



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT

Item No.
12

Meeting Date: MARCH 3, 2011

Subject:

Comprehensive Ground Transportation Management Plan Update: Taxicab & Shuttle Van Performance Improvement Program

Recommendation:

Adopt Resolution No. 2011-0036, approving the continuation of the taxicab and shuttle van performance improvement program with increased daily taxicab service levels and authorizing the execution of Memorandum of Agreement with SuperShuttle San Diego and a continuation of negotiations with San Diego County Airport Shuttle Association and San Diego Transportation Association for the purpose of implementing ground transportation service improvements at San Diego International Airport.

Background/Justification:

In September 2010, the Board approved an approach to improving taxicab and shuttle operations at SDIA by "partnering" with locally formed taxicab/shuttle van associations (and SuperShuttle, San Diego) using formal Memorandums of Agreement (MOAs). The goals of the Authority in addressing improvements to its ground transportation program center on measures to:

- Optimize Taxicab Fleet / Taxicab Availability
- Improve Management Structure / Oversight
- Strengthen Vehicle and Driver Standards
- Enhance Environmental Compliance
- Provide a Uniform Customer Service Experience

Taxicab & Shuttle Van Performance Improvement Program immediately began implementation of the improvement objectives seen below, while developing MOAs with Airport Taxicab and Shuttle Van Associations and SuperShuttle, San Diego. The performance objectives below have become central features in MOAs being finalized in February/ March and address specific areas of improvement such as:

- Professional appearance for all taxicab drivers.
- A common, clean vehicle appearance, easily recognizable by the customer.
- Procedures and compliance measures to assure an ample supply of cabs at all times.
- An industry-funded on-site dispatcher to ensure compliance with the Authority's requirements and expectations.

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- An enforcement and disciplinary policy with improved rules/regulations to allow designated Authority personnel to investigate and enact discipline, when necessary.
- A single point of contact, appointed by the taxi/shuttle industry groups, to be the primary representatives for communication with Airport Authority.
- An Airport Authority-regulated permit transfer policy where Airport-issued taxi permits become non-transferable after agreed-upon date and revert back to Authority control.
- Total taxicab fleet conversion to electric, alternative fuel and/or clean-air vehicles at the schedule provided by Board Policy Resolution No. 2010-0027R of March 2010 stipulating 25% by 2014, 50% by 2015, 75% by 2016, and 100% by 2017. The program guidelines included incentives and dis-incentives aimed at generating accelerated vehicle operator compliance.
- Provisions for ADA conformance-equivalent service during operating hours.
- Ground Transportation Cost Recovery Program including vehicle fee rate adjustments, methods of vehicle trip fee collection and annual vehicle permit charges.
- Protocols for electronic collection of fares that protect the owner/driver and passenger.
- Provisions for jointly addressing business opportunities that work to improve the financial circumstances of taxicab/shuttle operators with cost savings programs such as: (1) pool purchase of vehicles and maintenance service, (2) group financed business and vehicle insurance plans and (3) specialized training programs in small business operations in the heavily regulated environment of airport ground transportation operations.

The Table at Attachment 1 lists ten of the above issues identified in Jun/July 2010 correspondence to the taxicab/shuttle van industry with corrective actions taken to date. The Provision in the respective MOA where the issue is addressed is included. In particular, major steps have been taken since September to address customer complaints on taxicab availability and wait times by; (1) increasing the daily taxicab inventory at the Airport, (2) assigning a full time Authority employee to monitor and oversee daily taxicab/shuttle van operations, (3) closely coordinating airline schedules with the taxicab industry and, (4) rigorously documenting actual conditions at the transportation plazas. The effect has been a significant improvement in passenger wait times with a corresponding increase in taxicab dwell time in the hold lot and marginally fewer fares for an individual driver.

Status Report on Memorandums of Agreement (MOA)

In response to September Board decision to formally engage with local ground transportation providers, Airport taxicab permittees and local shuttle van companies have formed formal business associations and registered with California Secretary of State. All of the shuttle van companies permitted at SDIA are represented by San Diego County Airport Shuttle Association (SDCASA) except SuperShuttle and all but a few taxicab

permittees belong to San Diego Transportation Association (SDTA). Since October, 2010, these groups have had *Partnership Proposals* from the Authority that center on improvement programs to correct the performance shortfalls addressed in the "Ten Points of Light", as well as, (1) numerous enhancements to daily operating conditions, (2) long range coordination and joint planning improvements and (3) offers to collaborate and share information on improving their business circumstances. Since January (immediately after the groups had formed) staff and the three groups have been negotiating the MOAs, which differ little from the October *Partnership Proposals*.

Summary of MOA Provisions:

1. Opening Recitals that reflect the findings in the September Board Resolution stressing the need to improve taxicab/shuttle van service delivery in numerous operational areas and listing those performance shortfalls.
2. Agreement to formally engage with local industry service providers in separate operational relationships, governed by MOAs, to address and resolve commercial ground transportation issues and programs at SDIA.
3. Sections specifying timeframe expectations for finalizing the agreements and establishing one-year evaluation period, as well as, provisions for cancellation by either party. Specific acknowledgement is made recognizing the preeminence of Authority Codes and Policies in administrating and regulating ground transportation matters at SDIA.
4. Three Sections then follow, designating specific responsibilities to the Authority, the Association, and Joint Responsibilities. Specific improvement programs are listed with timelines for achieving results.
5. Numerous provisions are included with plans and program designed to remedy customer service deficiencies, improve coordination of service availability (single point-of-contact and dispatch functions), increase permittee compliance with Airport Rules and Regulations, and standardize vehicle inspection criteria and principles governing driver professionalism. (see Attachment 1).
6. Provisions and Appendices specifying performance standards and inspection criteria in the operational areas listed above, with timelines for completion of remedial actions or introduction of programs designed to achieve the desired performance objective.

7. Provisions implementing mandatory vehicle operator and Customer Service Representative training programs and refresher training requirements.
8. Provisions outlining responsibilities for Authority/Association collaboration on planned facility improvement projects, installation of support systems and new customer service programs affecting ground transportation operations and conditions at SDIA.
9. Provisions that address achieving a designated timeline for converting vehicles to alternative fuels and improved ADA compliance.
10. Provisions outlining the Authority's Cost Recovery Program, implementing mandatory training programs, and, specifically for taxicabs, provisions addressing the process for fairly eliminating the transfer of taxicab permits, including consideration of a transfer fee and amortization.
11. Specifically for taxicab permittees, provisions addressing the process for fairly eliminating the transfer of taxicab permits, including consideration of a transfer fee and amortization.
12. Authority offers to assist taxicab and shuttle van owners and leased franchise operators with SBA information for transportation providers, State programs for vehicle pool/fleet purchase arrangements and the advantages of multi-party insurance and risk pool formation.
13. Provisions that state the Authority's desire to fairly engage with numerous industry associations, as required, that associations be formed free of discrimination, with designated representatives free of conflicts of interests.
14. The Authority's sincere willingness to work with local industry in framing long range improvement programs that will significantly benefit the traveling public, all airport users and the taxicab/shuttle van industry.

The MOAs also include provisions that address, among other considerations, administrative areas of mutual concern affecting (1) coordination of efforts, (2) timely communication, (3) MOA effectiveness assessment process, (4) dispute resolution, (5) indemnification, (6) third party rights and benefits, (7) severability, (8) the term of the agreement, and (9) agreement termination.

In drafting the proposed MOAs real consideration was given to suggestions by public speakers in the matter and those related to the Authority's performance objectives were incorporated and those related to the formation principles of the associations were relayed to them for their consideration.

