



Wednesday, March 28, 2012

12:00 Noon

(Lunch Provided for Board Members)

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 PAGERS BE 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. **Flag Salute**
3. **Roll Call**
4. **Presentations**
None.
5. **Finalization of Agenda**
6. **Correspondence**
None.

7. Closed Session

- a) Closed Session - Conference on Labor Negotiations pursuant to Government Code Section 54957.6: C. Mikel Oglesby and Tom Hock (via phone conference). Employee Organization: Amalgamated Transit Union, Local 1277 representing drivers, mechanics and other trades.

8. 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.

9. Board Member Comments**Receive Comments**

Any Board Member who wishes to speak may do so at this time.

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

10. 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 February 22, 2012 Board of Directors Meeting (Pages 1-7)
b) Checks over \$1,000 for February, 2012 (Pages 8-9)
c) Credit card statement for February, 2012 (Pages 10-12)
d) Monthly Budget Report for January, February 2012 (Pages 13-16)
e) Contract Report – nothing to report.
f) Ridership Report for February, 2012 (Pages 17-18)
g) SunDial Operational Notes for February, 2012 (Page 19)

**11. FY 11/12 Short Range Transit Plan (SRTP) Amendment Approve
(Joseph Forgiarini)**

Request to the Board to approve an FY 11/12 SRTP amendment.
(Pages 20-22)

**12. IBI Change Order for County Fees for Administration Approve
Building Plans (C. Mikel Oglesby)**

Request to the Board to delegate the General Manager authority
to negotiate and execute a Change Order with IBI for the Administration
building plans. (Page 23)

----- INFORMATION -----

**13. Extra Transit Services for 2012 Coachella and Information
Stagecoach Festivals (Joseph Forgiarini)**

Report to the Board on the involvement of the Agency with
providing transportation for the Coachella and Stagecoach
Festivals in Indio. (Page 24)

14. General Manager's Report (C. Mikel Oglesby)

15. Next Meeting Date

April 25, 2012
12 o'clock Noon – Kelly Board Room
32-505 Harry Oliver Trail
Thousand Palms, CA 92276

16. Adjourn

MINUTES
SunLine Transit Agency
Board of Directors Meeting
February 22, 2012

A regular meeting of the SunLine Transit Agency Board of Directors was held at 12:00pm on Wednesday, February 22, 2012 in the Kelly Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

1. **Call to Order**
The meeting was called to order at 12:00 p.m. by Chairman Eduardo Garcia.
2. **Flag Salute**
Chief of Staff/EEO, Naomi Nightingale led all in a salute to our flag.
3. **Roll Call**
Completed.

Members Present

Eduardo Garcia, Chairman, Mayor, City of Coachella
Robert Spiegel, Vice Chairman, Mayor, City of Palm Desert
Yvonne Parks, Mayor, City of Desert Hot 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
Don Adolph, Mayor, City of La Quinta
Glenn Miller, Mayor, City of Indio

Members Absent

Rick Hutcheson, Councilmember, City of Palm Springs
John J. Benoit, Supervisor, County of Riverside

Guests:

Joe Paradetto, Supervisor Benoit's Office
Scott Russo, Legal Counsel for American Cab
Harry Incs, American Cab
Michal Brock, Yellow Cab
Bill Meyers, Yellow Cab
Kim Webb, Public

Staff:

C. Mikel Oglesby, General Manager
Jeffrey Goldfarb, Interim Legal Counsel
Carolyn Rude, Special Asst. to the General Manager/Clerk of the Board
Naomi Nightingale, Chief of Staff/EEO, Taxi Administrator
Tommy Edwards, Director of Maintenance

Polo Del Toro, Director of Operations
Joe Forgiarini, Director of Planning
Dennis Miura, Director of Finance
Jack Stevens, Director of Human Resources
Rudy LeFlore, Procurement Consultant
Michael Jones, Manager Taxicab Administration
Mike Morrow, Maintenance Manager
Travis Miller, Maintenance Mechanic
Frank Shardy, Facilities Maintenance Supervisor
Karen Thomas, Administrative Assistant
Manny Garcia Operations Senior Supervisor
Mannie Thomas Manager of Operations and Safety Training
Robert Hepfer, Motor Coach Operator
Don Wilms, Paratransit Operations Supervisor
Crystal Lopez, Reservationist
David Manriquez Safety Specialist
Ivanna Samokish, Safety and Security Coordinator
Anita Petke, Transit Planning Assistant
Rick Barone, Procurement Officer
Amy Heilman, Coin Counter
Vanessa Mora, Administrative Assistant
Diann Chumney, Marketing Specialist II

4. **Presentations**

Naomi Nightingale, Director of Administration & Human Resources/EEO, announced the "Employees of the Quarter" award winners for the 4th quarter of 2011 for the period of October through December, 2011. They are as follows: Robert Hepfer of the Operations Dept., Travis Miller of the Maintenance Department and Crystal Lopez of the Operations Dept., Frank Shardy of the Maintenance Dept. was presented with the "Supervisor of the Quarter" award. Chairman Garcia and General Manager Mikel Oglesby acknowledged the employee's hard work and dedication; the Board gave them a round of applause.

5. **Finalization of Agenda**

Mayor Pro Tem Powers moved for approval the finalization of the agenda. Mayor Miller seconded the motion and was approved by a unanimous vote.

6. **Correspondence**

None.

7. **Public Comments**

NON AGENDA ITEMS:

None.

AGENDA ITEMS:

None.

8. Board Member Comments

Councilmember England thanked Board members for their Cities' participation in the Tour de Palm Springs event. He stated that from a bicyclist perspective and as a participant, he is grateful to the cities for fulfilling the public safety needs. The event was very successful.

9. Consent Calendar

Mayor Adolph moved for approval of the consent calendar. The motion was seconded by Mayor Miller and approved by a unanimous vote.

10. Purchase of Fuel Cell Bus Components

Tommy Edwards, Director of Maintenance, addressed the Board requesting approval to grant SunLine General Manager authorization to negotiate and execute contracts with EIDorado National California and BAE Systems to purchase fuel cell bus components for two additional fuel cell buses, subject to review and approval as to form by SunLine Legal Counsel. Mr. Edwards stated that the FTA awarded SunLine funding for two additional fuel cell buses. The total project will be a little over \$5.4 million, which is 90 percent of the funding of this project. The remaining 10 percent will come from budgeted local funds. Councilmember England asked if there is a fund set aside for projects such as this. General Manager Mikel Oglesby stated that we do not have an actual fund set aside, staff incorporates into the budget. He stated that on top of that, we are running well under budget and would be able to cover the ten percent. Vice Chairman Spiegel moved for approval. Mayor Pro Tem Powers seconded the motion and was approved by a unanimous vote.

11. Award of Contract for Janitorial Services

Tommy Edwards, Director of Maintenance, addressed the Board requesting approval to grant General Manager authorization to approval award of contract for janitorial service upon review as to form and legality by Legal Counsel. Mr. Edwards stated that approximately five years ago, a contract was awarded with a two-year contract and three one-year extensions. Staff would like secure the agreement before the contract ends. Vice Chairman Spiegel moved for approval. Mayor Miller seconded the motion and was approved by a unanimous vote.

12. Approval of New ACCESS Advisory Committee Member

Apolonio Del Toro, Director of Operations, addressed the Board requesting approval of a new ACCESS Advisor Committee member, Scott Shriner, who was selected at the January ACCESS Advisory Committee meeting. Mr. Del Toro stated that Mr. Shriner is the marketing person for Mirage Inn Brookdale Senior Living in Rancho Mirage. Mayor Miller asked that in the future, a potential ACCESS Advisory Committee member come to the Board meeting as it would be beneficial for both the candidate and the Board. Councilmember England moved for approval. The motion was seconded by Mayor Parks and approved by a unanimous vote.

13. Bus Stop Improvement Program – Phase 4

Joseph Forgiarini, Director of Transit Planning, updated the Board on the Agency's Bus Stop Improvement Program – Phase 4. This project is designed to add new passenger amenities (primarily new bus shelters) to bus stops throughout the SunLine service area. SunLine has five hundred and nineteen bus stops located throughout its service area which are cleaned and maintained on a regular basis. Of these, two hundred and ninety-one bus stops (56% of all stops) have a shelter shed. The previous three phases of the Bus Stop Improvement Program were completed during fiscal years 2008/09 and 2009/10. During these phases, SunLine installed one hundred and fifty-one new bus shelters at selected bus stops using American Reinvestment Recovery Act funds. Other improvements completed include the installation of ninety six I-stops with special lighting to enhance safety and security at bus stops without shelters throughout the Coachella Valley. Phase Four Plan. SunLine has \$830,000 of Federal funds allocated and available for funding improved bus stop facilities. SunLine is proposing to use this funding to install shelter sheds at up to eighty existing bus stop locations throughout the SunLine service area that lack this amenity. Sixty-five of these shelters would be newly purchased, and fifteen will be existing shelters relocated from bus stops that are no longer served by SunLine. On completion of these installations, seventy-one percent of all bus stops within the Coachella Valley will have a shelter shed. The selection of bus stops to receive a shelter shed was based on bus stops having at least an average of ten passenger boardings per day, excepting a small number of locations where this threshold is exceeded but cannot physically accommodate a shelter. Some of the selected locations will require some work to improve the area to sustain a shelter. The list is provided as a starting point for SunLine to conduct discussions with each jurisdiction during March/April 2012, in order to finalize a recommended list of locations for shelter sheds and address any other concerns. SunLine will also install benches and waste containers at bus stops that lack these amenities and cannot accommodate a bus shelter shed. Proposition 1B money once available (likely first half of FY 2013) will be used to install more I-stops with enhanced lighting for improved passenger safety and security. TimeLine: The following timeline is planned for the Phase Four improvements: March/April 2012 - Consult with each City on recommended list of bus stops to receive bus shelters; May/June 2012 – Preparation for Request for Proposal (RFP); July/August 2012 – RFP release, response period; September 2012 - Review of submissions; October 2012 - Recommendation to Board for Contract; November 2012 - Contract issued; December 2012 – June 2013 Installation of shelters contract completed. This item is provided for Board information. The program is considered a key activity for SunLine in providing the best quality of transit experience for its customers throughout the Coachella Valley. Mr. Forgiarini stated that the next step in the project is to meet each of the cities and staff in the next few months to evaluate the proposed locations and make sure the intent is consistent the cities' desires. He stated that in the past, some cities choose to take their own course of action, putting up their own shelters.

Mayor Miller asked the following question: "On the shelters themselves that are being relocating, have they already been removed and brought back here?" Mr. Forgiarini stated no; however staff is in the process of getting ready to move those since there are agreements with each of the cities. Mr. Forgiarini stated that the purchase of the new shelters will require a contract so that will take a little bit longer. The relocations are straight forward with a strategic plan of where those would go. Typically, if the shelter is in one city, it will be relocated within that same city.

Mayor Miller asked the following: "Because our climate is so hot, is there a way to get more bus shelters? Obviously, we need to have more bus shelters as we have people utilizing the service on a whole; but on our new route, we knew a year out that we were going to have a new route coming. Wouldn't it behoove us to start planning to have some of these bus shelters in place so that you could hit the ground running when new routes come on board? You can put those shelters in places that helps with the traffic and with the heat." Mr. Oglesby stated that typically in transit when you are adding an additional route, you make sure there is the minimum appropriate amenities needed – a sign, benches; if the funding becomes available, more amenities are added. Oglesby stated that under these economic times, it is a miracle that we actually have enough money for 80 additional shelters. He stated the he is aware that there are not enough shelters; we need to double or triple. Oglesby stated that theoretically, it makes sense to plan ahead of time, but it is not possible during these times. He stated that we are aggressively going after grants.

Mayor Hobart asked the following: "I'm wondering how so many cities have such a higher percentage of shelters compared to Rancho Mirage, Palm Springs and Desert Hot Springs. Some get as high as 87; what are the factors for that situation?" Mr. Forgiarini stated that one factor is the history of the past relations with some cities – they opt to do their shelters rather than take SunLine shelters. In other cases, it is simply that there are a higher proportion of low usage stops. Mr. Forgiarini stated that in this round, the focus was on the busier stops. Mayor Hobart further asked: "Based on what you know, the hospitals in our City, Eisenhower and others – are the hospital stops all sheltered?" Mr. Forgiarini stated that the hospital stop at Eisenhower has some physical requirements; we take special efforts with the City to break through that past barrier. Most of the other locations tend to be areas with lack of development.

Mayor Parks asked: "Were these determined by usage?" Mr. Forgiarini stated yet; the only other restraint was the physical requirement. There are a number of locations where staff would like to place shelters, but there are physical restraints.

14. Swearing in of Interim General Counsel

Jeffrey Goldfarb of Rutan & Tucker, LLP, was sworn in by Clerk of the Board, Carolyn Rude as Interim General Counsel for both SunLine Transit Agency and SunLine Services Group.

15. General Manager's Report

Mikel Oglesby addressed the Board stating that the 5th Annual "State of Public Transit" Luncheon held February 9th was a success. Guest speaker, Dr. John Wu, Director of Leonard Transportation Center and professor at CSUSB and California State Controller John Chung provided valuable information to all attendees. Mr. Oglesby thanked Chairman Garcia for his participation and the Board members who were able to attend. Mr. Oglesby advised the board that there has been an active community push to provide transit to the Desert Edge and North Shore – the Salton Sea area. He stated that staff has met with members of the community and is now looking into options. Mr. Oglesby stated that staff plans to come back to the Board with an update on the current request and the current need for resources to enhance the current routes. Mr. Oglesby informed the Board that staff has been actively working with Goldenvoice, per Board Member Miller's request, to provide additional service for the Coachella Fest and Stage Coach concerts. He stated that as a public agency, we need a waiver from the FTA to spend the grant funds from the A.Q.M.D. Unfortunately, Goldenvoice was not able to provide the information needed; hence, there will be no new route. Mr. Oglesby stated that we do intend to use a portion of the funds to enhance the Line 111 for the events. Mr. Oglesby informed the Board that the plans for the Administration Building are complete. They will be undergoing a constructability review shortly. There will be a presentation on the features of the Administration Building at the next Board meeting. Mr. Oglesby stated that in honor of Black History Month, the food was provided by Leon's Grille located in the Desert Princess, Cathedral City.

Mr. Oglesby introduced Dennis Miura, the new Director of Finance for the Agency. Mr. Miura addressed the Board stating he looks forward to working with the Agency.

Chairman Garcia asked Oglesby the following: "As an Agency are we looking at the possibility of looking for some of the AQMD dollars for the region as it relates to lowering emissions and air quality issues? Is that something that the Board would like to give some direction for the next meeting as the RFP is going out? I believe the deadline is June." Oglesby stated that given the North Shore situation, it is an opportunity. At a recent CVAG or RCTC meeting, SunLine Board member Supervisor Benoit had mentioned that SunLine Transit Agency could possibly get some of the funding specifically for the North Shore. He stated that he has not looked at the specifics to see if that is the kind of grant that will fit into that grant. Councilmember England asked if a survey has been completed. Oglesby stated that we are currently dissecting to see if it is doable or not. North Shore is very far out there, but there is a need. The struggle is how to get it done, how much it will cost and how it will get funded. From a ridership standpoint, is it sustainable? There a lot of questions that needs to be answered. Oglesby stated that he will report back to the Board with updates.

Mayor Parks then asked the following: "I was just thinking about Desert Edge. A few years ago, the issue was brought up. My thought was to extend the Line 15 right down along Canyon and Dillon. It is not a long way from where the end of 15 makes its turn to extend down." Oglesby stated that we tried to get that into a grant and asked Mr. Forgiarini to comment. Mr. Forgiarini stated that the main issue with the extension is that it is very hard to retract if it proves unsuccessful. He stated that it is best to do a stand alone trial for a situation like that. Mr. Forgiarini stated that it's eleven miles from the nearest SunLine route, but we will keep that option in mind. He stated that it does have a risk associated with it. Mayor Parks stated: "I don't want to risk my Line 15, so go ahead and do your study and if works out, fine." Mr. Oglesby stated that there were other issues such as amenities and sidewalks that are still being looked at. He stated that we currently have routes that need enhancement and given the limited amount of resources, we have to make tough decisions.

Ms. Nightingale stated that she would like to speak to Chairman Garcia's issue about AQMD. She stated that the Taxi Administrator was approached by AQMD about possibilities of taxis accessing some portion of that grant. Ms. Nightingale stated that she doesn't know all the details but is working with Joe Forgiarini and AQMD to see the possibilities and if there are some opportunities for the franchises to go for funding for air quality or alternative fueled vehicles. Director of Maintenance, Tommy Edwards stated that there is a workshop on the grant scheduled for March 15th.

