi Administrator
Ed Carson, Interim Director of Finance
Rudy LeFlore, Projects Consultant
Cis LeRoy, Consultant
Rick Barone, Procurement Officer
Michael Jones, Taxi Administration Supervisor
Mannie Thomas, Operations Manager
Mike Morrow, Maintenance Manager
Jack Stevens, Human Resources Manager
Francine DePalo, Administrative Assistant
Doug Nichols, Assistant Taxicab Supervisor
Dave Robin, Assistant Taxicab Supervisor II
Stephanie Buriel, Administrative Assistant
David Manriquez, Safety Specialist
Ivanna Samokish, Safety, Risk Assessment & Training Coordinator
Connie Mitchell, Planning Services Coordinator
Amy Heilman, Coin Counter
Vanessa Mora, Administrative Assistant

3. **Finalization of Agenda**

No changes.

At 1:01pm Chairman Garcia announced that the Board would move into Closed Session.

4. **Closed Session**

- a) Closed Session Conference with Legal Counsel regarding significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9 – one potential case.
- b) Closed Session Conference with Legal Counsel regarding initiation of litigation pursuant to subdivision (c) of Section 54956.9 of the Government Code: two potential cases.

At 2:00p.m. Chairman Garcia announced the return to open session. Maria Aarvig, Legal Counsel, stated the following: "Agenda item 4 a), there is no reportable action. Agenda item 4 b): the Board voted unanimously to authorize initiation of two separate items of litigation. Once the litigation has been formally commenced, the identity of the actions and the parties will be provided upon inquiry as required by Government Code § 54957.1(a)(2)."

5. **Presentations**

None.

6. Correspondence

None.

7. Public Comments**NON-AGENDA ITEMS****AGENDA ITEMS**

Harry Incs, American Cab. Mr. Incs addressed the Board regarding Board agenda item #10 stating that American Cab has grown tremendously and that they have been a model franchise, paying for past mistakes. He asked the Board to consider transfer of ownership as they have provided supplemental information requested. Mr. Incs stated that if there is anything else the Board needs or questions to be answered, he can provide at the next Board meeting.

Jennifer Kurzon – citizen. Ms. Kurzon addressed the Board concerning Agenda item# 9, (the Board minutes concerning the taxi surcharge). She stated that in earlier meetings, there were discussions on doing away with the shared revenue and imposing a surcharge. She asked if there was any discussion with regard to ensuring that the franchises would lessen the amount of their leases based on the fact that they would no longer be required to pay the \$1776 shared fee. Chairman Garcia asked that she discuss with staff, Taxi Administrator Naomi Nightingale, after the Board meeting.

8. Board Member Comments

None.

9. Consent Calendar

Councilmember England moved for approval of the consent calendar. The motion was seconded by Mayor Pro Tem Miller and was approved by a unanimous vote with the exception of Mayor Parks abstaining from 9a, the minutes of the July 27, 2011 Board meeting.

10. Application for Change in Ownership of Franchise

Taxi Administrator, Naomi Nightingale, addressed the Board stating that the Board report provided in the Agenda contains background information relative to the procurement process. She stated that American Cab, LLC asserts a change in ownership and has submitted a proposal for the Board's consideration and approval. She stated that approval of the application is within the purview and sound discretion of the Board members; staff did not make a specific recommendation. Information was received from American Cab, which has been reviewed. She stated that the Taxi Committee recommends to continue item to October, 2011 Board meeting. Mayor Hobart moved to table item and bring back at the October 26, 2011 Board meeting. Mayor Pro Tem Powers seconded the motion and were approved by a unanimous vote.

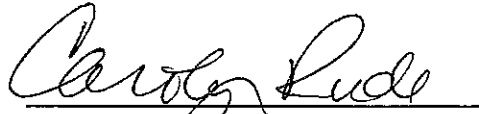
11. Next Meeting Date

Chairman Garcia announced that the next regular meeting of the Board of Directors will be held October 26, 2011 at 12 noon – Kelly Board Room, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

12. Adjourn


Chairman Garcia adjourned meeting at 2:05p.m.

Respectfully Submitted,



Carolyn Rude
Clerk of the Board

Approved by:



C. Mikel Oglesby
General Manager

Date: 10/17/11

SunLine Regulatory Administration

Checks \$1,000 and Over

For the month of September 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.