Staff has received excellent feedback from all three groups and is currently working through a number of issues with the shuttle van industry. The taxicab permit transferability issue that will be presented at the Board meeting with a request from staff for Board guidance. Attachment 2 discusses permit transferability considerations.

Service Impacts on Increasing the Number of Taxicabs at the Airport

One important issue in the Taxicab & Shuttle Van Performance Improvement Program centers on taxicab availability and excess passenger wait times and needed to be corrected in advance of MOA finalization. The issue received Board direction in January 2011 and since February 01; forty-five (45) taxicabs have been added to the daily fleet, with an augment of seventy-five (75) taxicabs authorized from 2:00pm until 2:00am to service the evening passenger peak and late night flight arrivals (Trial Program through June 30, 2011). In advance of the increase, since January 19, staff has collected passenger wait times, documented at fifteen minute periods throughout the operating day at Terminal 1 & 2. Using this two week snapshot as a benchmark, staff has used the same data collection method to gauge the effects of the taxicab increase on service response times. Concurrently, Authority and contractor staff (LPI) have been visiting the taxicab/shuttle van hold lot several times a day to observe conditions there. Overall, the Airport is experiencing reduced passenger wait times, with a corresponding increase in taxicab dwell times in the hold lot and marginally fewer trips for individual operators. Staff will continue data collecting through June and on February 14 made a time-of-day adjustment by beginning the evening augment (75 taxicabs) at 6:00pm versus 2:00pm. Staff has coordinated all changes with SDTA and with special taxicab driver outreach efforts. Staff expects to make calibrations in time-of-day and taxicab numbers throughout the trial period June 30, 2011) to reach the optimal balance between convenient passenger service and undue taxicab dwell time.

Recommendations and Actions:

In staff's judgment it would be in the best interest of the community, the traveling public and the Authority to:

1. Continue implementing the Taxicab and Shuttle Van Improvement Program with the initiatives shown in Attachment 1.
2. Approve for execution MOAs SuperShuttle, and continued negotiations with San Diego County Airport Shuttle Association (SDCASA).

3. Authorize continued negotiation with San Diego Transportation Association (SDTA) using Board policy guidance on transferability of permits. Authorize execution when successfully resolved or return to Board for further direction.
4. Authorize continued increases in taxicab service levels through the trial period – June 3, 2011.
 - A. If approved, Staff will continue implementing the Taxicab and Shuttle Van Improvement Program and execute the MOAs with the Shuttle Van industry.
 - B. Staff will continue negotiating with the SDTA for a resolution to the permit transferability issue and, if necessary bring the issue to the April Board Meeting.
 - C. Staff will dedicate full time attention to conditions on the transportation plazas, monitoring passenger wait times and taxicab/shuttle van hold, for the effects of the increase inventory on taxicab drivers and operators.

Fiscal Impact:

The projected expenses for the Taxicab and Shuttle Van Improvement Program will not entail greater cost than provided for in the FY 2011 adopted budget. Facility improvement plans will be considered in FY 2012 Capital Budget proposal. Increased costs and investments in additional formal training programs, inspection visits by regulatory agencies, and potential staff increases will be identified in the FY2012 Operating Budget and are anticipated to be \$15,000 - \$20,000.

The anticipated revenue from the Cost Recovery Program-Ground Transportation for FY 2012 is \$930,000.

Environmental Review:

- A. This Board action, as an administrative action, is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act Pub. Res. Code Section 30106.

Equal Opportunity Program:

Not applicable.

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TAXICAB/SHUTTLE VAN PERFORMANCE IMPROVEMENT PROGRAM
“TEN POINTS OF LIGHT”

1. Full Cost Recovery for all Airport-related expenses for taxi/shuttle operations

ACTION: Program Implemented

- (1) Collection via Taxi Trip Fee—Applied to taxicab vehicles in Hold Lot each trip
- (2) Collection via Taxi Permit Fees at annual Permit Renewal
- (3) Collection via Shuttle Van Permit Fees at annual Permit Renewal

Note: Fee collection from passenger using taximeter pending action at City of San Diego (City Attorney –hold)

MOA:

- *The Authority has established a comprehensive cost recovery system for the purpose of fairly allocating expenses for operating, maintaining and administrating ground transportation facilities and systems. Incremental personnel costs for providing a Field Coordinator position, Secret Shopper representatives and the like will be fairly allocated to all user groups affected. In managing the cost recovery system, the Authority will consult with Association representatives prior to enacting changes to the commercial vehicle fee rate (also known as trip fees), methods of collections, vehicle permit charges or the introduction of new fees or charges. . Taxicab and Shuttle Van Item No.6. (Authority Responsibility)*
- *The Authority will provide Associations on a yearly basis, with a financial report outlining the previous year’s expenditures of funds in support of airport ground transportation systems, an estimate of fee rates, and the basis of the forecasted rates for the coming year. Taxicab and Shuttle Van Item No.7. (Authority Responsibility)*

2. Total Taxicab/Shuttle Van Fleet Conversion to Alternative Fuel as per the MOU with California Attorney General.

ACTION: The Authority and Industry are working to adopt incentive language in the MOA's that reflect Board policy decisions (March 4, 2010) on State Law (AB32) environmental regulatory compliance plan.

MOA: *The Authority and Associations will develop program guidelines and a written plan for achieving total airport taxicab fleet conversion to electric, alternative fuel and/or clean-air vehicles per the schedule adopted by the Authority March 4, 2010 (25% by 2014, 50% by 2015, 75% by 2016, and 100% by 2017.) The conversion program guidelines will include vehicle eligibility, conversion timelines, owner incentives and dis-incentives and address other related environmental regulatory compliance programs implemented by federal and state regulatory agencies. A preliminary Action Plan will be finalized by July 1, 2011. 1Taxicab and Shuttle Van Item No. 8 (Joint Authority/Association Responsibility).*

ACTION: The Authority is exploring the feasibility of installing an alternative fuels refueling station on airport.

MOA: *The Authority will coordinate with Associations, as well as, other ground transportation service providers, on planning for improvements to the taxicab/shuttle van hold lot, support facilities and amenities for drivers, including properly equipped restrooms, food concessions, reflection/meditation areas and other facility and infrastructure requirements. The Authority will provide a progress report on development plans by June 30, 2011 and periodically thereafter. Taxicab and Shuttle Van Item No. 5 (Authority Responsibility)*

ACTION: The Authority is working with State environmental officials on competing for a portion of a \$750k State Grant for Agencies converting to alternative fuels.

MOA:

- *The Authority will assist Associations with information and programs that provide alternative approaches for acquiring vehicles, including pooling arrangements, lease/option to purchase and third party financing. Such information will be forthcoming by June 30, 2011, with follow-on data provided as requested.*
- *The Authority will provide information and assistance, as requested, on cost reduction programs for procurement, fueling, upkeep, administration and insurance of taxicabs. The Authority will share ideas and recommendations on group cost sharing programs, including medical, personal property and liability insurance and common maintenance strategies. Such information will be forthcoming by June 30, 2011, with follow-on data provided as requested. Taxicab and Shuttle Van Items No. 12&13 (Authority Responsibility)*
- *The Authority will work with Associations and its members in accessing federal and state Small Business Administration (SBA) training courses and handbook guidance on transportation business operations and management for the small business owner and operator. Such information will be forthcoming by July 30, 2011, with follow-on data provided as requested.*

Taxicab and Shuttle Van Items No.12, 13, 14 (Authority Responsibility)

3. Uniform and professional appearance for all taxicab and shuttle van drivers.

ACTION: Updated Airport Rules and Regulations implemented February 9, 2011 authorizing suspension of driver privileges and other penalties.