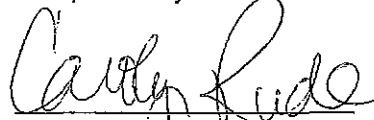
16. Next Meeting Date

Chairman Garcia announced that the next regular meeting of the Board of Directors will be held on March 28, 2012 at 12 noon – Kelly Board Room, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

17. Adjourn

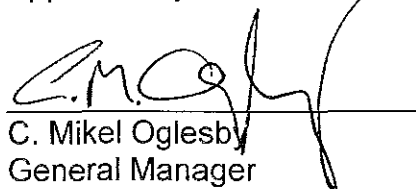
Chairman Garcia adjourned the meeting at 12:40p.m.

Respectfully Submitted



Carolyn Rude
Clerk of the Board

Approved By:



C. Mikel Oglesby
General Manager

Date: 3/16/12

SunLine Transit Agency
Checks \$1,000 and Over
For the month of February 2012

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
<u>AMALGAMATED TRANSIT UNION</u>	Union Dues	653319	2/2/2012	\$4,175.94
ATLAS COPCO COMPRESSORS LLC	CNG/NGV/HYDRO Parts	653323	2/2/2012	\$3,858.27
BURRTEC WASTE & RECYCLING	Facility Trash Removal	653329	2/2/2012	\$2,445.88
<u>CALIFORNIA STATE DISBURSEMENT</u>	Employee Garnishment	653332	2/2/2012	\$2,362.89
CARQUEST OF THE DESERT	Repair Parts	653338	2/2/2012	\$4,146.91
COLONIAL LIFE & ACCIDENT	Supplemental Insurance	653344	2/2/2012	\$6,746.95
CUMMINS CAL PACIFIC, LLC	Bus Repair Parts	653351	2/2/2012	\$3,920.76
<i>CV PLASTICS, INC.</i>	<i>Equip for Solar Shelter</i>	<i>653352</i>	<i>2/2/2012</i>	<i>\$2,266.35</i>
DAIMLER BUSES NORTH AMERICA, INC.	Repair Parts	653354	2/2/2012	\$2,850.26
<u>EYE MED</u>	Employee Benefits	653362	2/2/2012	\$2,095.88
FERRELLGAS	Propane Service	653365	2/2/2012	\$2,037.82
FIESTA FORD, INC.	Repair Parts/Support	653367	2/2/2012	\$1,618.16
FLEET-NET CORPORATION	Software & Licenses	653369	2/2/2012	\$2,040.00
<u>HARTFORD LIFE</u>	Employee Benefits	653381	2/2/2012	\$10,172.66
IMPERIAL IRRIGATION DIST	Utilities	653383	2/2/2012	\$5,759.44
KENNY STRICKLAND, INC.	Lubricants & Oils	653393	2/2/2012	\$4,487.73
<u>METLIFE SBC</u>	Dental Insurance	653399	2/2/2012	\$6,581.79
NEW FLYER	Bus Parts	653405	2/2/2012	\$2,854.73
OFFICE DEPOT	Office Supplies	653408	2/2/2012	\$1,214.22
OFFICETEAM	Temporary Services	653409	2/2/2012	\$1,717.92
PALM SPRINGS DESERT RESORT	Membership 2012	653412	2/2/2012	\$1,000.00
PERMA	Gnrl Liab / Wker Comp	653416	2/2/2012	\$74,492.07
<i>PRESTIGE FLOORING CENTER INC.</i>	<i>Flooring HR Bldg</i>	<i>653418</i>	<i>2/2/2012</i>	<i>\$4,286.07</i>
RAPID LEARNING INSTITUTE	Membership & Subscriptions	653423	2/2/2012	\$1,499.00
RECARO NORTH AMERICA, INC.	Bus Seats	653425	2/2/2012	\$1,846.28
<u>SHERIFF'S COURT SERVICES - EAST</u>	Employee Garnishment	653434	2/2/2012	\$1,944.34
SOUTH COAST AIR QUALITY	Annual Operating Permit	653435	2/2/2012	\$1,175.02
<i>SOUTHWEST NETWORKS, INC.</i>	<i>Google Transit/Avail Proj.</i>	<i>653438</i>	<i>2/2/2012</i>	<i>\$7,875.00</i>
TELEPACIFIC COMMUNICATIONS	Telephone Service	653443	2/2/2012	\$3,314.06
TRANSIT PRODUCTS & SERVICES	Repair Parts	653447	2/2/2012	\$1,528.94
<u>UNION BANK</u>	Pension Deposits	653450	2/2/2012	\$81,601.60
VALLEY OFFICE EQUIPMENT, INC.	Fax/Copier Supplies	653455	2/2/2012	\$1,400.38
ALEXANDER COHN, ESQ	Legal Services	653461	2/3/2012	\$1,779.62
ALLIEDBARTON SECURITY SERVICES	Security Services	653462	2/3/2012	\$2,528.00
<u>PALM SPRINGS CONVENTION CENTER</u>	State of Transit Luncheon	653468	2/8/2012	\$4,563.00
ABC COMPANIES	Bus Parts	653470	2/13/2012	\$3,557.80
C. MIKEL OGLESBY	Accommod.-APTA CEO Conf.	653474	2/13/2012	\$1,504.85
CREASON & AARVIG, LLP	Legal Services	653479	2/13/2012	\$7,853.81
<i>ELDORADO NATIONAL (CALIFORNIA),</i>	<i>Fuel Cell Bus</i>	<i>653483</i>	<i>2/13/2012</i>	<i>\$80,000.00</i>
EPLER COMPANY, THE	Pension Consultant	653484	2/13/2012	\$2,483.25
FACTORY MOTOR PARTS COMPANY	Repair Parts	653487	2/13/2012	\$1,028.76

SunLine Transit Agency
Checks \$1,000 and Over
For the month of February 2012

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
FIESTA FORD, INC.	Repair Parts/Support	653490	2/13/2012	\$1,386.99
GOODYEAR TIRE & RUBBER COMPANY,	Bus Tire Lease	653494	2/13/2012	\$20,611.83
<u>HEALTH NET</u>	Group Health Ins Prem	653496	2/13/2012	\$202,822.29
IMPERIAL IRRIGATION DIST	Utilities	653498	2/13/2012	\$15,681.10
J.J. KELLER & ASSOCIATES, INC.	Membership & Subscriptions	653499	2/13/2012	\$2,495.00
KENNY STRICKLAND, INC.	Lubricants & Oils	653501	2/13/2012	\$1,091.96
<u>LEFLORE GROUP LLC, THE</u>	<u>Projects Management</u>	<u>653503</u>	<u>2/13/2012</u>	<u>\$15,675.00</u>
OFFICETEAM	Temporary Services	653509	2/13/2012	\$1,170.37
PRINTING PLACE, THE	Agency Printing	653513	2/13/2012	\$2,079.58
QUAKE KARE, INC.	Agency Supplies	653514	2/13/2012	\$2,475.14
ROMAINE ELECTRIC CORP.	Equip for Solar Shelter	653517	2/13/2012	\$13,570.04
SOUTHWEST NETWORKS, INC.	Network Consultants	653518	2/13/2012	\$2,793.75
TRANSIT PRODUCTS & SERVICES	Repair Parts	653524	2/13/2012	\$2,431.25
TRAPEZE GROUP	WIP- Software Upgrade	653526	2/13/2012	\$46,785.37
VERIZON	Communications	653528	2/13/2012	\$1,563.38
VERIZON WIRELESS	Wireless Cell Serv	653529	2/13/2012	\$1,513.34
WOODRUFF, SPRADLIN & SMART,	Legal Services	653531	2/13/2012	\$4,321.50
<u>C V WATER DISTRICT</u>	<u>WIP-Admin Building</u>	<u>653532</u>	<u>2/14/2012</u>	<u>\$5,000.00</u>
<u>AMALGAMATED TRANSIT UNION</u>	Union Dues	653539	2/22/2012	\$4,197.28
AMERICAN CAB	Taxi Voucher Program	653540	2/22/2012	\$2,594.00
BURRTEC WASTE & RECYCLING	Facility Trash Removal	653542	2/22/2012	\$2,283.88
<u>CALIFORNIA STATE DISBURSEMENT</u>	Employee Garnishment	653544	2/22/2012	\$2,432.12
CREATIVE BUS SALES, INC.	Bus Repair Parts	653549	2/22/2012	\$1,118.27
CUMMINS CAL PACIFIC, LLC	Bus Repair Parts	653550	2/22/2012	\$1,400.08
EMC	Medical-Exams and Testing	653551	2/22/2012	\$1,115.00
FIESTA FORD, INC.	Repair Parts/Support	653553	2/22/2012	\$1,056.41
GRAYT IDEA, INC	Employee Recognition	653557	2/22/2012	\$2,995.81
HOME DEPOT CRD SRVS	Facility Maintenance	653562	2/22/2012	\$1,514.74
MOORE MAINTENANCE & JANITORIAL	Janitorial Servs	653569	2/22/2012	\$4,633.00
NEW FLYER	Bus Parts	653572	2/22/2012	\$1,279.83
PERMA	Gnrl Liab / Wker Comp (Feb)	653574	2/22/2012	\$74,464.91
<u>SHERIFF'S COURT SERVICES - EAST</u>	Employee Garnishment	653578	2/22/2012	\$1,278.68
SO CAL GAS CO.	Utilities	653579	2/22/2012	\$75,141.40
TOTALFUNDS BY HASLER	Postage Supplies	653582	2/22/2012	\$1,000.00
<u>UNION BANK</u>	Pension Deposits	653585	2/22/2012	\$79,834.60
YELLOW CAB OF THE DESERT	Taxi Voucher Program	653588	2/22/2012	\$1,066.00

Total of Checks Over \$1,000	\$963,490.31
Total of Checks Under \$1,000	\$51,301.26
Total of All Checks for the Month	\$1,014,791.57
Total Amount of Checks Prior Years Same Month	\$731,826.98



February Statement for activity from Jan. 24, 2012 through Feb. 21, 2012
 SUNLINE TRANSIT
 C MIKEL OGLESBY

Inquiries: 1-866-552-8855
 BUS 7 13 Page 1 of 2

Your Visa® Business Card account at a glance ... Account:

Activity Summary	
Previous Balance	\$983.20
Payments	\$983.20CR
Other Credits	\$0.00
Purchases	\$701.20
Balance Transfers	\$0.00
Advances	\$0.00
Other Debits	\$0.00
Past Due Amount	\$0.00
Fees Charged.....	\$0.00
Interest Charged.....	\$0.00
New Balance	\$701.20
Credit Line	\$34,000.00
Available Credit.....	\$33,298.80
Statement Close Date.....	Feb. 21, 2012
Days in Billing Cycle	29

Payment Information	
New Balance	\$701.20
Minimum Payment Due (Current Month)	\$10.00
Minimum Payment Due (Past Due)	\$0.00
Total New Minimum Payment Due	\$10.00
Payment Due Date.....	Mar. 17, 2012
Late Payment Warning: If we do not receive your minimum payment by the date listed above, you may have to pay up to a \$39.00 Late Fee and your APRs may be increased up to the Penalty APR of 28.99%.	

To reduce or avoid paying additional fees and interest charges on your purchase balance, pay the total new balance of \$701.20 by 03/17/12. Any cash balance or balance transfer balance will continue to accrue daily interest until the date your payment is received.

Transactions

Post Date	Trans Date	Ref. Nbr	Description of Transaction	Amount	Notation
Payments and Other Credits					
02/06			PAYMENT THANK YOU.....	\$983.20CR	-----
Purchases and Other Debits					
02/03	02/01	0026	LA QUINTA CHAMBER OF C LA QUINTA CA.....	\$35.00	-----
02/08	02/06	3477	UNITED AI0162138969065 ROSEMONT IL.....	\$666.20	-----
			OGLESBY/CHARLE 03/10/12 PALMSPRINGS TO HOUSTN HOBBY HOUSTN HOBBY TO WAUSAU		

Continued on Next Page

No payment is required, however please use coupon when making additional payments. CPN 000648533

Automatic Payment

Your Account Number:

Your new full balance of \$701.20 will be automatically deducted from your account on 03/05/12.

To change your address or for Cardmember Service please call:
 1-866-552-8855 **Every Hour! Every Day!**

000032511 1 MB 0.404 106481481782470 P

SUNLINE TRANSIT
 C MIKEL OGLESBY
 32505 HARRY OLIVER TRL
 THOUSAND PLMS CA 92276-3501





February Statement for activity from Jan. 24, 2012 through Feb. 21, 2012
 SUNLINE TRANSIT
 C MIKEL OGLESBY

Inquiries: 1-866-552-8855
 Page 2 of 2

Transactions

Post Date	Trans Date	Ref. Nbr	Description of Transaction	Amount	Notation
			WAUSAU TO HOUSTN HOBBY		
			HOUSTN HOBBY TO PALMSPRINGS		

2012 Totals Year-to-Date	
Total Fees Charged in 2012	\$0.00
Total Interest Charged in 2012	\$0.00

Company Approval *(This area for use by your company)*

Signature/Approval: _____ Accounting Code: _____

Interest Charge Calculation

Your Annual Percentage Rate (APR) is the annual interest rate on your account.

** APR for current and future transactions.


Balance Type	Balance By Type	Balance Subject to Interest Rate	Variable	Interest Charge	Annual Percentage Rate	Expires with Statement	Interest Free Period
**BALANCE TRANSFER	\$0.00	\$0.00	YES	\$0.00	13.99%		NO
**PURCHASES	\$701.20	\$0.00	YES	\$0.00	13.99%		YES
**ADVANCES	\$0.00	\$0.00	YES	\$0.00	20.99%		NO


Important Messages

Your payment of \$701.20 will be automatically deducted from your bank account on 03/05/2012. Please refer to your AutoPay Terms and Conditions for further information regarding this account feature.


Save time and money by consolidating your debt into one monthly payment. Check your mail for a great offer or call Cardmember Service today for information on a great rate.

To contact us regarding your account.

 **By Telephone:**
Every Hour! Every Day!
 Voice: 1-866-552-8855
 TDD: 1-888-352-6455
 Fax: 1-866-807-9053

 **Send Inquiries to:**
 Cardmember Service
 P.O. Box 6353
 Fargo, ND 58125-6353

 **Send Payments to:**
 Cardmember Service
 P.O. Box 790408
 St. Louis, MO 63179-0408

 **Online**
 visit our website:
myaccountaccess.com

Pacific Western Bank
SunLine Transit Agency Visa Credit Card Statement
Closing Date: February 21, 2012

Detail:

02/03/12	La Quinta Chamber	La Quinta – “State of the City” Luncheon	\$ 35.00
02/08/12	United Airlines	APTA Legislative Conf.-Airfare – General Manager	\$ 666.20

Credit:

02/06/12	Payment		\$ 983.20CR
----------	---------	--	-------------

Note: All travel is included in the Board approved FY 2012 budget.