Vendor Name	Description	Check #	Check	Amount
SUNLINE TRANSIT AGENCY	Operating Expense	089400	9/1/2011	\$8,669.43
SUNLINE TRANSIT AGENCY	Operating Expense	089416	9/29/2011	\$8,549.13
SUNLINE TRANSIT AGENCY	Operating Expense	089406	9/19/2011	\$8,468.33
CREASON & AARVIG, LLP	Legal Services	089408	9/27/2011	\$4,494.00
LEFLORE GROUP LLC, THE	Consultant	089403	9/19/2011	\$2,185.00

Total of Checks Over \$1,000	\$32,365.89
Total of Checks Under \$1,000	\$5,055.57
Total of All Checks for the Month	\$37,421.46

Total Amount of Checks Prior Years Same Month	\$69,917.49
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SRA--Taxi
Statement of Activities
August 2011

	Audited FY 10/11	Total FY 11/12 Budget	Current Month		Year to Date				
			Actual	Budget	Favorable (Unfavorable)	Actual	Budget	Favorable (Unfavorable)	
Revenue:									
Meter Readings	95,800.00	297,123	0	0	0	13,290	0	13,290	
Revenue Fines	106,661	5,000	1,110	417	693	1,110	833	277	
Vehicle Inspections	15,703	14,300	600	1,192	(592)	1,100	2,383	(1,283)	
New Driver Permits	4,150	5,000	450	417	33	850	833	17	
Driver Transfers	4,800	5,800	450	483	(33)	550	967	(417)	
Driver Renewals	7,050	6,100	450	508	(58)	750	1,017	(267)	
Driver Permit Reinstatement/Replacement	135	200	15	17	(2)	15	33	(18)	
Vehicle Transfers	(50)	1,500	0	125	(125)	0	250	(250)	
Vehicle Permits	82,828	78,000	700	6,500	(5,800)	1,700	13,000	(11,300)	
Operator Shared Revenue Fee	195,135	-	-	0	-	3,492	-	3,492	
Operator Application Fee	-	10,500	-	875	(875.00)	3,000	1,750	1,250	
Interest	152	-	16	0	16	31	0	31	
Other	47	25,629	0	0	0	0	0	0	
Total revenue	\$ 512,411	\$ 449,152	\$ 3,791	\$ 10,533	\$ (6,742)	\$ 25,888	\$ 21,067	\$ 4,822	
Expenses:									
Salaries and wages	183,112	197,422	10,314	17,590	7,276	22,816	33,386	10,570	
Fringe benefits	136,280	134,281	15,463	11,264	(4,199)	25,050	21,906	(3,144)	
Services	91,182	100,800	11,862	7,683	(4,178)	12,339	15,367	3,028	
Supplies and materials	5,793	4,500	577	475	(102)	1,763	950	(813)	
Miscellaneous	17,903	12,150	6,462	1,629	(4,832)	7,679	3,258	(4,420)	
Total expenses	\$ 434,270	\$ 449,153	\$ 44,677	\$ 38,642	\$ (6,036)	\$ 69,647	\$ 74,867	\$ 5,220	
Total Operating Surplus/Deficit	\$ 78,141	\$ (1)	\$ (40,886)	\$ (28,108)	\$ (707)	\$ (43,759)	\$ (53,801)	\$ (398)	