MOA: *The Authority will develop specific programs to meet the performance objectives listed in the MOA and consult with Associations representatives in fashioning program procedures and implementation schedules. Joint consultation will precede implementation and consider the program's business impacts on the entire Industry including owners, operators, permit holders and drivers and, in particular, Associations members. Taxicab and Shuttle Van Item No. 3 (Authority Responsibility)*

Notwithstanding the agreed-upon operational arrangements and shared responsibilities contained herein, nothing in this MOA invalidates, supersedes or amends the following:

1. *The Authority's Code;*
2. *The Authority's Policies;*
3. *The SDIA Rules and Regulations;*
4. *The Authority's Vehicle Licensing Agreements; and*
5. *Individual's Transportation Service Permits issued by the Authority.*

The terms and conditions of the Authority's vehicle licensing agreements and transportation service permits shall be the governing documents affecting the requirements and conditions under which a service permit is maintained in good standing by individual permit holders. This MOA shall in no way restrict the Authority from modifying, terminating, suspending, amending any governing document, Rule or Regulation, airport license or permit affecting the operation or permitting of taxicabs, taxicab companies or taxicab drivers at SDIA in any manner or at any time of its choosing. Taxicab and Shuttle Van Purpose Section

ACTION: Full-time Authority employee assigned to taxi/shuttle van operations with compliance authority effective March 1, 2011.

MOA: *The Authority and Association representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public. Taxicab and Shuttle Van Item No.7 (Joint Authority/Association Responsibility)*

ACTION: Preliminary Driver Training syllabus appendix A to MOAs. Requires initial and two year refresher training. Comprehensive Driver Training Syllabus being re-written and enhanced. Due June 30, 2011

MOA: *The Authority and Association will formulate an expanded curriculum for the existing taxicab Driver Training Program and ensure its administration recognizes both driver and Authority needs and interests. The initial mandatory training program for new drivers will be augmented with mandatory refresher training every two (2) years thereafter to ensure driver familiarity with new customer service programs. The Authority will conduct the training sessions and Association will work to ensure all required persons attend. Appendix A contains the curriculum outline for the enhanced Driver Training Program with new areas of instruction/training, together with familiarization sections for the new terminal/curbfront arrangement being constructed at Terminal 2. Deadline June 30, 2011. Taxicab and Shuttle Van Item No. 3 (Joint Authority/Association Responsibility)*

ACTION: Preparing SDIA Ground Transportation Operator Guide Due: June 30, 2011.

MOA: *The Authority will publish a comprehensive Ground Transportation Service Operator Guide for use by taxicab drivers and permit holders at SDIA. The Operator Guide will address various aspects of ground transportation operations, specifically: (1) program administration, (2) driver training requirements and professionalism, (3) customer service standards, including ADA and environmental regulations compliance, (4) vehicle condition and safety systems inspection criteria, and (5) program enforcement. Also included will be sections on areas such as: (a) dispatch operations, (b) accident prevention and reporting, and (c) complaint resolution. The Operator Guide will be entirely consistent with SDIA Codes, Policies and Rules and Regulations. The Authority will develop the Guide with input and comment by the Association and publish the Operator Guide by June 30, 2011. Taxicab and Shuttle Van Item No. 8 (Authority Responsibility)*

ACTION: Associations will establish their own programs for monitoring the appearance and professional behavior of their members' or franchise operators. Program guidelines will be developed and submitted to the Authority by June 2011.

MOA: *Association will establish a program for monitoring the appearance and professional behavior of its members' taxicab drivers. The program guidelines will be developed and submitted to the Authority by June 30, 2011. Association will use its best efforts to ensure its members' drivers conform to the driver regulations and standards promulgated in the SDIA Rules and Regulations. Taxicab Item No. 5 - Shuttle Van Item No.3 and No. 5 (Association Responsibility)*

ACTION: Associations will establish a process for correcting and disciplining member owners and drivers who operate taxicabs and shuttle vans at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 2011.

MOA: *Association will establish a process for correcting and disciplining member owners and drivers who operate taxicabs at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 30, 2011. Association will work with the Authority to periodically review relevant sections of the Authority Code for applicability, enforceability and timeliness. Taxicab and Shuttle Van Item No. 6 (Association Responsibility)*

ACTION: The Authority and Associations will jointly develop a complaint resolution process that addresses specific violations of SDIA Rules and Regulations by taxicab permit holders, drivers or shuttle van franchisee at SDIA.

MOA: *The Authority and Association will jointly develop a complaint resolution process that addresses specific violations of SDIA Rules and Regulations by taxicab permit holders or drivers at SDIA. The process will involve immediate action to resolve the issue by Authority management, as provide for by SDIA Rules and Regulations, followed by consultation with Association and the parties involved in the incident. Deadline June 30, 2011. Taxicab and Shuttle Van Item No. 4 (Joint Authority/Association Responsibility)*

4. .Procedures and compliance measures to assure an ample supply of cabs at all times.

ACTION: Airport Rules and Regulations amended to allow increase in daily taxicab service. Trial period ends June 30, 2011.

MOA: *The Authority will develop specific programs to meet the performance objectives listed in the MOA and consult with Association representatives in fashioning program procedures and implementation schedules. Joint consultation will precede implementation and consider the program's business impacts on the entire Industry including owners, operators, permit holders and drivers and, in particular, Association members. Taxicab Item No. 3 (Authority Responsibility)*

ACTION: Associations required to implement program that ensures convenient taxicab and shuttle van service available with sufficient number of taxicabs and shuttle vans throughout the operating day.

MOA: *Association will develop a control system, acceptable to the Authority that ensures there are two hundred and twenty-five (225) taxicabs providing service at SDIA on a daily basis with an additional seventy-five (75) taxicabs available from 6:00 p.m. until 2:00 a.m. The system must be flexible and allow for adjustment over time in the number of taxicabs and time-of-day authorization to meet changing passenger demand. Association accepts the responsibility to respond to airport taxicab inventory shortfalls, without undue delay, through established protocols using local radio service companies. Preliminary control plan will be provided by April 3, 2011. Taxicab and Shuttle Van Item No. 7 (Association Responsibility)*

ACTION: Associations identifies single point of contact for managing taxicab/shuttle van conditions at SDIA.

MOA: *Association will designate a single point of contact (with alternate) for the purpose of:*

- a. *timely planning to meet forecasted changes in passenger demand,*
- b. *immediate problem solving in areas of taxicab availability,*
- c. *management issues with driver performance or complaints, unsatisfactory vehicle condition and other customer service issues,*
- d. *ameliorating congested conditions in the taxicab hold lot and transportation plazas, and*
- e. *other real-time operational conditions requiring coordination of taxicab services*

Taxicab Item No. 2—Shuttle Van Item No. 1 (Association Responsibility)

ACTION: Association/Authority oversee/monitor CSRs performance and document operational shortfalls/discrepancies and industry concerns.

MOA:

- *The Authority will provide well trained and motivated Customer Service Representatives (hereinafter "CSRs") to help manage daily operations at the taxicab hold lot and transportation plazas Representatives from Associations are authorized to monitor and comment on dispatch operations and their report will be acted upon as per Item 1. and Item 2. of this section. Dispatch services and other support functions will be funded by the ground transportation industry through the Authority's cost recovery system.*
- *The Authority will closely coordinate with the Association in devising best practices in the use of the CSRs, establishing duties and responsibilities and standards of performance.*
- *The Authority and Association representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public.*

Taxicab Item Nos. 5, 6 & 7 –Shuttle Van Item No. 5 & 6 (Joint Authority/Association Responsibility)

5. A single point of contact, appointed by a taxi Association, to be the primary representative for all communication with Airport Authority

ACTION: Associations identify single point of contact for managing taxicab/shuttle van conditions at SDIA.