**SunLine Transit Agency
Statement of Activities
January 2012**

	Unaudited FY 10/11	Total FY 11/12 Budget	Current Month			Year to Date		
			Actual	Budget	Favorable (Unfavorable)	YTD Actual	YTD Budget	Favorable (Unfavorable)
Operating Revenue:								
Passenger Fares	2,893,849	2,950,000	285,553	245,833	39,720	1,820,108	1,720,833	99,275
Advertising Revenue	27,024	25,000	8,195	2,083	6,112	25,178	14,583	10,595
Rebate for CNG Production	1,035,857	375,000	0	31,250	(31,250)	390,064	218,750	171,314
Interest Revenue	8,573	10,000	202	833	(632)	1,786	5,833	(4,047)
Outside Fueling Revenue (SunFuels)	219,868	180,137	21,622	15,232	6,390	169,914	104,981	64,932
Pass-Through Operating revenue	69,777	258,800	0	21,567	(21,567)	32,371	150,967	(118,595)
Other Operating Revenue	107,833	343,137	11,436	28,595	(17,159)	62,659	200,163	(137,504)
Grant Revenue	17,004,918	18,033,298	1,525,896	1,569,490	(43,594)	10,673,967	10,570,622	103,345
Total Operating Revenue	21,367,700	22,175,372	1,852,903	1,914,883	(61,980)	13,176,047	12,986,733	189,314
Expenses:								
SunFuels (10)	219,868	180,137	22,350	15,232	(7,118)	172,494	104,981	(67,512)
Operations-Fixed Route (11 & 12)	8,453,305	8,670,062	994,278	760,455	(233,823)	4,988,887	5,151,087	162,200
Operations-Dial-A-Ride (13 & 14)	2,232,339	2,450,562	275,440	215,825	(59,614)	1,374,994	1,431,011	56,017
Security (15)	514,549	458,833	44,105	38,135	(5,970)	258,661	270,021	11,360
Maintenance (21 & 22)	5,212,682	5,517,967	514,370	469,083	(45,287)	3,052,538	3,237,951	185,413
Facility Maintenance-T.P. (23)	567,807	573,218	54,806	48,574	(6,232)	349,319	337,171	(12,148)
Facility Maintenance-Indio (24)	81,905	83,472	5,381	6,956	1,575	41,556	48,692	7,136
Bus Stops/Shelters (25)	416,057	459,965	55,576	39,204	(16,372)	258,876	273,340	14,463
Marketing (31)	261,442	356,354	26,627	30,203	3,576	206,715	207,751	1,036
Human Resources (32)	451,763	407,998	56,574	34,191	(22,383)	204,084	238,656	34,572
General Administration (40)	1,032,497	1,483,415	128,969	124,298	(4,670)	738,888	863,584	124,696
Finance (41)	755,754	753,377	91,240	64,101	(27,139)	428,292	419,466	(8,826)
Information Technology (42)	289,135	367,125	21,395	30,530	9,135	160,652	213,787	53,135
Planning & Agency Development (49)	599,879	851,833	32,663	74,675	42,013	243,303	481,866	238,562
Total expenses	21,088,982	22,614,318	2,323,771	1,951,462	(372,310)	12,479,259	13,279,364	800,105
		3rd Party Fuel Reimbursements (180,137)		(15,011)			(120,091)	
		Pass Through NF/IARC (258,809)		(21,567)			(172,539)	
		22,175,372		1,914,883			12,986,733	

Minimum Farebox ratio = 17.80%

YTD Farebox ratio

20.05%

Preliminary Statement Prior To Audit Field Work

SunLine Transit Agency
Statement of Revenues and Departmental Expenditures
For Month ended January 31, 2012

Operating Revenue	<u>01/31/12</u>	<u>YTD</u>
Passenger Fares	285,553	1,820,108
Advertising Revenue	8,195	25,178
Rebate for CNG Production	-	390,064
Interest Revenue	202	1,786
Outside Fueling Revenue (SunFuels)	21,622	169,914
Pass-Through Operating Revenue	-	32,371
Other Operating Revenue	11,436	62,659
Total Operating Revenue	\$ 327,008	\$ 2,502,081
Grant Revenue		
Local Transportation Funds (LTF)	777,166	6,650,373
Measure A Funds	354,740	2,483,181
FTA Section 5304	-	4,077
FTA Section 5307 ¹	125,000	750,000
FTA Section 5311	264,566	264,566
FTA Section 5316	-	403,868
FTA Section 5317	-	86,937
CMAQ	-	-
Other Grant Revenue	4,424	30,965
Total Grant Revenue	\$ 1,525,896	\$ 10,673,967
TOTAL REVENUE	\$ 1,852,903	\$ 13,176,047
Operating Expenditures by Department		
SunFuels (10)	22,350	172,494
Operations-Fixed Route (11 & 12)	994,278	4,988,887
Operations-Dial-A-Ride (13 & 14)	275,440	1,374,994
Security (15)	44,105	258,661
Maintenance (21 & 22)	514,370	3,052,538
Facility Maintenance-T.P. (23)	54,806	349,319
Facility Maintenance-Indio (24)	5,381	41,556
Bus Stops/Shelters (25)	55,576	258,876
Marketing (31)	26,627	206,715
Human Resources (32)	56,574	204,084
General Administration (40)	128,969	738,888
Finance (41)	91,240	428,292
Information Technology (42)	21,395	160,652
Planning & Agency Development (49)	32,663	243,303
TOTAL OPERATING EXPENDITURES	\$ 2,323,771	\$ 12,479,259
 OPERATING INCOME/(LOSS)	 (470,868)	 696,788

¹ Includes \$125,000 monthly accrual of Preventative Maintenance funds totalling \$1,250,000 an

**SunLine Transit Agency
Statement of Activities
February 2012**

	Unaudited FY 10/11	Total FY 11/12 Budget	Current Month			Year to Date		
			Actual	Budget	Favorable (Unfavorable)	YTD Actual	YTD Budget	Favorable (Unfavorable)
Operating Revenue:								
Passenger Fares	2,893,849	2,950,000	287,209	245,833	41,375	2,107,317	1,966,667	140,650
Advertising Revenue	27,024	25,000	0	2,083	(2,083)	25,178	16,667	8,512
Rebate for CNG Production	1,035,857	375,000	0	31,250	(31,250)	390,064	250,000	140,064
Interest Revenue	8,573	10,000	159	833	(674)	1,945	6,667	(4,721)
Outside Fueling Revenue (SunFuels)	219,868	180,137	17,115	14,605	2,510	187,029	119,587	67,442
Pass-Through Operating revenue	69,777	258,800	5,774	21,567	(15,793)	38,145	172,533	(134,388)
Other Operating Revenue	107,833	343,137	18,741	28,595	(9,854)	81,400	228,758	(147,358)
Grant Revenue	17,004,918	18,033,298	1,426,434	1,454,560	(28,126)	12,100,400	12,100,400	0
Total Operating Revenue	21,367,700	22,175,372	1,755,432	1,799,326	(43,895)	14,931,479	14,822,638	70,200
Expenses:								
SunFuels (10)	219,868	180,137	17,115	14,605	(2,510)	189,609	119,587	(70,022)
Operations-Fixed Route (11 & 12)	8,453,305	8,670,062	694,870	696,094	1,224	5,683,757	5,847,181	163,423
Operations-Dial-A-Ride (13 & 14)	2,232,339	2,450,562	197,359	201,027	3,668	1,572,354	1,632,038	59,685
Security (15)	514,549	458,833	(334)	36,728	37,062	258,327	306,749	48,422
Maintenance (21 & 22)	5,212,682	5,517,967	418,493	449,244	30,751	3,471,030	3,687,195	216,165
Facility Maintenance-T.P. (23)	567,807	573,218	48,036	46,655	(1,381)	397,355	383,826	(13,529)
Facility Maintenance-Indio (24)	81,905	83,472	4,280	6,956	2,676	45,836	55,648	9,812
Bus Stops/Shelters (25)	416,057	459,965	37,294	36,554	(741)	296,171	309,893	13,722
Marketing (31)	261,442	356,354	5,519	29,346	23,827	212,234	237,097	24,863
Human Resources (32)	451,763	407,998	38,576	33,355	(5,221)	242,660	272,011	29,351
General Administration (40)	1,032,497	1,483,415	127,116	121,869	(5,247)	866,005	985,454	119,449
Finance (41)	755,754	753,377	81,126	60,882	(20,244)	509,418	480,348	(29,070)
Information Technology (42)	289,135	367,125	18,998	30,217	11,220	179,650	244,004	64,354
Planning & Agency Development (49)	599,879	851,833	73,642	72,373	(1,269)	316,946	554,239	237,294
Total expenses	21,088,982	22,614,318	1,762,090	1,835,905	73,815	14,241,349	15,115,269	873,920
3rd Party Fuel Reimbursements		(180,137)		(15,011)			(120,091)	
Pass Through NRT/JARC		(258,809)		(21,567)			(172,539)	
		22,175,372		1,799,326			14,822,638	

Minimum Farebox ratio = 17.80%

YTD Farebox ratio

19.88%

Preliminary Statement Prior To Audit Field Work

SunLine Transit Agency

Statement of Revenues and Departmental Expenditures For Month ended February 29, 2012

Operating Revenue	02/29/12	YTD
Passenger Fares	287,209	2,107,317
Advertising Revenue	-	25,178
Rebate for CNG Production	-	390,064
Interest Revenue	159	1,945
Outside Fueling Revenue (SunFuels)	17,115	187,029
Pass-Through Operating Revenue	5,774	38,145
Other Operating Revenue	18,741	81,400
Total Operating Revenue	\$ 328,998	\$ 2,831,078
Grant Revenue		
Local Transportation Funds (LTF)	833,042	7,483,415
Measure A Funds	354,740	2,837,921
FTA Section 5304	-	4,077
FTA Section 5307 ¹	125,000	875,000
FTA Section 5311	-	264,566
FTA Section 5316	84,695	488,563
FTA Section 5317	24,533	111,470
CMAQ	-	-
Other Grant Revenue	4,424	35,389
Total Grant Revenue	\$ 1,426,434	\$ 12,100,400
TOTAL REVENUE	\$ 1,755,432	\$ 14,931,479
Operating Expenditures by Department		
SunFuels (10)	17,115	189,609
Operations-Fixed Route (11 & 12)	694,870	5,683,757
Operations-Dial-A-Ride (13 & 14)	197,359	1,572,354
Security (15)	(334)	258,327
Maintenance (21 & 22)	418,493	3,471,030
Facility Maintenance-T.P. (23)	48,036	397,355
Facility Maintenance-Indio (24)	4,280	45,836
Bus Stops/Shelters (25)	37,294	296,171
Marketing (31)	5,519	212,234
Human Resources (32)	38,576	242,660
General Administration (40)	127,116	866,005
Finance (41)	81,126	509,418
Information Technology (42)	18,998	179,650
Planning & Agency Development (49)	73,642	316,946
TOTAL OPERATING EXPENDITURES	\$ 1,762,090	\$ 14,241,349
OPERATING INCOME/(LOSS)	(6,658)	690,129

¹ Includes \$125,000 monthly accrual of Preventative Maintenance funds totalling \$1,250,000 an



SunLine Transit Agency Monthly Ridership Report February - 2012

FY
2011 & 2012

	Feb 2012	Feb 2011	Jan 2012	Month Var.	% Var.	FY 2012 YTD	FY 2011 YTD	YTD Var.	% Var.	Bikes		Wheelchairs	
										Monthly	YTD	Monthly	YTD
Fixed Route													
Line 14 DHS/PS	44,920	40,315	45,998	4,605	11.4%	345,170	322,579	22,591	7.0%	1,244	9,527	331	3,359
Line 15 DHS	8,780	6,678	9,089	2,102	31.5%	63,811	39,150	24,661	63.0%	82	925	58	755
Line 24 PS/CC	16,544	13,471	17,473	3,073	22.8%	126,987	108,599	18,388	16.9%	248	2,228	97	980
Line 30 CC/PS	68,761	61,468	69,996	7,293	11.9%	520,769	474,389	46,380	9.8%	1,739	14,473	525	4,170
Line 32 PD/TP/PS	22,020	17,675	20,854	4,345	24.6%	159,304	129,570	29,734	22.9%	862	6,065	53	637
Line 53 PD/IW	4,652	3,786	4,619	866	22.9%	32,975	22,918	10,057	43.9%	115	853	13	122
Line 70 La Quinta	23,052	19,903	23,681	3,149	15.8%	163,170	140,863	22,307	15.8%	556	5,843	44	136
Line 80 Indio	11,389	17,454	11,848	(6,065)	-34.7%	137,989	146,112	(8,123)	-5.6%	207	2,048	185	1,525
Line 81 Indio	8,592	-	8,426	8,592	0.0%	17,018	-	17,018	0.0%	105	220	89	142
Line 90 Coachella/Indio	19,934	17,917	19,219	2,017	11.3%	149,256	134,360	14,896	11.1%	405	3,591	170	1,258
Line 91 Cch/Th/Mecca	21,198	16,539	18,824	4,659	28.2%	150,239	115,653	34,586	29.9%	335	3,053	26	342
Line 111 PS/Indio	142,726	125,741	136,228	16,985	13.5%	1,061,573	955,025	106,548	11.2%	4,237	34,993	878	7,272
Fixed route total	392,568	340,947*	386,255	51,621	15.1%	2,928,261	*2,599,784	328,477	12.6%	10,135	83,819	2,469	20,698
Demand Response													
SunDial	10,659	8,501	10,296	2,158	25.4%	80,831	71,167	9,664	13.6%				
System total	403,227	349,448	396,551	53,779	15.4%	3,009,092	2,670,951	338,141	12.7%				

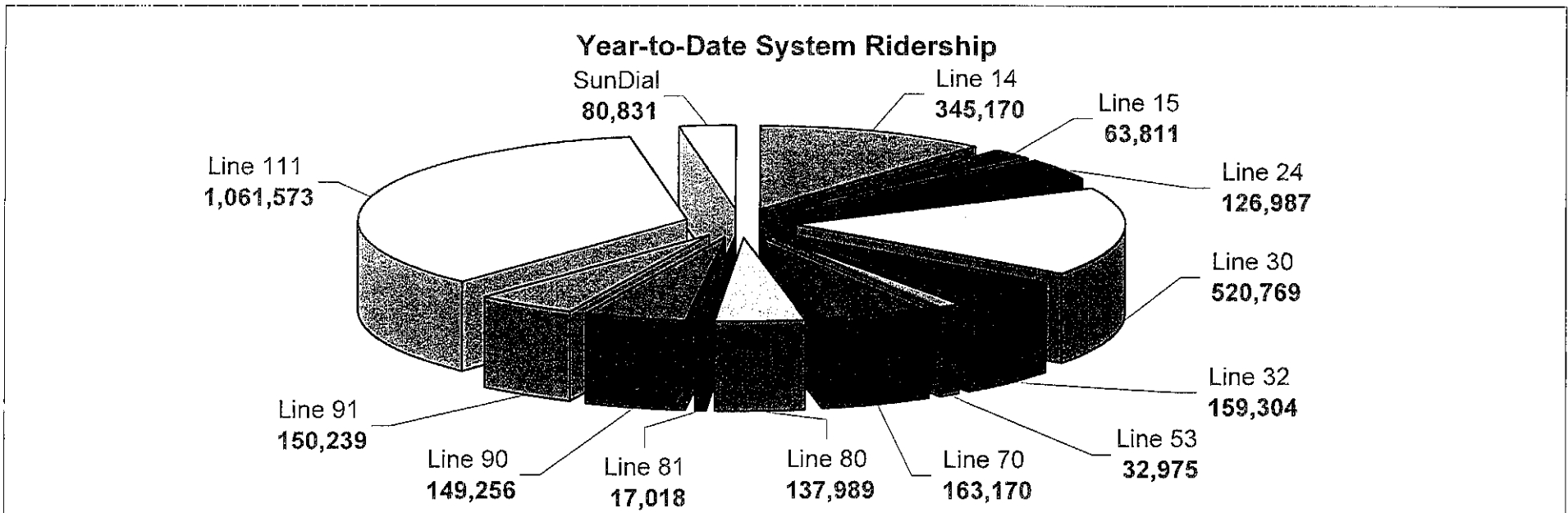
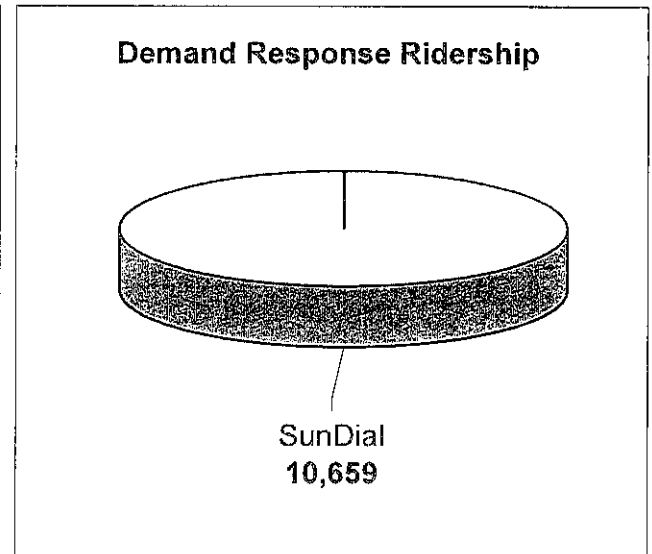
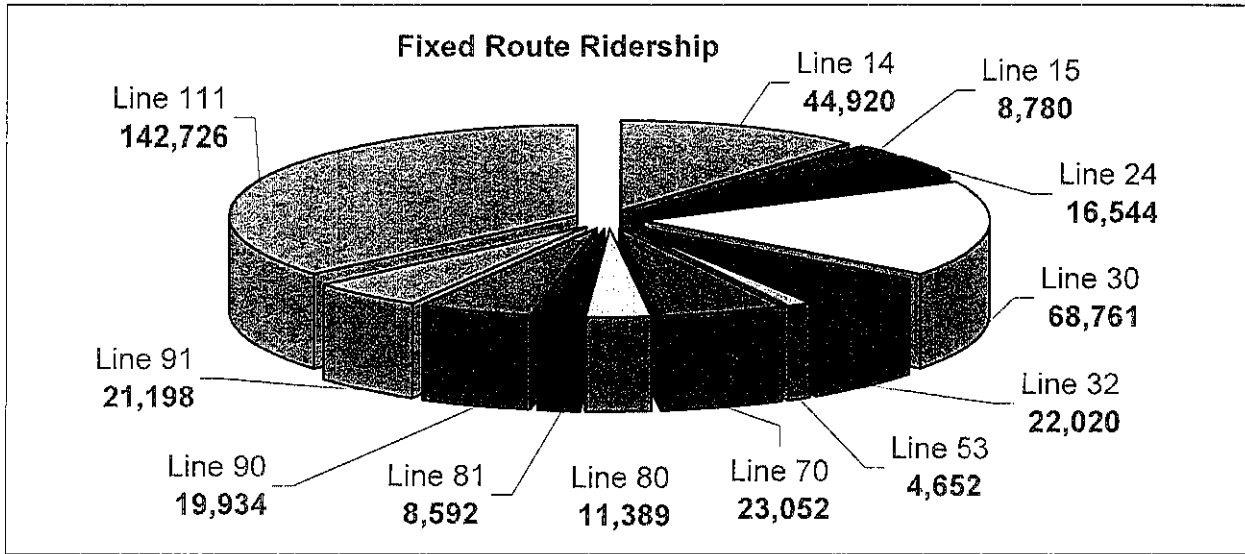
Please note:

February 2012 has 29 days versus 28 days in February 2011 due to leap year.