Preliminary Statement Prior To Audit Field Work

SRA--Taxi
Statement of Activities
September 2011

	Audited FY 10/11	Total FY 11/12 Budget	Current Month			Year to Date		
			Actual	Budget	Favorable (Unfavorable)	Actual	Budget	Favorable (Unfavorable)
Revenue:								
Meter Readings	95,800.00	297,123	0	23,141	(23,141)	13,290	23,141	(9,851)
Revenue Fines	106,661	5,000	245	417	(172)	1,355	1,250	105
Vehicle Inspections	15,703	14,300	1,950	1,192	758	3,050	3,575	(525)
New Driver Permits	4,150	5,000	400	417	(17)	1,250	1,250	(0)
Driver Transfers	4,800	5,800	300	483	(183)	850	1,450	(600)
Driver Renewals	7,050	6,100	1,750	508	1,242	2,500	1,525	975
Driver Permit Reinstatement/Replacement	135	200	25	17	8	40	50	(10)
Vehicle Transfers	(50)	1,500	0	125	(125)	0	375	(375)
Vehicle Permits	82,828	78,000	-	6,500	(6,500)	1,700	19,500	(17,800)
Operator Shared Revenue Fee	195,135	-	-	0	-	3,492	-	3,492
Operator Application Fee	-	10,500	-	875	(875.00)	3,000	2,625	375
Interest	152	-	8	0	8	39	0	39
Other	47	25,629	20	0	20	20	0	20
Total revenue	\$ 512,411	\$ 449,152	\$ 4,698	\$ 33,674	\$ (28,977)	\$ 30,586	\$ 54,741	\$ (24,155)
Expenses:								
Salaries and wages	183,112	197,422	21,992	16,394	(5,599)	44,808	49,780	4,971
Fringe benefits	136,280	134,281	8,300	10,850	2,550	33,351	32,756	(594)
Services	91,182	100,800	8,622	7,683	(939)	20,961	23,050	2,089
Supplies and materials	5,793	4,500	384	475	91	2,147	1,425	(722)
Miscellaneous	17,903	12,150	1,680	1,629	(51)	9,358	4,888	(4,471)
Total expenses	\$ 434,270	\$ 449,153	\$ 40,978	\$ 37,031	\$ (3,947)	\$ 110,626	\$ 111,899	\$ 1,273
Total Operating Surplus/Deficit	\$ 78,141	\$ (1)	\$ (36,281)	\$ (3,357)	\$ (25,030)	\$ (80,040)	\$ (57,158)	\$ (25,428)

Preliminary Statement Prior To Audit Field Work

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

FY 09/10		FY 10/11		FY		FY		FY			
CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH
170	26,487	156	151	31,211	207	125	30,391	243			
155	23,671	153	148	29,238	198	123	29,459	240			
158	29,239	185	150	31,807	212	131	34,446	263			
153	37,468	245	117	40,222	344						
153	40,466	264	126	40,494	321						
160	32,084	201	128	36,226	283						
155	38,276	247	133	45,232	340						
157	36,557	233	132	42,331	321						
159	44,219	278	138	48,942	355						
167	57,645	345	141	60,821	431						
157	42,074	268	142	43,910	309						
156	29,940	192	120	31,088	259						
TOTALS	438,126	231	1626	481,522	296	379	94,296	249	0	0	#DIV/0!

SunLine Services Group

DATE: October 26, 2011 **ACTION**

TO: Taxi Committee
Board of Directors

FROM: Taxi Administrator

RE: Application for Change in Ownership of Franchise
Continued from September Board Meeting

Recommendation

Based on the criteria identified in SunLine Services Group's Ordinance, SunLine's Procurement Policies and Procedures Manual, and upon the correspondence between SunLine and representatives of American Cab, and all of the documentation submitted by or referenced by Attorney Russo on behalf of American Cab, staff recommends that the Board of Directors deny the change in ownership proposed by American Cab.

Background

At the September, 2011 Board meeting, Board members voted to continue this item to the October, 2011 meeting.

Pursuant to Ordinance of SSG 1.030(H), "Such nonexclusive Franchises shall not be sold, leased, transferred, assigned or otherwise disposed of, either in whole or in part, whether by forced sale, merger, consolidation, bankruptcy, reorganization under bankruptcy laws or otherwise, without the prior written consent of SSG. The consent of SSG shall be subject to such terms and conditions as it may prescribe. Any attempted sale, lease, transfer, assignment or other attempted disposition of a Franchise without the prior written consent of SSG shall render said Franchise null and void."

The SRA reserves the right to issue additional Franchises. The Board awards Franchises after a public hearing.

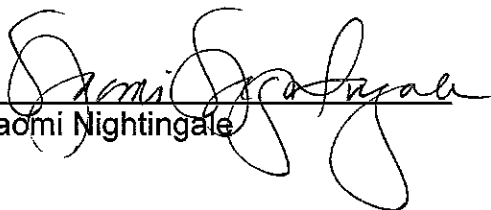
American Cab, LLC asserts a change in ownership, and has submitted a proposal for the Board's consideration and approval. The applicant was asked to provide supplemental information for the Board to consider and was notified that the information must be received prior to this Board meeting. The further documentation and information was received and reviewed by Staff and the Taxi Committee. The review raised the following concerns which form a basis for the recommendation:

- Not licensed to operate in the State of California.
- Prohibited from contracting with the Federal Government.
- No clear documentation of ownership interests.
- Unable to make a responsibility determination.

This is not intended to be an exhaustive list of the concerns raised by the review of the documentation provided. Approval of the application is within the purview and sound discretion of the Board of Directors.

Fiscal Impact

There is no financial impact associated with this action.


Naomi Nightingale