MOA: Association will designate a single point of contact (with alternate) for the purpose of:

- a. *timely planning to meet forecasted changes in passenger demand,*
- b. *immediate problem solving in areas of taxicab availability,*
- c. *management issues with driver performance or complaints, unsatisfactory vehicle condition and other customer service issues,*
- d. *ameliorating congested conditions in the taxicab hold lot and transportation plazas, and*
- e. *other real-time operational conditions requiring coordination of taxicab services*

Taxicab Item No. 2—Shuttle Van Item No. 1 (Association Responsibility)

ACTION: Authority-- Full-time employee assigned to oversee taxi/shuttle van operations with compliance authority, effective March 1, 2011.

MOA: *The Authority and Association representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public. Taxicab and Shuttle Van Item No.7 (Joint Authority/Association Responsibility)*

6. An enforcement and disciplinary policy with improved rules/regulations to allow designated Authority personnel the ability to investigate and enact discipline when necessary. An oversight board might be used to hear appeals on lengthy suspensions.

ACTION: Airport Rules and Regulations implemented February 9, 2011 authorizing suspension of driver privileges and other penalties.

MOA: *The Authority will develop specific programs to meet the performance objectives listed in the MOA and consult with Associations representatives in fashioning program procedures and implementation schedules. Joint consultation will precede implementation and consider the program's business impacts on the entire Industry including owners, operators, permit holders and drivers and, in particular, Associations members. Taxicab and Shuttle Van Item No. 3 (Authority Responsibility)*

Notwithstanding the agreed-upon operational arrangements and shared responsibilities contained herein, nothing in this MOA invalidates, supersedes or amends the following:

1. *The Authority's Code;*
2. *The Authority's Policies;*
3. *The SDIA Rules and Regulations;*
4. *The Authority's Vehicle Licensing Agreements; and*
5. *Individual's Transportation Service Permits issued by the Authority.*

The terms and conditions of the Authority's vehicle licensing agreements and transportation service permits shall be the governing documents affecting the requirements and conditions under which a service permit is maintained in good standing by individual permit holders. This MOA shall in no way restrict the Authority from modifying, terminating, suspending, amending any governing document, Rule or Regulation, airport license or permit affecting the operation or permitting of taxicabs, taxicab companies or taxicab drivers at SDIA in any manner or at any time of its choosing. Taxicab and Shuttle Van Purpose Section

ACTION: Full-time Authority employee assigned to taxi/shuttle van operations with compliance authority effective March 1, 2011.

MOA: *The Authority and Associations representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public. Taxicab and Shuttle Van Item No. 7 (Joint Authority/Association Responsibility)*

ACTION: Associations will establish a process for correcting and disciplining member owners and drivers who operate taxicabs and shuttle vans at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 2011.

MOA: Associations will establish a process for correcting and disciplining member owners and drivers who operate taxicabs at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 30, 2011. Associations will work with the Authority to periodically review relevant sections of the Authority Code for applicability, enforceability and timeliness. Taxicab and Shuttle Van Item No. 6 (Association Responsibility)

MOA: Associations will provide its best efforts in ensuring its franchisees and their employees, subcontractors or agents conform to the driver regulations and standards promulgated in the Airport Rules and Regulations. Taxicab and Shuttle Van Item No.4 (Association Responsibility)

ACTION: The Authority and Associations will jointly develop a complaint resolution process that addresses specific violations of SDIA Rules and Regulations by taxicab permit holders/drivers or shuttle van franchisees at SDIA.

1. **MOA:** The Authority and Associations will jointly develop a complaint resolution process that addresses specific violations of SDIA Rules and Regulations by taxicab permit holders or drivers at SDIA. The process will involve immediate action to resolve the issue by Authority management, as provide for by SDIA Rules and Regulations, followed by consultation with Associations and the parties involved in the incident. The complaint resolution process will be finalized by April 2011. Taxicab and Shuttle Van Item No. 4 (Joint Authority/Association Responsibility)

7. An Airport Authority-regulated permit transfer policy where Airport-issued taxi permits become non-transferable after agreed date (to be determined, possibly 2-3 years) and revert back to Authority control.

ACTION: The Authority and San Diego Transportation Association (SDTA) have agreed to dialogue on changing the present method of allowing the transfer of the ground transportation service permit. The organizations will work together to arrive at an agreed-upon method of insuring that, eventually, a permit holder no longer wishing to operate under or renew a permit must return the service permit to the Authority. The consultation will conclude by the March 3 Board meeting, and the Authority Board will be provided options to consider and act to approve the proposed method or decide on an alternative method of terminating the transferability of the service permit, as it deems appropriate.

MOA: The Authority will implement a process for eliminating the present practice of transferring ground transportation service permits. The Authority will not authorize the transfer of ground

transportation service permits after June 30, 2014. Beginning July 1, 2014, permits may not be transferred between individuals, corporations, partnerships or any other entities. Beginning July 1, 2014, a permit holder no longer wishing to operate under or renew a permit will be required to return it to the Authority. Amended Language to be provided 2-17-1. Taxicab Item No. 15 (Authority Responsibility)

8. A common, clean vehicle appearance, easily recognizable by the customer.

ACTION: Preliminary Vehicle Condition Inspection Criteria Appendix B to MOA. Preparing *SDIA Ground Transportation Operator Guide*. Due: June 30, 2011.

MOA: *The Authority will publish a comprehensive Ground Transportation Service Operator Guide for use by taxicab drivers and permit holders at SDIA. The Operator Guide will address various aspects of ground transportation operations, specifically: (1) program administration, (2) driver training requirements and professionalism, (3) customer service standards, including ADA and environmental regulations compliance, (4) vehicle condition and safety systems inspection criteria, and (5) program enforcement. Also included will be sections on areas such as: (a) dispatch operations, (b) accident prevention and reporting, and (c) complaint resolution. The Operator Guide will be entirely consistent with SDIA Codes, Policies and Rules and Regulations. The Authority will develop the Guide with input and comment by Associations and publish the Operator Guide by June 30, 2011. Taxicab and Shuttle Van Item No. 8 (Authority Responsibility)*

ACTION: The Authority will conduct periodic vehicle inspections, noticed and non-noticed, with an emphasis on vehicle safety systems and exterior appearance. Failure to appear and undergo required inspections will result in suspension of ground transportation access until the vehicle has been inspected and any substandard condition corrected.

MOA: *The Authority will conduct periodic vehicle inspections, noticed and non-noticed, with an emphasis on vehicle safety systems and exterior appearance. Failure to appear and undergo required inspections will result in suspension of ground transportation access until the vehicle has been inspected and any substandard condition corrected. Appendix B contains the preliminary inspection criteria and from time to time will be further refined and re-published in the Operator Guide. Taxicab and Shuttle Van Item No. 9 (Authority Responsibility)*

ACTION: Full-time Authority employee assigned to taxi/shuttle van operations with compliance authority effective February 6, 201.

MOA: *The Authority and Associations representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public. Taxicab and Shuttle Van Item No.7 (Joint Authority/Association Responsibility)*

ACTION: Associations will establish a program for monitoring the appearance and condition of member taxicabs and shuttle van franchisees that service SDIA and ensuring the correction of deficiencies in a timely manner. A program to ensure the standards of appearance for taxicabs and shuttle vans promulgated in the SDIA Rules and Regulations will be developed by June 30, 2011 and inspection of vehicles by the Association for appearances will be ongoing.