Line 80 was separated into Lines 80 and 81 in January 2012. The percentage variances for Line 80 is calculating ridership before the routes were separated.

* FY 2011 YTD total ridership includes data for Line 50 (10,566 passengers). Line 50 was discontinued on September 4, 2010; fixed route and system totals are accurate.

SunLine Transit Agency Monthly Ridership Report February - 2012





Complimentary Paratransit Service
Serving Persons with Disabilities Throughout the Coachella Valley

SunDial Operational Notes
February 2012

1. ON-TIME PERFORMANCE

<u>Last Year</u>	<u>This Year</u>	
91.7%	90.5%	Total trips carried in the on-time window
814	969	Total trips late during the month
7,797	9,701	Total trips

2. RIDERSHIP and MILEAGE

<u>Last Year</u>	<u>This Year</u>	
8,501	10,659	Total passengers for the month
71,710	87,203	Total miles traveled for the month

3. SAFETY

<u>Last Year</u>	<u>This Year</u>	
0	1	Total preventable accidents

4. RIDE-A-LONG & ONBOARD EVALUATIONS

<u>Last Year</u>	<u>This Year</u>	
2	0	Total Ride-a-Long Evaluations
13	6	Total Onboard Inspections
1	0	Total Safety Evaluations

5. DENIALS

<u>Last Year</u>	<u>This Year</u>	
0	0	Total Denied Trips

6. WHEELCHAIR BOARDINGS

<u>Last Year</u>	<u>This Year</u>	
1,367	1,737	Total Mobility Device Boarding's

cc: Mikel Oglesby, Carolyn Rude, Polo Del Toro, Mannie Thomas, Jim Rayl, Diane Beebe

SunLine Transit Agency

DATE: March 28, 2012 **ACTION**

TO: Finance Committee
Board of Directors

FROM: Director of Transit Planning

RE: FY 11-12 Short Range Transit Plan Amendment

Recommendation:

Recommend that the Board of Directors approve the amendment to the FY 11/12 Short Range Transit Plan. The amendment will be then forwarded to Riverside County Transportation Commission for their approval.

Background

SunLine Transit Agency develops a Short Range Transit Plan for each fiscal year, outlining the Agency's service operating and capital plans for the next three years with a detailed funding plan for the first year. Each year it is common that unforeseen circumstances can require the amendment to this plan.

SunLine needs to seek a mid-year amendment for the Agency's fiscal year 2011-2012 Short Range Transit Plan, specifically to amend the Operating and Capital Assistance by Funding Source Table 4.

There are a number of reasons for the amendment:

- New capital grant for hydrogen fuel cell buses
- Adjust for actual Measure A funding availability
- Adjust other revenue funding availability

SunLine Transit Agency was awarded \$4,917,876 in a new FTA Section 5308 grant for two new hydrogen fuel cell buses. This requires a match of \$546,430 which will be provided by rearranging state STA funding of two other capital projects that had high state funding levels (replacement paratransit buses, facility improvements). FTA Section 5307 funds are available to replace this state money (\$546,430).

Measure A funds are expected to be approximately \$4,250,000. Typically, this funding is also available for supplementing farebox revenue (\$2,950,000) to help reach the farebox recovery rate of 17.8% for SunLine Transit Agency. However, additional Measure A funding is not available this fiscal year, and must be replaced by available FTA Section 5307 preventative maintenance funding, in the amount of \$984,774.

There are two factors that have impacted the original estimate of \$500,000 for "other revenue". First, the federal fuel rebate ceased as of 1 January 2012, with SunLine projecting a \$350,000 total fuel rebate for FY11-12 instead of the original \$500,000 estimate. In addition, a new Coachella and Stagecoach Festivals grant funding item of \$41,849 from AQMD has been made available to SunLine to help fund additional Line 111 weekend services during these festivals. This is a new total of \$391,849 for other revenues. SunLine must also schedule \$41,849 of FTA 5307 to match this grant.

Full details are shown in the attached Table 4 comparisons.



Joseph Forgiarini

SUNLINE TRANSIT AGENCY
 FY 2011/12 SRTP - TABLE 4 AMENDMENT (as at January 18, 2012)
 FY 2011/12 OPERATING and CAPITAL ASSISTANCE BY FUNDING SOURCE

Table 1 - Operating Assistance

Table 1a. Currently Approved Operating Funding Plan

Project Description	Total Amount Including Carryover	Without Carryover Funds	Total Carryover Amount	LTF	Carryover LTF Funds	Measure A	Federal Sec 5307	Carryover Sec 5307 Funds	Federal Sec 5308	Federal Sec 5311	Federal Sec 5316	Federal Sec 5317	Other Revenue	Farebox
Operating Assistance	\$20,210,153	\$20,210,153	\$ -	\$ 10,258,596	\$ -	\$ 4,256,891	\$ 924,904	\$ -	\$ -	\$ 264,566	\$ 119,057	\$ 101,475	\$ 500,000	\$ 3,784,774
Preventive Maintenance	1,987,201	1,250,000	717,201	-	467,201	0	1,250,000	250,000	0	0	0	0	0	0
Total: Operating	22,177,354	21,460,153	717,201	10,258,596	467,201	4,256,891	2,174,904	250,000	0	264,566	119,057	101,475	500,000	3,784,774

Table 1b. Modified Operating Funding Plan

Project Description	Total Amount Including Carryover	Without Carryover Funds	Total Carryover Amount	LTF	Carryover LTF Funds	Measure A	Federal Sec 5307	Carryover Sec 5307 Funds	Federal Sec 5308	Federal Sec 5311	Federal Sec 5316	Federal Sec 5317	Other Revenue	Farebox
Operating Assistance	\$19,267,228	\$19,267,228	\$ -	\$ 10,258,596	\$ -	\$ 4,256,891	\$ 924,904	\$ -	\$ -	\$ 264,566	\$ 119,057	\$ 101,475	\$ 391,848	\$ 2,950,000
Preventive Maintenance	2,893,824	2,276,823	717,201	-	467,201	0	2,276,823	250,000	0	0	0	0	0	0
Total: Operating	22,261,052	21,543,951	717,201	10,258,596	467,201	4,256,891	3,201,727	250,000	0	264,566	119,057	101,475	391,848	2,950,000

Difference Between Currently Approved and Modified Operating Plan	\$ 83,698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,028,623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (108,151)	\$ (834,774)
---	-----------	------	------	------	------	------	--------------	------	------	------	------	------	--------------	--------------

Table 2 - Capital Assistance

Table 2a. Currently Approved Capital Funding Plan

Project Description	Capital Project #	Total Amount Including Carryover	Total Amount Without Carryover Funds	Total Carryover Amount	LTF	Carryover LTF Funds	STA	Federal Section 5307	Carryover Federal Sec 5307	Federal Sec 5308	Prop 1B Transit Security Funds	Prop 1B Capital Transit [PTMISEA]	Federal Sec 5316	Federal Sec 5317	Federal Sec 5309
Bus Rehabilitation	SL-12-01	\$ 160,000	\$ 160,000	\$ -	-	-	\$ 32,000	\$ 128,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Replacement Paratransit Buses	SL-12-02	\$ 895,000	\$ 895,000	\$ -	-	-	\$ 95,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transit Enhancement	SL-12-03	\$ 65,678	\$ 46,721	\$ 18,957	-	-	\$ 13,135	\$ 35,566	\$ -	\$ -	\$ -	\$ -	\$ 16,957	\$ -	\$ -
Transit Security Project (FY10/11)	SL-12-04	\$ 394,927	\$ -	\$ 394,927	-	-	\$ -	\$ -	\$ 394,927	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Improvement	SL-12-05	\$ 550,000	\$ 550,000	\$ -	-	-	\$ 450,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative Bldg (FY10/11 thru FY 12/13)	SL-12-06	\$ 10,770,868	\$ 10,770,868	\$ -	-	-	\$ 500,000	\$ 400,000	\$ -	\$ -	\$ -	\$ 9,870,868	\$ -	\$ -	\$ -
Office Furniture	SL-12-07	\$ 120,000	\$ 120,000	\$ -	-	-	\$ 24,000	\$ 96,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ticket Vending Machine	SL-12-08	\$ 75,000	\$ 75,000	\$ -	-	-	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ITS Project	SL-12-09	\$ 900,000	\$ 900,000	\$ -	-	-	\$ 300,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transit Planning and Feasibility Study	SL-12-10	\$ 450,000	\$ 450,000	\$ -	-	-	\$ 300,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Tools & Equipment	SL-12-11	\$ 100,000	\$ 100,000	\$ -	-	-	\$ 20,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Resource Planning	SL-12-12	\$ 500,000	\$ 500,000	\$ -	-	-	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total: Capital		\$ 14,991,473	\$ 14,924,919	\$ 18,957	\$ -	\$ -	\$ 2,779,135	\$ 1,269,566	\$ -	\$ -	\$ 394,927	\$ 9,870,868	\$ 16,957	\$ -	\$ -

Table 2b. Modified Capital Funding Plan

Project Description	Capital Project #	Total Amount Including Carryover	Total Amount Without Carryover Funds	Total Carryover Amount	LTF	Carryover LTF Funds	STA	Federal Section 5307	Carryover Federal Sec 5307	Federal Sec 5308	Prop 1B Transit Security Funds	Prop 1B Capital Transit [PTMISEA]	Federal Sec 5316	Federal Sec 5317	Federal Sec 5309
Bus Rehabilitation	SL-12-01	\$ 160,000	\$ 160,000	\$ -	-	-	\$ 32,000	\$ 128,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Replacement Paratransit Buses	SL-12-02	\$ 895,000	\$ 895,000	\$ -	-	-	\$ 133,000	\$ 532,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transit Enhancement	SL-12-03	\$ 65,678	\$ 46,721	\$ 18,957	-	-	\$ 13,135	\$ 35,566	\$ -	\$ -	\$ -	\$ -	\$ 16,957	\$ -	\$ -
Transit Security Project (FY10/11)	SL-12-04	\$ 394,927	\$ -	\$ 394,927	-	-	\$ -	\$ -	\$ 394,927	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Improvement	SL-12-05	\$ 550,000	\$ 550,000	\$ -	-	-	\$ 315,510	\$ 214,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative Bldg (FY10/11 thru FY 12/13)	SL-12-06	\$ 10,770,868	\$ 10,770,868	\$ -	-	-	\$ 500,000	\$ 400,000	\$ -	\$ -	\$ -	\$ 9,870,868	\$ -	\$ -	\$ -
Office Furniture	SL-12-07	\$ 120,000	\$ 120,000	\$ -	-	-	\$ 24,000	\$ 96,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ticket Vending Machine	SL-12-08	\$ 75,000	\$ 75,000	\$ -	-	-	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ITS Project	SL-12-09	\$ 900,000	\$ 900,000	\$ -	-	-	\$ 300,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transit Planning and Feasibility Study	SL-12-10	\$ 450,000	\$ 450,000	\$ -	-	-	\$ 300,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Tools & Equipment	SL-12-11	\$ 100,000	\$ 100,000	\$ -	-	-	\$ 20,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Resource Planning	SL-12-12	\$ 500,000	\$ 500,000	\$ -	-	-	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel Cell Buses (2)		\$ 5,464,306	\$ 5,464,306	\$ -	-	-	\$ 46,430	\$ -	\$ -	\$ 4,917,876	\$ -	\$ -	\$ -	\$ -	\$ -
Total: Capital		\$ 19,815,779	\$ 19,798,632	\$ 18,957	\$ -	\$ -	\$ 2,779,135	\$ 1,838,016	\$ -	\$ 4,917,876	\$ 394,927	\$ 9,870,868	\$ 16,957	\$ -	\$ -

Difference Between Currently Approved and Modified Capital Plan	\$ 5,464,306	\$ 6,464,306	\$ -	\$ -	\$ -	\$ -	\$ 546,430	\$ -	\$ 4,917,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
---	--------------	--------------	------	------	------	------	------------	------	--------------	------	------	------	------	------	------

	Total Amount Including Carryover	Total Amount Without Carryover Funds	Measure A	Sec 5307	Federal Sec 5309	Other Revenue	Farebox
NET CHANGE (Operating & Capital Funding)	\$ 6,646,004	\$ 6,464,306	\$ -	\$ -	\$ 1,573,053	\$ -	\$ (834,774)

Note: Total Revenue for PIP calculation include: Farebox of \$2,950,000, Other Revenue (Fuel Rebate) of \$350,000 and \$650,000 of Measure A.
 Other Revenues equals \$350,000 in fuel rebates plus \$221,252 from each of AGMD and Goldunvoice for Coachella & Saguache special services April 2012 (\$442,505 total for these).
 SunLine is using carryover Section 5316 funds of \$16,957 from the 2009 Call for projects for transit enhancement improvements.

SunLine Transit Agency

DATE: March 28, 2012 **ACTION**

TO: Finance Committee
Board of Directors

FROM: General Manager

RE: IBI Change Order for County Fees for Administration
Building Plans

Recommendation

Recommend that the SunLine Board of Directors delegate the General Manager authority to negotiate and execute a Change Order with IBI for the Administration Building Plans, for a value Not To Exceed \$28,000.

Background

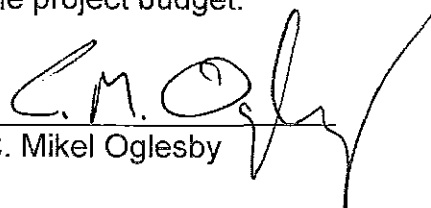
The General Manager is authorized to approve Change Orders that do not exceed \$25,000. This change order exceeds that administrative threshold.

On September 12, 2011, IBI submitted a claim to SunLine for additional fees related to the approval of plans for the SunLine Administration Building. SunLine staff confirmed that these expenses far exceeded the original estimate provided by the County. IBI's claim was for \$38,011.60. SunLine Staff negotiated a reduction of approximately \$10,000 because of IBI's oversight in excluding these fees in the original proposal for providing 100 percent plans.

The Riverside County plan approval process has since been completed and SunLine expects no more costs to be incurred for plan approval.

Financial Impact

The additional funds will come from the original amount of LTF funds budgeted for Preliminary Engineering of the Administration Building and will not increase the project budget.


C. Mikel Oglesby

SunLine Transit Agency

DATE: March 28, 2012

INFORMATION

TO: Board of Directors

FROM: Director of Transit Planning

RE: Extra Transit Services for 2012 Coachella and Stagecoach Festivals

Background

SunLine Transit Agency has for some years now been exploring possible opportunities for Agency involvement with transportation for the Coachella and Stagecoach Festivals held each year in April at the Empire Polo Club in Indio.

For the 2012 festivals, SunLine worked diligently with the festival promoters, Goldenvoice, to develop an option for SunLine involvement in the event's transportation services. However, the promoter was not able to provide evidence that the all available regional private charter bus resources had been utilized by the event. This has prevented SunLine's direct participation in the festival transportation services as this action would have been inconsistent with FTA charter bus regulations.

In place of direct involvement with the event transportation, SunLine has instead been successful in securing a grant from AQMD for approximately \$42,000 in funding for increased Line 111 services during the three festival weekends (April 14-15, 21-22, 28-29, 2012). SunLine will match this grant from operating funding. This funding will allow the Agency to operate the Line 111 Saturdays and Sunday every 20 minutes between approximately 10:00 a.m. and 6.00 p.m. in place of the usual 40 minute weekend service.

If we do not upgrade the Line 111 service during the festival weekends, more than likely many passengers waiting for the bus could be passed by due to full Line 111 buses. The extra demand will come from both extra visitors traveling around the valley each weekend, as well as visitors attending the festival who wish to reduce their travel costs (Goldenvoice charges \$50-\$80 per person for a full weekend of bus service). While SunLine will not operate to the event directly, cabs will be available from SunLine's terminal at Highway 111 in Indio to the event.

Joseph Forgiarini

**SUNLINE SERVICES GROUP
BOARD MEETING AGENDA**

**Wednesday, March 28, 2012
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. **Presentations**
5. **Correspondence**
None.
6. **Closed Session**
 - a) Closed Session Conference with Legal Counsel - exiting litigation 54956.9
(a): American Cab LLC v. SunLine Services Group.
 - b) Closed Session Conference with Legal Counsel - existing litigation 54956.9
(b)(3)(E): significant exposure to litigation: 1 potential case.