MOA: *Associations will establish a program for monitoring the appearance and condition of member taxicabs that service SDIA and ensuring the correction of deficiencies in a timely manner. A program to ensure the standards of appearance for taxicabs promulgated in the SDIA Rules and Regulations will be developed by June 30, 2011 and inspection of taxicabs by the Associations for appearances will be ongoing. Taxicab Item No. 3—Shuttle Van Item No. 2 (Association Responsibility)*

ACTION: Associations will establish a process for correcting and disciplining member owners and drivers who operate taxicabs at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 2011. Associations will work with the Authority to periodically review relevant sections of the Authority Code for applicability, enforceability and timeliness.

MOA: *Associations will establish a process for correcting and disciplining member owners and drivers who operate taxicabs at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 30, 2011. Associations will work with the Authority to periodically review relevant sections of the Authority Code for applicability, enforceability and timeliness. Taxicab Item No. 6 —Shuttle Van Items No. 3 & 4 (Association Responsibility)*

9. Provisions for ADA conformance-equivalent service during operating hours.

ACTION: The Authority and Association will develop program guidelines and a written plan by December 2011 for achieving enhanced service, accommodations and traveling options for disabled persons, including full compliance with the provisions of the Americans with Disability Act (hereinafter “ADA”) applicable to commercial service vehicles requiring conformance-equivalent service for disabled passengers.

MOA: *The Authority and Associations will develop program guidelines and a written plan by December 2011 for achieving enhanced service, accommodations and traveling options for disabled persons, including full compliance with the provisions of the Americans with Disability Act (hereinafter “ADA”) applicable to commercial service vehicles requiring conformance-equivalent service for disabled passengers. Taxicab Item No. 9—Shuttle Van Item No. 8 (Joint Authority/Association Responsibility)*

ACTION: The Authority will assist Associations with information and programs that provide alternative approaches for acquiring vehicles, including pooling arrangements, lease/option to purchase and third party financing. Such information will be forthcoming by June 2011, with follow-on data provided as requested.

MOA:

- *The Authority will assist Associations with information and programs that provide alternative approaches for acquiring vehicles, including pooling arrangements, lease/option to purchase and third party financing. Such information will be forthcoming by June 30, 2011, with follow-on data provided as requested.*
- *The Authority will provide information and assistance, as requested, on cost reduction programs for procurement, fueling, upkeep, administration and insurance of taxicabs. The Authority will share ideas and recommendations on group cost sharing programs, including medical, personal property and liability insurance and common maintenance strategies. Such information will be forthcoming by June 30, 2011, with follow-on data provided as requested. Taxicab and Shuttle Van Items No. 12&13 (Authority Responsibility)*

ACTION: The Authority will work with the Associations and its members or shuttle van franchisee operators in accessing federal and state Small Business Administration (SBA) training courses and handbook guidance on transportation business operations and management for the small business owner and operator. Such information will be forthcoming by July 2011, with follow-on data provided as requested.

MOA: *The Authority will work with Associations and its members in accessing federal and state Small Business Administration (SBA) training courses and handbook guidance on transportation business operations and management for the small business owner and operator. Such information will be forthcoming by July 30, 2011, with follow-on data provided as requested. Taxicab and Shuttle Van Item No. 14 (Authority Responsibility)*

10. An industry-provided on-site dispatcher to ensure compliance with the Authority's requirements and expectations.

ACTION: The Authority will provide well trained and motivated Customer Service Representatives (hereinafter "CSRs") to help manage daily operations at the taxicab hold lot and transportation plazas. Dispatch services and other support functions will be funded by the ground transportation industry through the Authority's cost recovery system.

MOA: *The Authority will provide well trained and motivated Customer Service Representatives (hereinafter "CSRs") to help manage daily operations at the taxicab hold lot and transportation plazas. Representatives from Associations are authorized to monitor and comment on dispatch operations and their report will be acted upon as per Item 1. and Item 2. of this section. Dispatch services and other support functions will be funded by the ground transportation industry through the Authority's cost recovery system. Taxicab and Shuttle Van Item No. 5 (Joint Authority/Association Responsibility)*

ACTION: The Authority will closely coordinate with the Associations in devising best practices in the use of the CSRs, establishing duties and responsibilities and standards of performance.

MOA: *The Authority will closely coordinate with the Associations in devising best practices in the use of the CSRs, establishing duties and responsibilities and standards of performance. Taxicab Item No. 6—Shuttle Van Item No. 5 (Joint Authority/Association Responsibility)*

ACTION: The Authority and Association's representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public.

MOA: *The Authority and Associations representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of both the Industry, the Authority and the needs of the travelling public. Taxicab Item No. 7—Shuttle Van Item No. 6 (Joint Authority/Association Responsibility)*

SDIA GROUND TRANSPORTATION SERVICE PERMIT TRANSFERABILITY ISSUE PAPER

The Board has expressed its intention to regain control of Taxicab Permits and suppress the secondary market attached to their transfer value. Below are two options for Board consideration that bring the permit back to the Authority's control but recognize the investment value that a permit holder has paid for the permit or is relying on through the future transfer sale to another party.

Option 1

PROVISION: Until June 30, 2014 a taxicab permit holder no longer wishing to operate under or renew a permit must return the permit to the Authority's control or, with the approval of the Authority, transfer the service permit to an eligible recipient. - Status Quo

After June 30, 2014, the Authority will not authorize the transfer of ground transportation service permits. Beginning July 1, 2014, permits may not be transferred between individuals, corporations, partnerships or any other entities. Beginning July 1, 2014, a permit holder no longer wishing to operate under or renew a permit will be required to return it to the Authority.

Policy Considerations:

1. Does not require the current permit holder to surrender the permit, at all, until he/she no longer wishes to operate at the Airport.
2. Brings control of permits back to the Authority within a reasonable timeline (three year period).
3. Provides Airport access opportunities for other taxicab owners, over time, as permits are surrendered after 2014.
4. Allows current permit holder three years to make some financial disposition through permit transfer sale.
5. Acts to significantly suppress market value.

Option 2

PROVISION: Until June 30, 2014 a taxicab permit holder no longer wishing to operate under or renew a permit must return the permit to the Authority's control or, with the approval of the Authority, transfer the service permit to an eligible recipient. - Status Quo

Beginning July 1, 2014, taxicab service permit holders no longer wishing to operate under or renew a permit must return the permit to the Authority's control, or, with the approval of the Authority, transfer the service permit to an eligible recipient for a fee of \$3,000. The new permit holder must acknowledge in writing that when he/she no longer wishes to operate under or renew the permit, the permit is to be returned to the Authority.

Policy Considerations:

1. Does not require the current permit holder to surrender the permit, at all, until he/she no longer wishes to operate at the Airport.
2. Brings control of permits back to the Authority over a longer period of time, due to the single transfer transaction allowed.
3. Provides fewer Airport access opportunities for other taxicab owners, over time, as many permits are likely to be transferred after 2014 versus surrendered to the Authority.
4. Allows current permit holder to control the timing of the single transfer after 2014 and recover more value from his/her investment.
5. Allows for a phased decrement in permit value, with greater loss potential affecting the post 2014 single transfer transaction.
6. Includes the Authority (public) in benefiting from single transfer transaction fee.
7. Acts to suppress market value but over a longer time and less significantly than Option 1.

Since September 2010 when the Board approved the partnering approach with local taxicab operators and shuttle van companies, the parties have been working through various options and permutations. The two options seen above are the results of those deliberations. Staff prefers Option 1 and the Taxicab Association prefers Option 2.