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 February 22, 2012 Board of Directors Meeting (Pages 1-16)
- b) SSG/SRA checks over \$1000 issued February, 2012 (Page 17)
- c) SSG/SRA Monthly Budget Report for January, February 2012, (Pages 18-19)
- d) Taxi Vehicle/Rides Analysis (Pages 20-21)

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

10. Taxi Ordinance/RFP Revisions (Jeffrey Goldfarb) Discussion

Discuss Taxi Ordinance/RFP revisions. (Redlined Ordinance and RFP separate attachments) (Pages 22-26)

----- **INFORMATION** -----

11. Status of Review of Apparent Violations (Naomi Nightingale) Information

Update on review of potential violations of the California Vehicle Code standards relating to maximum safe driving hours for taxi operators. (Page 27)

12. Next Meeting Date

April 25, 2012

12 o'clock Noon – Kelly Board Room

13. Adjourn

MINUTES
SunLine Services Group
Board of Directors Meeting
February 22, 2012

A regular meeting of the SunLine Services Group Board of Directors was held on Wednesday, February 22, 2012 in the Kelly Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

1. **Call to Order**
The meeting was called to order at 12:40 p.m. by Chairman Eduardo Garcia.

2. **Roll Call**
Completed.

Members Present

Eduardo Garcia, Chairman, Mayor, City of Coachella
Bob Spiegel, Vice Chairman, Mayor, City of Palm Desert
Yvonne Parks, Mayor, City of Desert Hot 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
Don Adolph, Mayor, City of La Quinta
Glenn Miller, Mayor, City of Indio

Members Absent

Rick Hutcheson, Councilmember, City of Palm Springs
John J. Benoit, Supervisor, County of Riverside

Guests:

Joe Paradetto, Supervisor Benoit's Office
Scott Russo, Legal Counsel for American Cab
Harry Incs, American Cab
Michal Brock, Yellow Cab
Bill Meyers, Yellow Cab
Kim Webb, Public

Staff:

C. Mikel Oglesby, General Manager
Jeffrey Goldfarb, Interim Legal Counsel
Carolyn Rude, Special Asst. to the General Manager/Clerk of the Board
Naomi Nightingale, Chief of Staff/EEO, Taxi Administrator
Tommy Edwards, Director of Maintenance
Polo Del Toro, Director of Operations
Joe Forgiarini, Director of Planning
Dennis Miura, Director of Finance
Jack Stevens, Director of Human Resources
Rudy LeFlore, Procurement Consultant
Michael Jones, Manager Taxicab Administration
Mike Morrow, Maintenance Manager

Travis Miller, Maintenance Mechanic
Frank Shardy, Facilities Maintenance Supervisor
Karen Thomas, Administrative Assistant
Manny Garcia Operations Senior Supervisor
Mannie Thomas Manager of Operations and Safety Training
Robert Hepfer, Motor Coach Operator
Don Wilms, Paratransit Operations Supervisor
Crystal Lopez, Reservationist
David Manriquez Safety Specialist
Ivanna Samokish, Safety and Security Coordinator
Anita Petke, Transit Planning Assistant
Rick Barone, Procurement Officer
Amy Heilman, Coin Counter
Vanessa Mora, Administrative Assistant
Diann Chumney, Marketing Specialist II

3. **Finalization of Agenda**

No changes to Agenda. Mayor Adolph made a motion to approve the Agenda. The motion was seconded by Mayor Miller and approved by a unanimous vote.

4. **Presentations**

None.

5. **Correspondence**

None.

6. **Public Comments**

NON - AGENDA ITEMS

Kimberly Webb – Citizen; Ms. Webb addressed the Board members and stated the following: “First I have a couple of questions whether or not American Cab has yet to present certified financials. I have not seen anything in information that they have done so and there was great difficulty about that. Secondly, in an e-mail recently during the last few weeks received from Harry Incs, he accused me of being one of the ones as having contacted Board members anonymously trying to influence you. I know this is false. If I have contacted any of you, I would like you to please speak up so we can put that to rest. Also, the abuses and repercussions related to the excessive lease rates with American Cab continue to escalate. They are losing one to two drivers per week. Luckily the other services are gladly picking up the majority of those. They are hiring about that... one or two a week as well. The high rates have caused drivers to stay out stretching their physical limitations. I am aware of four accidents in the last few months related to American Cab. Whether or not those are reported to you, I have no idea. I am also aware of a few accidents that involved the drivers that were not even reported to American Cab. The guys also have to borrow money from other drivers just to cover their leases, which means they are going home virtually with zero. The other thing is the emotional toll. There have been some serious situations that have happened in the last month with referrals for professional services with some of the drivers. The one last thing is that another driver since I saw you last – his house has been foreclosed

on. He is another homeless. I encourage you guys – Raj Kumar passed eight weeks ago. And when we found out that he died, there is that little part inside of you that said they did it to him; they did it to him. Maybe they were in their realm to do what they did to them that influenced that, whether or not the cancer would have killed him at that time, we don't know, but there is that little bit inside of you guys that you know that something is wrong and you can sit and say gee, not going to get involved; that is going to interfere with commerce. Don't put yourself in that position. I'm bringing it to you guys now so that you know. I have been talking to you guys for a year now about everything that is going on. I know that the Administration is trying to do something about it. Thank you."

AGENDA ITEMS:

See public comments under each agenda item below.

7. Board Member Comments

None.

8. Discussion Concerning Taxi Ordinance Revisions

Jeffrey Goldfarb, SunLine Legal Counsel, addressed the Board. He stated that this item is on the agenda due to the fact that a discussion was started at the last meeting (February 22, 2012) about issues associated with the Ordinance. There was a suggestion that we look at the Ordinance and make some revisions. He stated that based on that, he took the liberty of looking at certain portions of the Ordinance and he has some suggestions with regard to where to begin. Mr. Goldfarb stated that the Taxi Committee met earlier and a discussion took place. He stated that he would be getting together with Mayor Hobart and Councilmember England to work on a draft regarding the revisions. He stated that there are some general areas he would like to go into that merits discussion; some will be policy issues, some of these will be fine tuning the language to make sure that it accomplishes the Board's intent. Mr. Goldfarb stated that areas that he thinks should be looked into are, one, obviously the issue associated with a sale or transfer of the assets of a franchisee from one person, group or entity to another person, group or entity; that is the issue that we faced with American Cab. He stated that he believes the desire of the Board is to have some way of ensuring that is regulated and there is some approval authority over that. Mr. Goldfarb stated that language is not currently in the Ordinance, but is something that can be added. He stated that another issue relates to the insurance requirements that currently exist. Right now Franchisees are only required to have a \$1 million policy. Mr. Goldfarb stated that this is a transit oriented industry and if there is an accident and there are injuries, it would be pretty easy to exceed \$1 million. He stated that it does not necessarily translate into liability on the part of the Agency and it probably doesn't translate into liability on the part of the Agency. If there is a desire to provide more insurance out there for individuals who are riders, that would be a way to accomplish that. Mr. Goldfarb stated that another area that merits some looking into is making sure that the Ordinance, the Franchise Agreement and the RFP gel together so that they are all requiring the same thing. One of the areas discussed earlier is the portion of the Ordinance that relates to allocating cab permits – under what circumstances is it appropriate to give more permits; under what circumstances it is appropriate to take permits away. Mr. Goldfarb stated that the Ordinance speaks to this in terms of when

we are required to take permits away. He stated that the word in the Ordinance is "shall" – when we are required to take permits away. The RFP speaks more to our discretion as to when we want to grant additional permits to a franchisee and when we have the discretion as opposed to the obligation to take permits away. Mr. Goldfarb stated that there will also be clean up of the documents that make it easier to understand.

Chairman Garcia asked that the Taxi Administrator, Naomi Nightingale, be present during the meeting with Mayor Hobart and Councilmember England. Mr. Goldfarb agreed.

Mayor Miller asked if Mr. Goldfarb can look at the issue of losing a franchise, the process of either replacing it or dividing the permits among the other taxi franchises. He stated that if it is spelled out, we can follow through on covering the cab shortage. It was agreed to look at the language in the documents.

9. Transfer of Taxi Regulation to Another Agency

Mikel Oglesby addressed the Board stating that in 2006 there was an effort to move taxi regulation and after nineteen months of continuous effort, the Board decided that SunLine was the best place to regulate the taxis. Oglesby stated the date that it was to be moved to CVAG, there was a sea of people who had never been to the Board meetings, address the Board and made the Board go in another direction. Oglesby stated that recently various Board members have commented to him that regulation should be moved to CVAG and the move should be completed in two months; some say six months. Oglesby stated that he wanted to provide the documentation that shows the Agency was very aggressive in moving regulation in 2006. Moving regulation in a two to six month timeframe appears to be an impossible task. Oglesby asked for advice from the Board as to whether to keep taxi or not so we can move forward with regulating or not.

Public Comments:

Kimberly Webb stated the following: "One of the comments with the transfer is that the majority of you, the faces that we are seeing here, are going to be the exact ones exercising the seats where ever – whoever has the meeting – whatever the title is. Some people want to blame SunLine for everything that is going wrong – this, that or the other – all the problems. A lot of it has to do with the writing on the wall and I think through the revisions, that is going to change. I just encourage that whoever has it, also have a Board – somebody sitting on your Board with advisement that is actually is in the field, doing the work, so that you have a little bit accurate vision as to what is going on regardless of whether you are sitting here or sitting at some office with CVAG, or a third entity."

Scott Russo – Legal Counsel for American Cab stated the following: "The United States Supreme Court, cases that I found, says that a regulator cannot regulate its competition, clear as day, and that is what we have. The taxi companies should be in competition with SunLine for virtually every service that they provide. That would be, for instance, the Coachella Festival – providing transportation there; your dial-a-ride services. That's exactly what happens – the taxi suffers competition and it all gets

contracted out. They have two agencies with independent Boards, one OPTA and OCTA. This was fully recognized by this Board back in 2004, 2006 and it is the minutes of those meetings. In 2004, there is correspondence with Mr. Oglesby on the issue – the correspondence was with CVAG about who should take it. And the fact that taxi could do the dial-a-ride program cheaper than the transit agency can because of the small rides of the cabs. Then you went down the path in 2006 and I see in pages 32 and 33 of your Board packet on the minutes of the February 22, 2006 in a dialogue with Roy Wilson and Board members at the time, you cannot (SunLine) regulate taxi because you are competing for the same services. So you were going down the right path. You had SunLine Regulatory Agency that wears the same hats with the management of SSG, has the same Board and everything else, regulating taxi. Within the Ordinance you have anti-competitive division such as 1225 which says that no taxi company can contract with anybody – literally nobody. No hotels, no venues – it all goes through SunLine. And that is against the law. I wish this item was followed after item #11 when we asking for permits, but the fact of the matter is that you started down the right path in 2004-2006 and you then got caught up. There is a simple answer for this. Mike Jones is the hands on guy for regulating taxi. We have got SRA. Give power of authority to SunLine Regulatory Agency, have an independent Board for SunLine Regulatory Agency – other Council people from your cities and you will solve your problems. You will not have the people with their hats on from SSG – it will be totally independent. It is what they do everywhere else. CVAG will have the same problem because some of the same people from SunLine are there also. It is a solution; I think Mike would be great for it - the taxi people trust him. You can use the facilities. You would not have to do anything other than put up a real wall instead a fake wall that is here now. We are ready to push on this, but I would like you to just do it on your own. This is a solution. The bottom line is that a change has to happen.”

Bill Meyers, Yellow Cab of the Desert, stated the following: “I disagree with him. We have done this before. There are two people that have been here since the beginning – Don Adolph and me. The first time we tried to take the taxi regulation to a different entity in the Coachella Valley and no one wanted it then. We did it in 2004 and I was at every meeting in those nineteen months – nobody wanted it then. What I am saying now is that Yellow Cab certainly doesn't want to bear any of the financial burden that it is going to take in the taxicab fees that we are budgeted for that goes to the taxicabs; we are going to have to fund this study and the work to go take it somewhere. Now you want to take it somewhere and we are just getting started. We are going to revamp the Ordinance. You think that is going to take a week? I don't think that is going to take a week. I think that is going to take some time because there is going to be some issues that we probably don't agree with and we are going to battle that. So that is going to take five or six months. We will be here in June re-doing the Ordinance and then right after we get done writing an Ordinance, we are going to move it. This is a tough job, a tough responsibility and no body wants it. But you guys have certainly become callused and hardened and knowledgeable to fairly, equitably regulate the taxicab business. We take this somewhere else, we are starting all over again and then maybe the people with all the money in the world, like these guys talk about, maybe they can get some influences that are unnecessary or unfair to the people that don't have the cash flow that these guys have. We are getting better – we are generating more money. I still don't have the kind of money those guys have. I think it

is a waste of time, a waste of everybody's effort and labor and especially a real waste of money until we get that Ordinance fixed. If you want to pick up the tab, go around and ask people because I don't want to contribute."

Councilmember England stated the following: "It was the understanding that we had, previous Boards, that we would go with the franchise, clean up the taxi house that we currently have and that eventually it would be moved to an alternative agency, which was identified as CVAG. It could not go over to the Palm Springs Airport because they had non-elected officials and they could not establish policy unless they changed their JPA. It was always the understanding that it would eventually wind up at CVAG. We are CVAG here – many of you sit on the Executive Board. It would be a logical conclusion to wind up over there. They do have a Transportation Committee over there. Do we need to finish cleaning up the Ordinance? Yes. Is it going to take time to do that? I think it is an ongoing process that we are going to continue to revise, revamp as situations unfold that we will be able to address those things. But we are the governing body. And while we are choosing to do it here, it would not be that far fetched to do that under a different umbrella. Yes it would take some discussions with CVAG to figure out how we are going to get the nuts and bolts of the people to either be hired under CVAG - how the logistics work, but it was something that was on a radar screen back then and unless there is a change in the thought process, that was the eventual goal. To clean everything up and then hand off something that was viable to another entity so that SunLine can actually do SunLine Transit business. They do very well doing what they do. What Mr. Russo brings up is kind of an interesting different approach of looking at it. I think eventually, hopefully sooner than later, that we will all come together with the idea again to get out from underneath this particular body."

Mayor Parks stated the following: "I don't totally agree. I don't think there is anything better than institutional knowledge when you are working with an entity that is as convoluted as the taxi business. There is institutional knowledge here. There are employees that have been involved in it for years and understand it. The drivers have come to know what is expected of them. You can't just take this body and move it over. CVAG is going to have to hire, or do something, contract out. Those people are going to have to learn the business – everything from scratch. We have had some problems. I think that once we have cleaned up the Ordinance, those problems are going to somewhat settle down and having the taxi under SSG is not going to be a headache that it has been in the last two years."

Councilmember England stated: "I don't disagree with you there. Here is the onset of what we are talking about. We do wear dual hats and we do have these meetings for convenience for myself and the rest of the Board and staff too, that everything gets pushed together and there really is no separation of one from the other." Mayor Parks stated: "It wouldn't change with CVAG." Councilmember England stated: "Yes and no. We are talking about artificial walls being built. The thought process back then was that we need to get out from this campus and get it someplace else. The logical conclusion was that you either have it at one of two places – Airport or CVAG. Those are the only two JPAs that are out there. The lesser would be CVAG. If that is not the desire of the Board, then I think we need to take a look at...maybe we need to change

up how we do business, the Board, with SSG if we continue to regulate here on the same campus – basically having different people – using the same employees that you currently have with different people. It is a challenge. I don't think that anybody would disagree with me that we cannot separate, while we try, STA with SRA. Dealing with taxi and dealing with bus issues. How do you separate SunLine Transit from taxicab?" Mayor Parks stated: "Personally, I don't mix the two. They are totally separate. What Mr. Russo, said, I would like a further legal opinion. Are we in fact violating some law. I don't know." Mr. Goldfarb stated that he would ask Mr. Russo.

Mayor Adolph stated: "I wasn't going to say anything, but I will. CVAG has said no in the past about taking it over. CVAG has been cut down to the bare minimum. We don't have a monthly meeting anymore because of the cost. We cut out dinners because of the cost. I can't see them taking over a taxicab under the economic circumstances that we are in. As much as I would love to get rid of the taxicab services here, it's not going to happen. Bud, we have been down that road before. Basically, I think what we should do, is to do whatever we can legally to make this as best we can. I can remember when we were fighting about franchises. We said fine, let's go this route – that's what the cab drivers want. I think we should focus on trying to make this as best we can with the service that we have available to us, working with the cab companies and making sure that whatever Mr. Russo said, that this is legal. Until somebody is ready to step up and say we have got the knowledge – we are ready to step in and take it over, I think we are just wasting our time."

Mayor Miller stated: "Mr. Russo's comments about a separate Board might make some sense and have some validity to it. We have gotten away from what our main mission is – affordable transportation throughout the Coachella Valley. I agree it is not an easy job, but it isn't CVAG's direction to do it. We all sit on the Executive Committee and if the Executive Committee decides to put the taxicab on, that's what happens. There is an opportunity. Doesn't mean it's the right thing to do. We could do it and then you would have a separation. The Transportation Board would make the decision. If there was an appeal, it would go to the Executive Committee. There would be a separate Board with a separate set of eyes to check to see what is given to them is proper. It still doesn't take away from the issues that we have. I'm hoping the regulations will dictate that and make some clarity of some of the issues. It also doesn't help with the cost. I took a cab from my house to the airport and it cost \$75. That's outrageous. Somewhere along the line we need to worry about the price of the cabs that are being charged to be a driver – make sure the franchise has a good set of circumstances that they are able to make money, as well as the drivers, but also the community that we are servicing – make sure they are getting a fair price for what they are getting for the service. This is a tough economy. People need to know that they are going to get the best price. The rate we are going, the next lawsuit we have – Mr. Russo – if that happens, that comes out of the cab money. Who is going to pay for that? The consumers. We have to think long and hard – yes it is difficult. I agree it is not a fun thing, but if we are going to go in here and do it, we need to come up with a different situation. Right now it is not working. And there is no guarantee that the re-regulation that we put in place are going to make the groups happy. The first time something goes wrong, people are going compare the sides up. How do we get to that point where people feel that the regulations put upon them by either this Board or

another Board is being fair and accurate with them? I think that is where we have some issues. You are talking six years ago, seven years ago. Here we are seven years later and this is the first meeting we have not had 200 people in here screaming at us. I think it is possible. I have great faith in Bud and Dana and what they know in the taxicab. But it doesn't mean that the other groups involved in this are going to be happy with what we come up with."

Bill Meyers stated: "I was just going to say; there is only 33% of the industry that is not happy with you guys. Sixty six percent is happy. We have all been in cab business in the Coachella Valley and we understand what it is about and the problems. No matter what regulator you have, if you don't like their rules and if you don't comply with it, you are suing everybody. What they are going to do is make rules and if you don't want to be in it, quit. I don't know where... Glenn, when you said it is not working – where is it not working?" Mayor Miller stated: "I just paid \$75 to go from Indio to the Airport." Mr. Meyers then stated the following: "This is what I told people 15 years ago when they used to say that. Move PGA West closer to the Airport. If you live 35 miles from the airport doesn't mean that we have outrageous cab fees. \$2.96 is expensive; gas is \$4.07 to \$4.90; then we put a \$.75 per trip; you have to insure the cars; we also had to buy all new equipment. There is a lot of stuff involved. There is not a lot of profit. I drive five nights a week, Glenn, and I am the President of Yellow Cab. Ten hours a night. Before the franchise agreement – I worked 30 hours a week at A-Valley Cab and had a house and two cars and health insurance. I lost my house since the franchise agreement. I turned two cars back in because my income was destroyed. Now we are making a comeback because we are following the Ordinance, doing what is right, putting on taxicabs and paying a fair wage for what is done out there and our rides are increasing. Other than that, I nothing more to say."

Mayor Pro Tem Power stated the following: "I move that we leave this as is for now until we get the Ordinance redrawn and get an opinion from our attorney on Mr. Russo's comment." Vice Chairman Spiegel agreed.

Mayor Miller stated the following: "I want to make sure that we get to a date certain because we have events coming up. And will everybody agree if we decide to put in a fourth franchise – will that change the way that people feel about a come back." Chairman Garcia stated that an item on the agenda that says two franchises, up to four. Oglesby further stated that in the original Mundy Report states two up to four, but actually he really felt one franchise would work. But after discussions with the Board with the influence it turned to "two up to four."

Chairman Garcia further clarified that direction to staff is to hold off on moving forward with moving taxi regulation and work on the Ordinance and the RPF.

Councilmember England stated that once the new Ordinances are in place, there needs some time to work the issues out. It could be a six month period of time. He stated that sometime next year bring the issue back to the Board.

Mayor Parks stated that there needs to be clarification on the legality of SSG regulating taxi, (issue brought up by Mr. Russo).

The full Board agreed to move forward with revisions to Ordinance and RFP and bring issue back sometime next year.

10. Consent Calendar

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

11. Issuance of Ten Additional Taxicab Permits

Taxi Administrator, Naomi Nightingale, addressed the Board stating that the item before them is to issue ten additional taxicab permits. The Ordinance allows the Taxicab Administrator to increase the number of taxicab permits issued to a franchise after an analysis of the market demand and the response by taxicab franchises. SRA has conducted an analysis of the taxicab industry, the market demand and the responses. The information is included in the staff report. As a result, SRA has made the decision that it is appropriate to issue ten additional cabs to American Cab at this particular time.

Mayor Adolph asked the following: "You say it is appropriate, is it necessary and what does it do to competition? Is the need there for ten more cabs?" Ms. Nightingale stated that American Cab is currently responding to the market demand with that number of cabs. An analysis was completed of the market to see the demand. The analysis included American Cab, Airport Taxi and Yellow Cab to see what they are doing in response to the market – such as minimum rides. American Cab is exceeding their minimum rides. They are exceeding the minimum during the low season as well.

Councilmember England stated the following: "Each taxi franchise currently has ten temporary permits with the exception of American Cab who has twelve. American Cab is now asking for additional permanent permits to put into their fleet. My question and/or concern is that you could project that in some point and time you are going to have one company (we don't have this written in our Ordinance of how to deal with this) actually taking and doing something a little more efficient than the other two franchises and increasing their fleet while diminishing the other two franchises to basically cause them to either go out of business, give up their franchise and/or sell it. One of those scenarios will probably take place without being able to sort this thing out right now. The question is that yes, we have taken a look at six months and we are going to go back to April or May." Ms. Nightingale stated that we actually went back eleven month." Councilmember England continued: "That makes me feel a little bit better because we should have a complete high and a complete low and eleven months would give us that. In an earlier discussion with our attorney, our Ordinance says "shall" and our RFP says..." Legal Counsel Jeff Goldfarb stated the following: "The Ordinance says 'shall' but that only addresses the obligation to remove cabs if they are underperforming. It doesn't speak to how you determine exactly how many to remove if they are underperforming. That is something we can address with the changes. The RFP addresses what to do when someone is performing over the requirement of the minimum of eight trips per day, per cab. It gives the Agency the ability discretionary determination based on the factors that are presented, as to whether you do want to award additional permits and the criteria that you can use is

probably broad. It would be criteria that is included in two related sections. One addresses specifically just the number of trips, the other addresses a number of additional factors including, in terms of the annual review, including company response time, citations, complaint data and trips per vehicle. So there is two provisions that relate to the ability to regulate the number of cab permits. They each give you the ability to focus on different things. I think that since we did look back for a year, we have the ability to look at a number of different factors when it comes to making the determination. It's not mandatory, it's discretionary. So it's more what you believe is appropriate given the factors."

Councilmember England stated: "So the questions that I was looking into is that we received a series of letters to three different taxicab franchise holders stating that they are not following our Ordinances as far as the number of hours being driven per taxicab – a series of different things that are in there. The question on the table is that it appears that a taxicab company – is that entity requesting additional cabs – have they violated some of our Ordinances in order to obtain those numbers that they need to have in order to request permanent taxicab permits. That is the question when we take a look at the big picture. Along with having one company overshadowing the other two entities – do we have the ability to set a ceiling for a company? These are policy decisions. Do we have the ability to maintain organizations – three entities out there? Or is the policy going to be a free market society – if one drops out, we will only have two and if the other one drops out, we will have one. These are future policy discussions that I think we should address today so that we are not forced to look back in hindsight wishing that we done something."

Mr. Goldfarb further stated: "If one drops out – I don't think the question necessarily has to be if one drops out, does that mean that we are stuck with two. I think the question is if one drops out, do we want to live with two or do we want to repackage those permits and issue an additional RFP."

Councilmember England stated: "Let me see if I understand your question correctly. As an individual entity, one of the franchises increases their cabs. There is a threshold out there. We cannot have thousands of taxicabs running the street. It just doesn't work. So we have established what we think the ceiling is. So as one increases some others are going to have to decrease. You can't, as far as I understand, once you have given them, you can't take it back and repackage. So they are increasing because they are doing a better job, more efficient, as long as they are staying within our regulations. The other ones, we are taking away because it says 'shall'; it can't do the business. So as one goes down, the other one is going to increase because it is going to gain more market share. And so it drops away or it gets sold with 'x' amount of taxis that are there. You have to have a minimum amount of taxis and I don't know what that number is, in order to be profitable. At some point in time it will not be profitable for another franchise to come in because you don't have enough to deal with. That is a policy decision as far as my understanding is. Do we set boundaries right now when we can set boundaries? I don't think we can repackage once we get down that road."

Vice Chairman Spiegel stated the following: "I have two things. First of all, we had four franchises. One dropped out. If we want to go out with an RFP for another franchise,

we can do that, so that is available to us. Second, Naomi, you sent us three letters to various cab companies. It involves review of driver's time behind the wheel. For example, I am looking at American Cab, they had 21,033 rides during the month of November and they had 207 violations. A violation occurs when a driver operates their taxicab more than ten consecutive hours." (Ms. Nightingale added "within a fifteen hour spread".) Vice Chairman Spiegel continued: "If that is the case, if they are doing that, then they need more cabs, I guess." Ms. Nightingale stated the following: "It suggests a number of things. We sent the letter to have the franchises respond to us to give us some idea or explanation as to what those numbers really mean. We have drawn a conclusion that there are drivers driving excessive hours which is a safety issue and has been before this Board in the past. So before moving forward with any fines, we give them an opportunity, as with any review, to come back to us with explanation. Does that mean that they need more cabs? Does that mean that if they had more cabs they still wouldn't have drivers supposedly driving excessive hours? That is not an answer I can give you because the drivers appear to be from the date that we have looked at from electronic data that they provided in their report, we went through each and every driver – more than 5,000 line items, to see how many drivers were in fact within the boundaries and those which fell out of the boundaries. Those letters that went to each of the franchises provided that information. If they have more cabs, would their drivers still not drive within the hours? From what we hear from the drivers, there are many reasons why they drive excessive hours. One, is because the lease fees are extremely high and they have to drive the hours in order to make the money so that they take a profit home. How does that get addressed? That issue has been before the Board as well. I don't think that we can draw a conclusion that if they have more cabs, we wouldn't have the same problem with what appears to be drivers driving excessive hours."

Oglesby stated the following: "The violations – and it is 229 violations for American Cab, we have not yet verified whether it is because of excessive numbers or not. That is why the letter was sent out for an explanation. There are other reasons that could take place. I just wanted to go public to say at this time, this is why we are moving forward. If that is the case, then we will come back to the Board."

Mayor Parks stated: "It just appears that, based on this letter, our regulations are being overlooked or not adhered to. The only one that seems to be the closest to adhering is Yellow Cab of the Desert. Does this ride number – was it used in the calculation of the need for extra cabs?" Ms. Nightingale stated: "We used their total rides to make the determination on the average number of rides to meet minimum requirement." Mayor Parks further stated: "If you violate the regulation, then you are going to have more rides and you are going to be able to establish a need. If you follow the regulations, then you are the right there – a good guy." Councilmember England stated: "Do you reward bad behavior?"

Mayor Pro Tem Powers asked the following: "Are the franchises – what a driver has to pay for the cab – are they equal with all three companies?" Ms. Nightingale stated: "The leases are different for each franchise." Bill Meyers stated: "50/50". Harry Incs stated: "65/35". Mr. Meyers further stated: "50/50". Mayor Pro Tem Powers further stated: "With that, they can do whatever they want to do. There are some issues here

for the cab drivers themselves. The other part is I don't see any way we can approve these extra cabs today for the violations that they have – potential violations. It's just a matter of time before something drastic is going to happen. If they have in fact, and there is no way that can be prove it at the moment, inflated their numbers – it's a game. I would not be in favor of giving the permits.”

Mayor Parks stated: “The twelve temporary permits that they have – how many permits do they have?” Ms. Nightingale stated that they have 45 permits. If they got the ten permanent permits (plus their 12 temporary permits) – they would then have 67 permits total.

Councilmember England asked the following: “Can you explain how a temporary permit could be revoked?” Ms. Nightingale stated: “A determination can be made by the Taxicab Administrator that they are either not exceeding their minimum rides per day; there could be other discretionary decisions based on violations or other issues as it relates to regulatory issues. They can also reduce themselves.” Councilmember England asked: “Do we have a sunset clause in that provision to basically cause a temporary to become a permanent by application from the franchise, or at a certain date and time they have a temporary so long that they basically get to come off the books and you would have to reapply.” Ms. Nightingale stated: “No, that is a provision that is not completely identified in the Ordinance and that is one of the things that would be presented to the attorney to take a look at.” Councilmember England stated: “The reason that I ask the question is that we are in season. I do recognize that we do have taxicab services that are needed. I don't know if it is bad behavior or our Ordinance is being abused; we just don't know. If I was going to error, I would like to error that they should be doing what they should be doing; however, I don't want to hold our population bound to what a belief that we may or may not have and that is to allow them for ten additional temporaries to get through a high point while we go back and find out whether the data is correct. If it is not correct, then we can come back at a later date and make them permanent. If the data is correct and our Ordinance has been violated, then it gives us the ability to bring those back in.”

Mayor Hobart stated: “If that is in the form of a motion, I would second that. I don't see how we can reject everything on the basis of an incomplete study. Ms. Nightingale had that study; Ms. Nightingale made the recommendation that we give them ten permits. We certainly can't do it on a conjecture without them having had an opportunity to defend themselves. All of them – especially the one under consideration. So if you give them the temporary ones, that meets the urgencies and gives us an opportunity to evaluate.”

Mayor Miller stated: “I agree with Dana on this. Just for clarification – how many of the other two cab companies are meeting the ride criteria?” Ms. Nightingale stated: “Yellow Cab of the Desert is very close; Airport Taxi is not. Yellow Cab and Airport both have temporary permits.” Mayor Miller stated: “But we have never talked about revoking them.” Ms. Nightingale stated: “Yes, we have; we have sent them a letter and are following through according to the Ordinance. Yellow Cab is very close to exceeding the minimum; probably within a couple of months, they will.”

Mayor Adolph asked the following question: "You stated that the number of trips American Cab made was over 21,000 – do we know how many of these trips were made by calls directly to them versus waiting at the airport or hotel?" Ms. Nightingale stated: "Yes, we have that data; it comes in with the electronic reports that we asked for, but I don't have that number now. Can you give me a rounded number?" Mr. Incs stated: "60 to 65%". Ms. Nightingale stated: "I don't have that information in front of me so I can't answer that question. I would like to make another clarification. When we did the review, we were only looking for hours behind the wheel. We didn't look at any other possibilities of any other violations. When the Board says that maybe that wasn't the reason for the extensive hours, there may have been other reasons that also may be violations. That's the reason we are asking for a response from the franchises."

Councilmember England stated: "So we could do temporary until you all your information back to us." Ms. Nightingale stated that we brought the issue before the Board; the Ordinance actually allows the Taxi Administrator to make the decision, but given all the ongoing issues, we thought it should be brought to the Board for discussion."

Mayor Pro Tem Powers asked: "Can the other two franchises increase their volume? Pick up their slack?" Ms. Nightingale stated: "Not without the process. If they meet the eligibility requirements, then they would be able to received permits." Mayor Pro Tem Powers further asked: "If you add more cabs to American, they will be less likely to meet their quota. My question is if they decide no more cabs on the street – we don't need any more cabs on street - the other two can make up more volume themselves. We take care of the need that is out there." Ms. Nightingale stated: "If that is the Board's decision, yes, but there is a financial implication to adding additional cabs. So one reason why the other franchises have not asked for additional cabs is because to purchase vehicles and take care of the cost that goes along with putting additional cabs on the street is part of the consideration that they would have to have."

Item #11

Bill Meyers – Yellow Cab of the Desert – "If anybody looks at the rides for February, 2012, we are down from 2011. This was a terrible kickoff for the season of 2012. We only have March, April & May and then it's summer time again. Of course we would like to put on taxicabs. If we are going to put on more taxicabs, we are putting them on in September and get the whole nine months; not to spend all that money and have three months. Of course maybe people may be waiting for rides a little bit into season; I doubt it that people are waiting that long. We are getting busier, but if you go out to dinner to Ruth Chris, you might have to wait if you don't have a reservation. But if you go in June, you can walk right in with ten people. It's two different scenarios and that window shuts. What is going to happen if you don't award the ten cabs, the guys that are leasing those cabs, all of a sudden they pick up a little bit of activity. They make a little bit more money and they are happier. We get busier, we are happier and we are going to make a profit that we need to reinvest next September to recoup the money that we need to reinvest in two years to redo our Franchise Agreement. We have to create profit every time it gets busy and we are going to throw more cabs on – we just delete the profit, spread it out. Now guys are not doing eight, they are doing six. I think what Mr. Powers said – I second that motion!"