RESOLUTION NO. 2011-0036

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING THE CONTINUATION OF THE TAXICAB AND SHUTTLE VAN PERFORMANCE IMPROVEMENT PROGRAM WITH INCREASED DAILY TAXICAB SERVICE LEVELS AND AUTHORIZING THE EXECUTION OF MEMORANDUM OF AGREEMENT WITH SUPERSHUTTLE SAN DIEGO AND A CONTINUATION OF NEGOTIATIONS WITH SAN DIEGO COUNTY AIRPORT SHUTTLE ASSOCIATION AND SAN DIEGO TRANSPORTATION ASSOCIATION FOR THE PURPOSE OF IMPLEMENTING GROUND TRANSPORTATION SERVICE IMPROVEMENTS AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, the San Diego County Regional Airport Authority ("Authority") owns and operates San Diego International Airport ("SDIA") with the mission to provide safe, convenient and cost effective air travel services to the Southern California & Baja California region; and

WHEREAS, in September 2010, the Board approved an approach to improving taxicab and shuttle operations at SDIA by formally engaging with locally formed taxicab/shuttle van associations (and SuperShuttle, San Diego) using Memorandums of Agreement ("MOAs"). The goals of the Authority in addressing improvements to its ground transportation program centered on measures to:

- Optimize Taxicab/Shuttle Van Fleet Availability
- Improve Management Structure and Oversight
- Strengthen Commercial Vehicle and Driver Standards
- Enhance Agency Environmental Compliance
- Provide a Uniform Customer Service Experience; and

WHEREAS, the Authority implemented a Taxicab & Shuttle Van Performance Improvement Program with the improvement objectives listed below while developing MOAs with Airport Taxicab and Shuttle Van Associations and SuperShuttle, San Diego. The improvement objectives became central features in MOAs being finalized in February/ March 2011 and address specific areas of improvement such as:

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- Professional appearance for all taxicab drivers.
- A common, clean vehicle appearance, easily recognizable by the customer.
- Procedures and compliance measures to assure an ample supply of cabs at all times.

- An industry-funded on-site dispatcher to ensure compliance with the Authority's requirements and expectations.
- An enforcement and disciplinary policy with improved rules/regulations to allow designated Authority personnel to investigate and enact discipline, when necessary.
- A single point of contact, appointed by the taxi/shuttle industry groups, to be the primary representatives for communication with Airport Authority.
- An Airport Authority-regulated permit transfer policy where Airport-issued taxi permits become non-transferable after agreed-upon date and revert back to Authority control.
- Total taxicab fleet conversion to electric, alternative fuel and/or clean-air vehicles at the schedule provided by Board Policy Resolution No. 2010-0027R of March 2010 stipulating 25% by 2014, 50% by 2015, 75% by 2016, and 100% by 2017. The program guidelines include incentives and disincentives aimed at generating accelerated vehicle operator compliance.
- Provisions for ADA conformance-equivalent service during operating hours.
- Ground Transportation Cost Recovery Program, including vehicle fee rate adjustments, methods of vehicle trip fee collection and annual vehicle permit charges.
- Protocols for electronic collection of fares that protect the owner/driver and passenger.

WHEREAS, significant measures have been taken since September 2010, as provided for in the Taxicab & Shuttle Van Performance Improvement Program, to specifically address customer complaints on taxicab availability and wait times by; (1) increasing the daily taxicab inventory at the Airport, (2) assigning a full time Authority employee to monitor and oversee daily taxicab/shuttle van operations, (3) closely coordinating airline schedules with the taxicab industry and, (4) rigorously documenting conditions at the airport transportation plaza; and

WHEREAS, the documented effect of the increase in daily taxicab service levels at SDIA has resulted in a measurable improvement in taxicab availability and a decrease in passenger wait times; and

WHEREAS, the taxicab industry at SDIA has cooperated and worked to ensure there are sufficient taxicabs available at SDIA throughout the operating day; and

WHEREAS, the increase in taxicab inventory has been approved by the Board in January 2011 until June 30, 2011 on a trial basis; and

WHEREAS, in response to the Board's September 2010 authorization for staff to develop separate MOAs with one or more local taxicab associations and one or more shuttle van associations, Airport taxicab owners and local shuttle van companies operating at SDIA have formed formal business associations and registered with California Secretary of State; and

WHEREAS, the Airport taxicab owners (joining as the San Diego Transportation Association ["SDTA"] to represent all but a few taxicab owners permitted to operate at SDIA); seven passenger stage carriers operating shuttle vans at SDIA (joining as the San Diego County Airport Shuttle Association ["SDCASA"]); and SuperShuttle, San Diego (a Nevada corporation licensed to provide franchise shared ride shuttle services in the general area surrounding SDIA), have all expressed a willingness to enter into formal MOAs with the Authority; and

WHEREAS, since October 2010, the Authority has collaborated with SDTA, SDCASA and SuperShuttle, San Diego to finalize Memorandums of Agreement that address the areas of improvement listed previously as well as:

- Provisions specifying a timeframe expectation for finalizing the agreements and establishing a one-year evaluation period, as well as, provisions for cancellation by either party.
- Provisions acknowledging the preeminence of Authority Codes and Policies in administrating and regulating ground transportation matters at SDIA.
- Provisions and Appendices specifying performance standards and inspection criteria in the operational areas listed above, with timelines for completion of remedial actions or introduction of programs designed to achieve the desired performance objective.
- Provision outlining responsibilities for Authority/Association collaboration on planned facility improvement projects, installation of support systems and new customer service programs affecting ground transportation operations and conditions at SDIA.

- Provisions outlining the Authority's Cost Recovery Program with responsibilities for advanced coordination, information sharing, reports on projected expenditures and methodology for calculating actual costs incurred during the reporting period.
- Provisions implementing mandatory vehicle operator and Customer Service Representative training programs and refresher training requirements.
- Specifically for taxicab permittees, provisions addressing the process for fairly eliminating the transfer of taxicab permits, including consideration of a transfer fee and amortization.
- Provisions for jointly addressing business opportunities that work to improve the financial circumstances of taxicab/shuttle operators with cost savings programs such as: (1) pool purchase of vehicles and maintenance service, (2) group financed business and vehicle insurance plans and (3) specialized training programs in small business operations in the heavily regulated environment of airport ground transportation operations.
- Provisions that state the Authority's desire to fairly engage with numerous industry associations, as required, with said associations formed free of discrimination with designated representatives free of conflicts of interests.
- Provisions stating the Authority's sincere willingness to work to frame and implement long range improvement programs that will significantly benefit the traveling public, all airport users and the taxicab/shuttle van industries; and

WHEREAS, the MOAs include provisions that address, among other considerations, administrative areas of mutual concern affecting (1) coordination of efforts, (2) timely communication, (3) MOA effectiveness assessment process, (4) dispute resolution, (5) indemnification, (6) third party rights and benefits, (7) severability, (8) the term of the agreement, and (9) agreement termination; and

WHEREAS, the MOAs with the shuttle van industry have been finalized and are awaiting ratification by SDCASA membership and final approval by SuperShuttle corporate officers; and

WHEREAS, the Authority and SDTA have finalized their agreement on all provisions except the issue affecting the transferability of ground transportation service permits at SDIA; and

WHEREAS, the Authority currently issues permits to conduct ground transportation services at SDIA on an annual basis, with all such permits and the accompanying decals universally expiring on July 1st of each year; and

WHEREAS, each current permit to conduct ground transportation services at SDIA provides that the permit is personal to the permit holder and that the permit holder may not assign, transfer, license, convey, or sell the Permit, or any rights thereunder, whether voluntarily or by operation of law, without prior written approval of Authority; and