Scott Russo – American Cab: “The problem is that American Cab is being penalized for its success. To your comment, Mr. Powers, if the SunLine Board granted taxicab companies \$100,000 each to invest in advertising so they can catch up, that’s what it would take. They would like more business; they are not investing the same way American Cab is and American Cab is successful because of what it puts in. The reason the lease rates are higher for American Cab is they can provide to their drivers more riders. They provide more rides to the drivers because they invest so much in advertising. As it is now, while the other taxi companies are now, apparently, we are up 22%. Last week American Cab did just over sixteen rides per cab, per day. That brings down response times. There is so much business coming into American Cab. By April of this year, American Cab will be doing 20 rides per day, per cab. It’s going to mess up the response times. We want to be able to serve the community better, but we need more cabs to do it. The whole point is to bring American Cab down to what the other cab companies are doing, we would need 75 cabs. They are barely teetering with getting to the eight minimum. One of the cab companies has not done it. We are on our yearly average. We are doing 12 ½ rides. The other ones are not even coming close. The low are just around eight. We actually need more than what we are asking for. Seventy five gets us to the number they have on average rides. We need this to better serve the community. Permanent vs. temporary – the company is going to be investing in new cabs. You don’t want to invest on something that is temporary and is then taken away. We need it to be permanent. We are requesting it to be permanent. Temporary is great, but we exceed the numbers during the off season. We were 8 ½ last year during the summer. Nobody else is doing that. I implore you. This is something we asked for last March. We applied for this last March and it is just being communicated now because we had other issues and fights going on. We have been asking for this all year long. Please give it as Ms. Nightingale put it in her request to the Board.”

Mayor Hobart asked the following: “In the back of my mind I recall a letter written just about the time – I think it was in April 2011 when they were granted an additional 12 temporary taxis. In that letter, didn’t that say that they will be entitled to some further taxis under certain circumstances? I don’t remember what those circumstances were.” Mr. Russo stated: “It was 12 more once we resolved the ownership issue.” Mayor Hobart further asked: “And did that say that you get them or that you may get them? Did we make a commitment at that time?” Mr. Russo stated: “I can tell you my perspective, but Ms. Nightingale can answer.” Ms. Nightingale stated: “I don’t believe I made a commitment to any particular number because the Ordinance allows the discretion based on eligibility criteria that is in the Ordinance. At the time that American Cab asked for temporary cabs, we gave them the 12 temporary cabs based on their ridership at the time. There were other issues that were being considered by the Board, but they met the minimum criteria that was required.” Mayor Hobart further stated: “But there was some reference to future cabs being awarded under certain circumstances and that is the language.” Ms. Nightingale stated: “I recall the letter; they sent the letter to me so I know what the letter says.” (*Mr. Incs provided the letter and give to Mayor Hobart*) Mayor Hobart further stated: “It says ‘after review of the request and validation of the requirements to add taxicab vehicle permits effective April 1, 2011, SRA has approved 12 temporary vehicle permits to American Cab for

immediate deployment. Twelve additional temporary vehicle permits may be issued once American Cab demonstrates adherence to the standard performance requirements of all vehicle permits, including the additional 12 as outlined in the Ordinance.' That was the paragraph that I had vague recollection." Ms. Nightingale stated: "And I said 'temporary' and I said 'maybe' in the context of this is allowable."

Mayor Garcia stated that there is one more public comment.

Kimberly Webb – "I have seen the December of where they have everything to date. The numbers are skewed only for the fact that it is the number of rides. It has nothing to do with the revenue generated. If you go down Palm Canyon or Palm Springs Friday and Saturday nights it is just flooded with red, white and blue and everybody else is working east valley. PGA West – how long did it take you to get to the airport? That is a long ride. So the idea that somebody might only have six rides – when I take a ride to Los Angeles, how many more rides do you think I'm going to get in that day? You are not going to get 12 rides. You see these guys with American – they are picking somebody up at Hunters and taking them up to Two Cans. That is about a five minute ride gentlemen, ladies. The numbers are skewed; they need to calculate how much business they are genuinely doing in the Valley. Last week drivers were borrowing money from other drivers just to pay the excessive leases. They were bragging on the radio – KNEWS – they made \$1.6 million last year. They expect to make \$1.9 million all off the backs of the drivers. So by giving those numbers – I suffered it all the time. You pick them up and take them a mile and half down the road – why don't you walk? The point is the numbers are skewed; drivers are not making money. The reason they have 230 violations, or whatever, the drivers set a limit. They have to make \$300 a day. When they reach that threshold then they go home. If they have not made it, they stay out longer. You add 10, 12 or 5. These guys are making money; the drivers are making less money and those drivers that are already out there with permits are driving even longer because now they have got ten more temporaries out there. Get rid of it. These guys are milking the system and you guys are allowing it."

Harry Incs – American Cab: "I can respond to her allegations. Our drivers – the short rides are actually better than the long rides as long as they keep coming. Because every time somebody gets in the car, there is a \$3.25 flag drop. Those go on all night long. Our driver makes - they average \$2300 a week – minus lease, minus gas. The reason our leases are higher on some of the cars is because we have Prius'. So instead of spending \$400 a month on gas or on a car that gets eight miles per gallon, the Prius gets 40 miles per gallon driven as a taxi. So yes, the lease is going to be a little bit higher, but the drivers keep a lot more in their pocket."

Councilmember England made a new motion that this agenda item be held until staff is able to resolve the information that went out in the letter to the franchise and then come back. Mayor Pro Tem Powers seconded the motion. Mayor Miller stated that he wanted to make sure that there are plenty of cabs for the Coachella Fest and somewhere along the line we need to resolve the issues. The motion was approved by a unanimous vote.

Ms. Nightingale added that staff has been working with Goldenvoice and the City of Indio in terms of setting up a taxi stand that works very well, with good in and out service, drop off points, etc. to enhance transportation for Coachella Fest and Stagecoach.

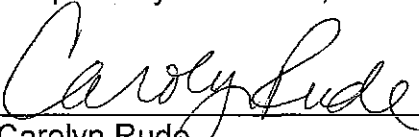
12. Next Meeting Date

Chairman Garcia announced that the next regular meeting of the Board of Directors will be held March 28, 2012 at 12 noon – Kelly Board Room, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

13. Adjourn

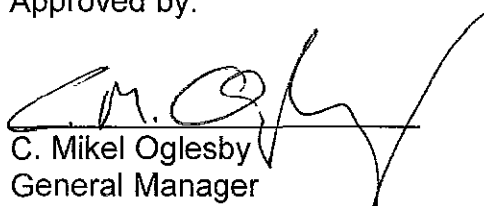
Chairman Garcia adjourned meeting at 1:55p.m.

Respectfully Submitted,



Carolyn Rude
Clerk of the Board

Approved by:



C. Mikel Oglesby
General Manager

Date: 3/16/12

SunLine Regulatory Administration
Checks \$1,000 and Over
For the month of February 2012

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
CREASON & AARVIG, LLP	Legal Services (Oct 2011)	089478	2/2/2012	\$4,886.00
SUNLINE TRANSIT AGENCY	Operating Expense Allocation	089483	2/2/2012	\$1,383.18
SUNLINE TRANSIT AGENCY	Payroll Liabilities Expense	089485	2/2/2012	\$8,194.66
CREASON & AARVIG, LLP	Legal Services (Nov 2011)	089487	2/13/2012	\$7,574.00
LEFLORE GROUP LLC, THE	Projects Management	089488	2/13/2012	\$2,850.00
SUNLINE TRANSIT AGENCY	Payroll Liabilities Expense	089491	2/22/2012	\$8,012.30
Total of Checks Over \$1,000				\$32,900.14
Total of Checks Under \$1,000				\$4,482.87
Total of All Checks for the Month				\$37,383.01
 Total Amount of Checks Prior Years Same Month				 \$33,698.15

SRA--Taxi
Statement of Activities
January 2012

	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	297,123	40,461	27,356	13,105	139,594	134,621	4,973
Revenue Fines	106,661	5,000	200	417	(217)	4,110	2,917	1,193
Vehicle Inspections	15,703	14,300	1,000	1,192	(192)	8,350	8,342	8
New Driver Permits	4,150	5,000	550	417	133	3,200	2,917	283
Driver Transfers	4,800	5,800	50	483	(433)	2,100	3,383	(1,283)
Driver Renewals	7,050	6,100	800	508	292	5,150	3,558	1,592
Driver Permit Reinstatement/Replacement	135	200	15	17	(2)	90	117	(27)
Vehicle Transfers	(50)	1,500	0	125	(125)	0	875	(875)
Vehicle Permits	82,828	78,000	14,476	6,500	7,976	58,432	45,500	12,932
Operator Shared Revenue Fee	195,135	0	0	0	0	3,492	0	3,492
Operator Application Fee	0	10,500	0	875	(875)	49	0	49
Interest	152	0	3	0	3	197	0	197
Other	47	25,629	0	0	0	3,000	6,125	(3,125)
Total revenue	\$ 512,411	\$ 449,152	\$ 57,555	\$ 37,889	\$ 19,665	\$ 227,765	\$ 208,354	\$ 19,410
Expenses:								
Salaries and wages	183,112	197,422	16,659	17,089	430	105,151	114,855	9,704
Fringe benefits	136,280	134,281	11,784	11,592	(192)	75,145	79,082	3,938
Services	91,182	100,800	13,610	7,683	(5,926)	62,281	53,783	(8,498)
Supplies and materials	5,793	4,500	619	475	(144)	4,173	3,325	(848)
Miscellaneous	17,903	12,150	1,073	1,629	556	16,516	11,404	(5,112)
Total expenses	\$ 434,270	\$ 449,152	\$ 43,744	\$ 38,469	\$ (5,276)	\$ 263,265	\$ 262,450	\$ (816)
Total Operating Surplus/Deficit	\$ 78,141	\$ (0)	\$ 13,810	\$ (579)	\$ 24,941	\$ (35,501)	\$ (54,095)	\$ 20,226

Preliminary Statement Prior To Audit Field Work

**SRA--Taxi
Statement of Activities
February 2012**

	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	297,123	35,097	31,532	3,565	174,691	166,153	8,538
Revenue Fines	106,661	5,000	650	417	233	4,760	3,333	1,427
Vehicle Inspections	15,703	14,300	950	1,192	(242)	9,300	9,533	(233)
New Driver Permits	4,150	5,000	600	417	183	3,800	3,333	467
Driver Transfers	4,800	5,800	150	483	(333)	2,250	3,867	(1,617)
Driver Renewals	7,050	6,100	1,150	508	642	6,300	4,067	2,233
Driver Permit Reinstatement/Replacement	135	200	15	17	(2)	105	133	(28)
Vehicle Transfers	(50)	1,500	195	125	70	195	1,000	(805)
Vehicle Permits	82,828	78,000	14,516	6,500	8,016	72,948	52,000	20,948
Operator Shared Revenue Fee	195,135	0	0	0	0	3,492	0	3,492
Operator Application Fee	0	10,500	0	875	(875)	51	0	51
Interest	152	0	3	0	3	197	0	197
Other	47	25,629	0	0	0	3,000	7,000	(4,000)
Total revenue	\$ 512,411	\$ 449,152	\$ 53,326	\$ 42,065	\$ 11,260	\$ 281,090	\$ 250,420	\$ 30,671
Expenses:								
Salaries and wages	183,112	197,422	12,593	15,796	3,203	117,744	130,651	12,907
Fringe benefits	136,280	134,281	9,554	11,087	1,533	84,698	90,169	5,471
Services	91,182	100,800	15,970	7,683	(8,287)	78,251	61,467	(16,785)
Supplies and materials	5,793	4,500	246	475	229	4,419	3,800	(618)
Miscellaneous	17,903	12,150	975	1,629	654	17,491	13,033	(4,458)
Total expenses	\$ 434,270	\$ 449,152	\$ 39,337	\$ 36,671	\$ (2,667)	\$ 302,603	\$ 299,120	\$ (3,483)
Total Operating Surplus/Deficit	\$ 78,141	\$ (0)	\$ 13,988	\$ 5,395	\$ 13,927	\$ (21,512)	\$ (48,700)	\$ 34,153

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

	FY 09/10			FY 10/11			FY 11/12			FY 12/13			FY 13/14		
	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH	CABS	TRIPS	TRIP/VEH
JUL	170	26,487	156	151	31,211	207	125	30,391	243						
AUG	155	23,671	153	148	29,238	198	123	29,459	240						
SEP	158	29,239	185	150	31,807	212	131	34,446	263						
OCT	153	37,468	245	117	40,222	344	139	43,009	309						
NOV	153	40,466	264	126	40,494	321	144	44,173	307						
DEC	160	32,084	201	128	36,226	283	143	39,180	274						
JAN	155	38,276	247	133	45,232	340	152	45,048	296						
FEB	157	36,557	233	132	42,331	321	156	53,840	345						
MAR	159	44,219	278	138	48,942	355			0						
APR	167	57,645	345	141	60,821	431			0						
MAY	157	42,074	268	142	43,910	309			0						
JUN	156	29,940	192	120	31,088	259			0						
TOTALS	1900	438,126	231	1626	481,522	296	1113	319,546	287	0	0	#DIV/0!	0	0	#DIV/0!

	FY 04/05		FY 05/06		FY 06/07		FY 07/08		FY 08/09	
HIGHEST TRIPS	Apr	53,980	Mar	51,373	Mar	54,598	Feb	50,594	APR	59,997
LOWEST TRIPS	Aug	25,911	Aug	24,445	Aug	24,010	Jul	25,681	DEC	26,942
MOST VEHICLES	Apr	206	Apr	269	May	271	Jul	269	M, A, M	186
LEAST VEHICLES	Aug	185	Jul	205	Jul	240	Jun	183	JAN	183
MOST TRIPS/VEH	Apr	262	Mar	213	Mar	214	Feb	246	MAY	323
LEAST TRIPS/VEH	Aug	140	Aug	117	Aug	100	Jul	95	JULY	148
	FY 09/10		FY 10/11		FY 11/12		FY 12/13		FY 13/14	
HIGHEST TRIPS	APR	57,645	APR	60,821	FEB	53,840				
LOWEST TRIPS	AUG	23,671	AUG	29,238	AUG	29,459				
MOST VEHICLES	JUL	170	JULY	151	FEB	156				
LEAST VEHICLES	NOV	153	OCT	117	AUG	123				
MOST TRIPS/VEH	APR	345	APR	1004	FEB	345				
LEAST TRIPS/VEH	AUG	153	AUG	198	AUG	240				

SunLine Services Group

DATE: March 28, 2012 **DISCUSSION**

TO: Taxi Committee
Board of Directors

FROM: Legal Counsel, Jeffrey A. Goldfarb

RE: Taxi Ordinance/RFP Changes

I. BACKGROUND

At the last meeting of the Board of Directors, Interim General Counsel was directed to work with a subcommittee consisting of staff members and two members of the Taxi Committee to revise the taxi franchise ordinance (Ordinance No. 2010-01; the "Ordinance") and the franchise agreement (consisting of the agreement and the Request For Proposals for providing franchise taxicab services—RFP 09-021) to provide more consistency between the documents and to better serve SunLine's goal of an effective and efficient taxi franchise system which does not result in the creation of a *de facto* or *de jure* monopoly. Pursuant to that direction, this office has prepared a red-lined draft of both the Ordinance and the RFP. The first drafts of the Ordinance and RFP were previously circulated to the subcommittee. Comments of the subcommittee have been incorporated into the revised drafts that are presented for your consideration. The substantive revisions are discussed by category below.

1. Franchise Application Requirements. The franchise application requirements are generally contained in Section II of the RFP (RFP pp. 8-9.). The requirements appeared somewhat broad and, as a result, it was unclear what documents were actually required. The proposed revisions to the RFP include numerous specific requirements which will improve applicant's understanding of what documents are needed and improve the Board's ability to evaluate applications for a new franchise, a transfer of a franchise, and a transfer of any interest in a franchisee.

2. Increase or Decrease in Taxicab Permits. Currently, the RFP contains both a six month and an annual review period. The review periods primarily appear to be used to determine when additional taxicab permits will be allocated or withdrawn from franchisees for the next period. The review periods have overlapping criteria and it is unclear whether they individually perform a unique function.

It was my belief that the six month review period was unnecessary at best and counter-productive at worst. This is because the six month review largely focused on the number of rides per cab per day. The six month period evaluated either high season or

the low season performance of a franchisee. As a consequence, SunLine was evaluating *high* season performance for purposes of increasing or decreasing a franchisee's taxicab allocations for the following *low* season, and vice versa. As a result, the RFP, as drafted, can cause SunLine to institutionally run the risk of misallocating cabs. By eliminating the six month review, a franchisee's performance can be evaluated over the course of an entire year for the purpose of determining taxicab permit allocations for the ensuing year. In this way, the review periods are all similar. For this reason, we propose that the six month review period would be eliminated.

The proposed change also adopts consistent nomenclature in order to distinguish between the allocation of temporary taxicab permits and the allocation of non-temporary taxicab permits.

The proposed changes also establish a two-step annual review process. The first step evaluates total taxicab demand in the valley. This first step of analysis is helpful to determine whether, as a whole, SunLine needs to add or reduce the total number of non-temporary taxicab permits issued in the valley. For instance, if the analysis reveals that the average number of trips per_vehicle per_day exceeds 10 trips for the total number of taxicabs in the Valley, the Board could properly conclude that there are simply not enough taxicabs operating in the Valley. The Board might therefore wish to increase the number of non-temporary taxicab permits that can be allocated to the existing franchisees.