WHEREAS, each permit to conduct ground transportation services at SDIA further provides that any transfer in violation of its provisions is void and shall entitle Authority, at its option, to terminate the permit, and further that the acceptance of trip fees or other fees or charges by Authority or the continuation of operations by the permit holder or the proposed transferee is not a waiver of Authority's right to terminate the permit on account of the permit holder's failure to secure Authority's prior written consent; and

WHEREAS, the Authority has in the past permitted, subject to its consent, the transfer of ground transportation service taxicab permits during the term of the permit; and

WHEREAS, the Board desires to terminate the ability of permit holders to effect transfers of ground transportation service permits and to take appropriate steps with regard to ground transportation service taxicab permits to absolutely prohibit in the future the transferability of such permits; and

WHEREAS, while recognizing the Board has absolute discretion to authorize the issuance of new replacement permits on an annual basis in 2012, 2013 and the years thereafter or to alternatively not issue new permits, the Board has determined that beginning June 30, 2014, the Board will prohibit all transfers of ground transportation service permits; and

WHEREAS, the Board reserves the right to move up the prohibition date on permit transfers to an earlier date than specified above and/or to direct staff to withhold consent to any requests for transfers during the interim time for any reason; and

WHEREAS, although the MOAs being negotiated by the parties may have a term that extends beyond the one-year term of the respective ground transportation service permits (which grants the right to conduct business on the Airport), the MOAs if executed do not and shall grant any operating right to any permit holder beyond the one-year term of the permit holder's current year permit; and

WHEREAS, the Authority recognizes the many years of service and commitment to SDIA by the taxicab and shuttle van industries and their stated desire to work with the Authority in formal operational relationships, governed by MOAs, to improve operating conditions at SDIA that are advantageous to the Authority and the traveling public.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby ADOPTS the findings stated above and DIRECTS staff to take the actions necessary to accomplish the steps and objectives approved by the Board; and

BE IT FURTHER RESOLVED that the Board AUTHORIZES the continuation of the Ground Transportation Improvement Program initiatives listed above and, specifically, the temporary increase in the daily taxicab inventory at SDIA; and

BE IT FURTHER RESOLVED that the Board AUTHORIZES the President/CEO to execute Memorandums of Agreements with SDTA, SDCASA and SuperShuttle when association/corporate signatures are obtained; and

BE IT FURTHER RESOLVED that the Authority VALUES the long and committed service of the taxicab and shuttle operators at SDIA and DIRECTS staff to work closely with their representatives implementing the provisions of the MOAs to benefit the long term interests of the ground transportation industry at SDIA, the Authority and the air traveling public; and

BE IT FURTHER RESOLVED that the Board considered the complexity and challenges in implementing the actions envisioned in the MOAs and DIRECTS staff to return this item to the Board in six (6) months at its September 2011 meeting for a progress report and possible further action; and

BE IT FURTHER RESOLVED that the Board DIRECTS staff to provide timely updates on the Authority's progress in implementing the operational improvement programs provided for in the MOAs and a staff evaluation of the working arrangement during the evaluation period; and

BE IT FURTHER RESOLVED that the Board FINDS that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA"), Cal. Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of March, 2011, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

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SAN ORG



San Diego International Airport

Item 12



CGTMP Update – SDIA Taxicab & Shuttle Improvement Program

Vernon D. Evans, CPA

Vice President Finance/Treasurer and CFO

March 3, 2011

Agenda

- Background
- Comprehensive Ground Transportation Plan Update
- Impacts of Increasing Daily Taxicab Service Levels
- Status of Industry MOAs
- Taxicab Permit Transferability Issue
- Recommendations

Background

- January 2010 – Board Adopted Strategies in the Comprehensive Ground Transportation Management Plan to Improve Taxicab/Shuttle Van Service Delivery at SDIA
- September 2010 – Board Approved “Partnering” Approach with Local Taxicab/Shuttle Van Operators to:
 - Make Immediate Operational Improvements
 - Develop MOAs with Local Industry Groups
 - Assess Progress and Report In March 2010

Comprehensive Ground Transportation Plan Update

- Improvement Program based on “Ten Points of Light” Letters to Industry June / July 2010
- Identifies Areas Requiring Immediate Improvement
 - Taxicab/Shuttle Van Availability,
 - Vehicle Condition
 - Driver Professionalism
 - Better On- Airport Coordination & Code Enforcement
 - Plan for Full Fleet Conversion and ADA Compliance
- Implements Full Cost Recovery Program
- Establishes Intention to Eventually Terminate Taxicab Permit Transferability
- All Improvement Measures Incorporated in Draft MOAs

Taxicab/Shuttle Van Improvement Program

ITEM-1

Full Cost Recovery for Ground Transportation Operations

STATUS: Complete

NOTES:

- Trip Fee Collection from Passengers (Taximeter) Awaiting Decision by City of San Diego -Legal Hold
- Included in MOA

Taxicab/Shuttle Van Improvement Program

ITEM-2

Total Fleet Conversion to Alternative Fuels

ACTIONS:

- Authority Applying for State Grant -- \$750K
- Exploring Feasibility of Installing Authority Re-Fueling Station
- MOAs – Implements Plan Adopted by Board Policy of March 2010 beginning 2014 with Incentives / Dis-Incentives

Taxicab/Shuttle Van Improvement Program

ITEM-3

Uniform And Professional Appearance For All Taxicab And Shuttle Van Drivers.

ACTIONS:

- Updated Airport Rules and Regulations with Enforcement Penalties for Violations of Standards
- Full Time Employee Assigned for Oversight and Compliance
- Secret Shopper Program
- MOAs - Includes Mandatory Training

Taxicab/Shuttle Van Improvement Program

ITEM-4

- **Procedures And Compliance Measures To Assure An Ample Supply Of Cabs At All Times.**

ACTIONS:

- Trial Permit Program Underway That Increases Daily Inventory of Taxicabs
- Included in MOAs

Taxicab/Shuttle Van Improvement Program

ITEM-5

- **A Single Point Of Contact, Appointed By A Taxi/Shuttle Van Associations, To Be The Primary Representative For All Communication With Airport Authority**

ACTION: Included in MOA with Taxicab and Shuttle Van Association

Taxicab/Shuttle Van Improvement Program

ITEM-6

An Enforcement and Disciplinary Policy with Improved Rules/Regulations to Allow Designated Authority Personnel the Ability to Investigate and Enact Discipline When Necessary.

STATUS: ONGOING

ACTIONS:

- Updated Airport Rules and Regulations authorizes enforcement penalties for Violations of Standards
- Full Time Employee Assigned for Oversight and Compliance
- Included in MOAs

Taxicab/Shuttle Van Improvement Program

ITEM-7

Eventual Termination of Taxicab Permit Transferability

ACTIONS:

- Board Item for Discussion at March Meeting

Taxicab/Shuttle Van Improvement Program

ITEM-8

A common, clean vehicle appearance, easily recognizable by the customer.

STATUS: ONGOING

ACTIONS:

- Authority Published Expanded Vehicle Condition Inspection Criteria in MOA
- Increased Notice/No Notice Vehicle Inspections
- Assigned full Time Employee for Frequent Inspection of Vehicles at Hold Lot
- Secret Shopper Program

Included in MOAs

Taxicab/Shuttle Van Improvement Program

ITEM-9

Provisions for ADA conformance-equivalent service during operating hours.

STATUS: ONGOING

ACTIONS:

- Reviewed Company Paperwork and Verified Shuttle Van Operators have met all ADA Vehicle Requirements
- Enforcement Actions Taken for Non-Compliant Operators
- Secret Shopper Program

Included in MOAs

Taxicab/Shuttle Van Improvement Program

ITEM-10

An industry-provided on-site dispatcher to ensure compliance with the Authority's requirements and expectations.

ACTIONS: Included in MOAs

Special Program to Improve Daily Taxicab Availability

- Program Responds to Continued Taxicab Shortages
- January Board Approved Increase in Daily Taxicab Inventory from 180 to 225 with 75 Additional PM Augment Effective Feb 1
- Staff Documented Conditions Before & After Increase

Impacts of Increasing Daily Taxicab Service Levels

Preliminary Data:

- Improvement in Taxi Availability and Decrease in Passenger Wait Times
- Taxicab Dwell Time in Hold Lot Increased
- Reduced Individual Daily Trips for Drivers

Daily Taxicab Service Levels – Terminal 1

January 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
16	17	18	19 NW	20 >5	21 NW	22 NW
23 <5	24 >10	25 >5	26 >5	27 NW	28 >5	29 <5
30 >5	31 >10					

February 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 <5	2 NW	3 NW	4 NW	5 <5
6 <5	7 <5	8 NW	9 NW	10 NW	11 NW	12 NW
13 <5	14 <5	15 >10	16 <5	17 NW	18 <5	19 NW
20 NW	21 NW	22 >5	23	24	25	26
27	28					

Terminal One Service Legend

-  No Waiting [NW]
-  Less than 5 mins [<5]
-  More than 5 mins [>5]
-  Greater than 10 mins [>10]

Recommendations

- Continue Monitoring and Adjusting Taxicab Service Levels as Needed
- Report in June on Program Effectiveness

Status Report on MOAs with Taxicab/Shuttle Van Industry

- MOAs are a “Framework” for Developing Joint Improvement Strategies for SDIA
- Incorporate Board Guidance and Discussion
- General Counsel’s Office Advice and Revisions
- Considered Input from Members of the Public
- Suggestions from Taxicab/Shuttle Van Industry

Status Report on MOAs with Taxicab/Shuttle Van Industry

Six Months Collaboration and Negotiation with Industry

- **San Diego Transportation Association**
(represents all but a few taxicab owners)
- **San Diego County Airport Shuttle Association**
(represents seven shuttle van companies)
- **SuperShuttle, San Diego**
(represents the remaining shuttle van service provider)

MOAs—Key Provisions

Background and Purpose Sections

- Reflect Findings In September Board Resolution Stressing Need To Improve Taxicab/Shuttle Van Service Delivery In Numerous Operational Areas
- Offer To Formally Engage With Local Industry Service Associations, Governed By MOAs, to Resolve Ground Transportation Issues And Performance Shortfalls At SDIA.

MOAs—Key Provisions

Background and Purpose Sections

- Specifies Timeframe For Finalizing Agreements And Establishes One-Year Evaluation Period
- Specific Acknowledgement Made Recognizing Preeminence Of Authority Codes And Policies In Administrating And Regulating Ground Transportation Matters At SDIA.

MOAs—Key Operational Provisions

- Three Main Sections Listing Specific Responsibilities For The Authority, The Association, And Joint Responsibilities
- Includes Programs Designed To Remedy Customer Service Deficiencies (“Ten Points Of Light”)
 - Increased Operator Compliance With Airport Rules And Regulations
 - Standardized Vehicle Inspection Criteria
 - Expanded Principles Governing Driver Professionalism
 - Improved Coordination Of Service Availability (Single Point-of-Contact And Dispatch Functions)

MOAs—Key Operational Provisions

- Timelines For Converting Vehicles To Alternative Fuels And Joint Plans for Improved ADA Compliance
- Provisions Outlining The Authority's Cost Recovery Program
- Mandatory Operator and CSR Training Programs
- For Taxicabs, Provision Addresses A Process For Fairly Eliminating The Transfer Of Taxicab Permits, Including Consideration Of A Transfer Fee And Amortization

Other Key Provisions — Business and Administration

- Authority Offers to Assist Taxicab and Shuttle Van Owners and Leased Franchise Operators with:
 - SBA Information
 - State Programs for Vehicle Pool/Fleet Purchase Arrangements
 - Advantages of Multi-Party Insurance and Risk Pool Formation

Other Key MOA Provisions Administration

- Provisions Stating The Authority's Desire To Fairly Engage With Numerous Industry Associations, As Required, That Associations Be Formed Free Of Discrimination, And With Designated Representatives Free Of Conflicts Of Interests
- The Authority's Willingness To Work With Local Industry In Framing Long Range Improvement Programs That Will Significantly Benefit The Traveling Public, All Airport Users And The Taxicab/Shuttle Van Industry.

Status of Industry MOAs

- SuperShuttle, San Diego – MOA Finalized, Awaiting Corporate Signature
- San Diego County Airport Shuttle Association – In Negotiations with SDCASA Representatives
- San Diego Transportation Association– MOA Finalized All Items Except Permit Transferability

Policy Options with Permit Transferability Issue

- Board expressed desire to regain control of Taxicab Permits and suppress the secondary market attached to their transfer value.
- Authority and Taxicab Industry Worked to Agree on Process
- Two Main Options have Been Developed

Policy Options with Permit Transferability Issue

- Both options return permit control to Authority over time.
- Both options recognize the investment value a permit holder has paid for the permit or is relying on through the future transfer sale to another party.

Option I– After 2014 No Transfer Allowed

- Until June 30, 2014, Permit holder may Transfer Permit to an eligible recipient, with Authority approval. – Status Quo.
- After June 30, 2014, the Authority will not authorize the transfer of ground transportation service permits.
- Beginning July 1, 2014, a permit holder no longer wishing to operate under or renew a permit will be required to return it to the Authority.

Option I – Policy Considerations:

1. Does not require the permit holder to surrender the permit, at all, until he/she no longer wishes to operate at the Airport.
2. Brings control of permits back to the Authority within a reasonable timeline (three year period).
3. Provides Airport access opportunities for other taxicab owners, over time, as permits are surrendered after 2014.
4. Allows current permit holder three years to make some financial disposition through permit transfer sale.
5. Acts to significantly suppress market value.

Option 2 –After 2014 –Single Transfer Allowed with Transaction Fee

Until June 30, 2014, Permit holder may Transfer Permit to an eligible recipient, with Authority approval. – Status Quo.

Beginning July 1, 2014, taxicab service permit holders no longer wishing to operate under or renew a permit must return the permit to the Authority's control, or, with the approval of the Authority, execute a single transfer to an eligible recipient for a fee of \$3,000.

The new permit holder must acknowledge, in writing, that when he/she no longer wishes to operate under or renew the permit, the permit is to be returned to the Authority.

Option 2

Policy Considerations:

1. Does not require the permit holder to surrender the permit, at all, until he/she no longer wishes to operate at the Airport.
2. Brings control of permits back to the Authority over a longer period of time, due to the single transfer transaction allowed.
3. Provides fewer Airport access opportunities for other taxicab owners, over time, as many permits are likely to be transferred after 2014 versus surrendered to the Authority.
4. Allows current permit holder to control the timing of the single transfer after 2014 and recover more value from his/her investment.

Option 2

Policy Considerations:

5. Allows for a phased decrement in permit value, with greater loss potential affecting the post 2014 single transfer transaction.
6. Includes the Authority (public) in benefiting from single transfer transaction fee.
7. Acts to suppress market value but over a longer time and less significantly than Option 1.

Permit Transferability Issue

- Authority Staff Prefers Option 1
- Taxicab Industry Prefers Option 2
- Request for Board Guidance

Staff Recommendations

- Authorize Execution of MOAs with SuperShuttle
- Continue Dialogue with SDTA and SDCASA and Finalize MOA for Possible Execution in April/May
 - Staff Reports on Status of SDTA/Authority Agreement

Questions ?



San Diego International Airport