The second stage of the analysis determines which of the franchisees is to be offered or awarded any of the then unallocated non-temporary taxicab permits, and which will be required to give permits back. While the RFP establishes a formula for determining available capacity in any particular franchisee, it does not require the Board to allocate any additional non-temporary taxicab permits to a franchisee. We believe the discretion *not* to allocate additional non-temporary taxicab permits to any of the existing franchisees is important for the express purpose of preventing any franchisee from becoming a *de facto* monopoly. Using this discretion, the Board might decide that it does not wish to award a high-performing franchisee more non-temporary taxicab permits¹ and instead decide that it wishes to circulate an RFP for the purpose of issuing a new franchise to whom it will issue those withheld permits.

The final change in this section is to clarify that it is the Board's duty to allocate taxicab permits.

¹ This is what I call the Microsoft dilemma. One franchisee continually outperforming the competition by getting the lion's share of the business. It will therefore have a much higher number of trips per vehicle per day, which makes it eligible for more non-temporary taxicab permits. At the same time, the other franchisees' business either does not grow in the same way or drops. At some point the other franchisees' trips per vehicle per day will require them to surrender some of their non-temporary taxicab permits, worsening the gap between them and the high-performing franchisee. This can eventually create a *de facto* monopoly.

3. **Advertising.** The proposed change on page 22 is to make the RFP's advertising regulations consistent with the regulations currently enforced by SSG.
4. **Regulating Drivers' Hours.** Both the RFP and the Ordinance have been revised to clarify that the taxicab regulations' restrictions on the number of hours a driver can operate a taxicab are enforceable. As proposed, the RFP requires that, by January 1, 2014, all franchisees shall have in place the electronics necessary to transmit real time driver hour reports to a franchisee. (RFP p. 24.) Moreover, proposed revisions to Section 1.030, subsection D of the Ordinance state that no franchisee shall knowingly (or, when they should have reasonably known) permit any driver who is not in compliance with any provision of SSG (including the driving hours limitation contained in Section 6.11 of the taxicab regulations), from operating a franchisee's taxicab.
5. **Duration of Franchise.** Section 1.030, subsection H currently states that all franchises sunset after ten years. The RFP, however, notes that the franchise term is five years but may be extended on a year-by-year basis for the following five year. Section 1.030, subsection H is proposed to be revised to be consistent with the intent of the RFP.
6. **Insurance Requirements.** It is recommended that Section 1.050, subsection 2(e) be amended to change franchisee's minimum insurance requirements from \$1,000,000 to a sum acceptable to the Board. The Board will be asked to determine the appropriate amount of insurance.
7. **Manner of Holding Taxicab Fleet.** Currently, Section 1.080 of the Ordinance appears to require franchisees to *own* all taxicabs in their fleet. The Board is asked whether a franchisee's ownership of the taxicab is necessary or whether a leasehold interest in the cab is sufficient.
8. **Regulation of Transfer of Control of Any Franchisee.** A new Section 1.090.5 has been added to clarify that, in addition to requiring documents, SunLine has the authority to approve or disapprove of any sale or transfer of a franchisee's assets, a sale or transfer of any interest or membership in a franchisee, or any transfer of control over franchisee. The definitions contained in Section 1.010 have been revised to establish a rebuttable presumption that a transfer of 25% or more of the beneficial ownership of an LLC constitutes a change in control. Under Section 1.090.5, any franchisee proposing any of the aforementioned transfers in interest is required to submit to SRA all information required of an applicant seeking a franchise and the Board has the authority to approve or disapprove that transfer in the same manner as it would evaluate a new application for a franchisee.
9. **Denial, Revocation, Suspension or Termination of Permits and Franchises and Appeals.** Currently, Section 1.110 authorizes the taxi administrator to serve as the hearing officer to conduct hearings necessary to suspend or revoke a franchise or permit. That determination may then be appealed under Section 1.256 to the tax administrator. Having a person sit as the hearing officer on an issue they had

previously decided is inconsistent with existing principles of due process. In addition to the appeal procedures contained in Section 1.256, Sections 1.257 and 1.258 provide separate administrative hearing and appeal processes, respectively, regarding suspensions or terminations of franchise agreements. These provisions are, at best, confusing because they appear to overlap with the appeal process in Section 1.256.²

Given both the constitutional infirmity and the irreconcilable confusion created by the patchwork of various hearing and appeal procedures, the proposed ordinance simplifies the process as follows:

- (a) The taxi administrator remains authorized to issue orders denying, revoking, suspending, or terminating any permit or franchise.
- (b) Anyone aggrieved by a decision of the taxi administrator or by the issuance of any administrative citation is afforded the right of a hearing under Section 15256.
- (c) The ordinance proposes to have all hearings be conducted by an independent third-party hearing officer.
- (d) All hearings on administrative citations whose total fine or penalty is less than \$2,000 are to be adjudicated by a non-judicial hearing officer. It is proposed that SunLine hire a non-judicial hearing officer who will be available to hear these matters as necessary.
- (e) Administrative hearings on citations whose fine or penalty exceed \$2,000 and on all suspensions and revocations of drivers' permits or franchises are proposed to be heard by either a retired judge or an administrative law judge with the California State Office of Administrative Law Judges.
- (f) The decision on all hearings is final, but may be challenged through the administrative writ process contained in Code of Civil Procedure section 1094.5.

Section 1.257 is proposed to be deleted as it would no longer be necessary.

10. **Establishment of Infraction Penalties.** Currently, Section 1.259 allows the taxi administrator to determine whether a violation of the Ordinance constitutes a misdemeanor or an infraction. This process has been called into question because it allows an administrator to determine whether and to what extent a person alleged to

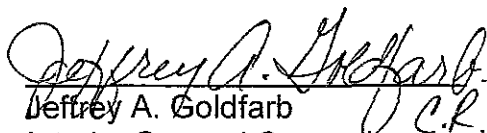
² The overlap is caused because Section 1.256 relates to appeals from Section 1.110. Section 1.110 relates to the revocation, suspension and termination of not just permits, but franchises as well. It is therefore impossible to determine under the existing ordinance which appeals regarding franchise agreements are intended to be resolved through Section 1.256 and which appeals are intended to be resolved pursuant to Section 1.257.

have committed a crime would be permitted a jury trial.³ The ordinance proposes to eliminate the discretion to consider a misdemeanor violation to be an infraction. I believe that this authority is unnecessary, in any event, because SunLine has adopted the civil citation process which allows it to impose a civil penalty in an amount which would otherwise be equivalent to the infraction fine. As a result, issuing a criminal infraction would no longer appear necessary.

11. **Enforcement of Airport Regulations.** Currently, Section 1.260 directs SSG to enforce the rules adopted by the Palm Springs Regional Airport Authority. I question whether the law authorizes SSG to delegate its rule-making authority to the Palm Springs Regional Airport. SSG may well lack the legal authority to enforce the rules adopted by another governmental entity (in this case, the Airport), particularly on property over which SunLine lacks the jurisdiction to engage in rule-making. If the Board desires to enforce rules on Airport property, an appropriate mechanism can be devised to do so. The Board is asked to indicate whether such a mechanism is desired.

II. CONCLUSION

The proposed revisions are an attempt to create for the Board a more effective and enforceable regulatory system. The Interim General Counsel's office asks staff and the Board, who have substantially more experience in the actual operation of the SunLine franchise program, to evaluate the proposed changes and to feel free to accept, reject, or modify these changes in any way it sees would be more appropriate.


Jeffrey A. Goldfarb
Interim General Counsel

³ Persons charged with infractions are not entitled to a jury, while persons charged with a misdemeanor are.

SunLine Services Group

DATE: March 28, 2012 **INFORMATION**
TO: Taxi Committee
Board of Directors
FROM: Taxi Administrator
RE: Status of Apparent Violations Review

Background

At the February 2012 Board of Directors Meeting, Staff recommended ten additional non-temporary permits for American Cab.

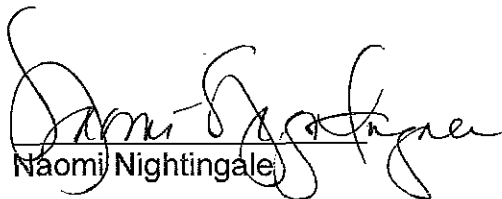
The Board of Directors continued that item subject to the results of the evaluation of potential violations of the California Vehicle Code standards relating to maximum safe driving hours for taxi operators. Staff provided the Board copies of the letters that were sent out to the Franchises regarding apparent violations in this area.

Staff received a response from two of the Franchises, American Cab and Yellow Cab of the Desert. American Cab's response was returned as inadequate as it provided little by the way of additional analysis corrective actions. Yellow Cab of The Desert's response provided evidence of a more substantive analysis and corrective action. Airport Taxi had not responded as of the date of this report.

Staff has sent each of the Franchises notice regarding the deficits in their corrective action efforts. We are working to increase the safety of the passengers in this key area.

This problem is not unique to the Coachella Valley. SunLine Staff is working with the Franchises to introduce more detailed reporting and provide for the introduction of additional technological solutions to this problem.

In conducting our analysis, Staff has identified areas in the Ordinance that are in need of clarification. Staff is working with current Legal Counsel to remedy these regulatory deficits.


Naomi Nightingale

ORDINANCE NO. 2010-01

**AN ORDINANCE OF SUNLINE SERVICES GROUP
SUPERSEDING ORDINANCE 96-2, 99-1, 99-2, 00-2, 01-01, 07-03, AND 09-01**

WHEREAS, Government Code section 53075.5 requires every city and county to protect the public health, safety and welfare by adopting an ordinance concerning the provision of taxicab services, to provide a policy for entry into the business of providing taxicab services, to establish or require registration of rates for the provision of such services and for such other matters as determined by the legislative body; and,

WHEREAS, the County of Riverside and the Coachella Valley cities comprising the joint powers agency known as SunLine Service Group ("SSG") desire to provide for the orderly, efficient, and safe operation of taxicab services within the Coachella Valley; and,

WHEREAS, an implementation agreement has been entered into by the County of Riverside and those Coachella Valley cities whose signatures appear on that agreement, authorizing SSG to regulate taxicab transportation services within the jurisdictional boundaries of SSG; and,

WHEREAS, Government Code section 53069.4(a)(1) permits the legislative body of a local agency to make any violation of any ordinance enacted by the local agency subject to administrative fine or penalty; and,

WHEREAS, the powers provided under Government Code section 36091 which permit a city legislative body to impose fines, penalties and forfeitures for violations of its ordinances have, by joint powers agreement, been assigned to SSG as provided under Government Code section 6500, et seq.; and,

WHEREAS, SSG desires to reduce the administrative and legal costs associated with enforcement of ordinances adopted for the purpose of taxicab regulation within the jurisdiction of SSG;

WHEREAS, the Board of Directors of SSG implemented a study commissioned to make recommendations to improve taxicab transportation services which included implementation of a recommendation to award Franchise Agreements as a way to improve taxicab services and to better regulate the service providers; and,

WHEREAS, the existing Ordinance must be amended to ensure consistency between the Ordinance and the Franchise system and to effectuate regulation of the Franchise system in accordance with the decision to implement the study.

NOW, THEREFORE, the Board of Directors of SSG DOES ORDAIN AS FOLLOWS:

Deleted: a03/15/12
Deleted: a02/25/12

PART 1: That SSG hereby adopts this Ordinance regulating taxicabs within the jurisdiction of SSG, superseding and replacing Ordinance 96-2, 99-1, 99-2, 00-2, 01-01, 07-03, and 09-01.

This Ordinance shall include the following sections:

Section

- 1.010 Definitions
- 1.015 Delivery of Notices or Requests
- 1.020 Hotel Limousine — Exemption
- 1.030 Franchise Agreement — Required
- 1.050 Franchise — Insurance Required
- 1.060 Franchise — Color Scheme
- 1.065 Advertisements
- 1.070 Vehicle Inspection
- 1.080 Franchise — Minimum Requirements
- 1.090 Franchise Fee
- 1.091 Taxicab Vehicle Permits
- 1.092 Transfer and Surrender of Vehicle Permits
- 1.095 Driver Permit — Required
- 1.100 Permits — Authority
- 1.110 Permits and Franchises - Denial, Revocation, Suspension or Termination
- 1.120 Appeal From License Denial Due to Criminal Conviction 1.125 Unauthorized
Taxicab Services Prohibited
- 1.130 Rules, Regulations and Fees
- 1.140 Use of Toplight
- 1.150 Information Display
- 1.160 Identification Display
- 1.170 Route — Number of Passengers
- 1.180 Taximeter — Accuracy
- 1.190 Taximeter — Use
- 1.200 Taximeter — Misuse
- 1.210 Receipt for Fare
- 1.220 Street Stands
- 1.225 Exclusive Arrangements Between Franchises and Venues Concerning Taxicab
Trips Prohibited
- 1.230 Operation by Other Than Franchisee
- 1.240 Rates
- 1.245 Surcharges
- 1.250 Enforcement
- 1.255 Penalties
- 1.256 Administrative Hearings - In General
- 1.257 Administrative Hearings - Suspension or Termination of Franchise Agreement
- 1.258 Appeal to Committee of Board of Directors
- 1.259 Criminal Enforcement and Penalties
- 1.260 Airports

Deleted: a03/15/12
Deleted: a02/25/12

- 1.270 Severability
- 2.010 Scope
- 2.020 Definitions
- 2.030 Rule, Regulations & Fees
- 2.035 Mandatory Controlled Substance and Alcohol Testing Program
- 2.040 Tests Required
- 2.050 When Testing Required 2.060 Prohibited Conduct
- 2.070 Testing Procedures
- 2.080 Penalties
- 2.090 Rights of Appeal
- 2.100 Severability
- 3.010 Applicability
- 3.020 Enforcement Officer - Defined 3.030 Regulation - Defined
- 3.040 Administrative Citation 3.050 Amount of Fines
- 3.060 Payment of the Fine 3.070 Hearing Request
- 3.080 Advance Deposit Hardship Waiver
- 3.120 Late Payment Charges
- 3.130 Recovery of Administrative Citation Fines and Costs
- 3.140 Administrative Regulations

SECTION ONE

TAXI FRANCHISE ORDINANCE

Section 1.010 Definitions

As used in this Section:

- A. "Base Rate" means the minimum charge to a customer regardless of time or mileage, being that rate which is programmed to show in the Taximeter when first activated.
- B. "Board" or "Board of Directors" means the board of directors of SunLine Services Group.
- C. "Chauffeured Limousine" means a motor vehicle used for the transportation of passengers for hire along public streets, not over a defined route, but a route under the control of the person hiring such a vehicle. A Chauffeured Limousine shall not bear any distinguishing insignia or monogram or toplights, and shall operate and be dispatched from a fixed location, and shall be hired by contract on a minimum hourly basis, or a fixed point-to-point basis only.
- D. "Control Person" means any natural person, corporation, partnership, limited liability company, joint venture, association, trust or other organization, whether or not a legal entity, holding a controlling interest in a Franchise to provide Taxicab services and the lawful successors, transferees, or assignees of any such natural person, corporation,

Deleted: a03/15/12

Deleted: a02/25/12

partnership, limited liability company, joint venture, association, trust or other organization.

E. “Control” or “controlling interest” means control in whatever manner exercised, including, without limitation, control through ownership, management, debt instruments, or negative control, as the case may be, of the Franchisee or related taxicab service or company. A rebuttable presumption of the existence of control or a controlling interest shall arise from the beneficial ownership, directly or indirectly, by any natural person, corporation, partnership, limited liability company, joint venture, association, trust or other organization, whether or not a legal entity, or any group of such persons or entities acting in concert, of 25 percent or more of any class or series of equity securities, whether or not voting, of any natural person, corporation, partnership, limited liability company, joint venture, association, trust or other organization, whether or not a legal entity, or being a party to a management contract or similar agreement to manage the Franchisee or related taxicab service or company, or any material portion thereof.

Deleted: D

F. “Days” means calendar days, except where otherwise referred to in this Ordinance. “Business days” means any days that the administrative offices of SSG are open for business. Any act required by the Ordinance of SSG which is due on a day which is not a business day shall be due on the next business day.

Deleted: E

G. “Driver” means an individual natural person who drives or is allowed to drive a Taxicab under the name of a Franchisee. This includes, but is not limited to: full time, regularly employed Drivers; casual, intermittent or occasional Drivers; leased Drivers and independent, Owner-operator contractors who are either directly employed by or under lease to a Franchisee or who operate a Taxicab at the direction of or with the consent of a Franchisee.

Deleted: F

H. “Driver Permit” means a permit issued by SSG authorizing a Driver to drive a Taxicab within the jurisdiction of SSG.

Deleted: G

I. “Employment” includes self-employment as an independent Driver within the meaning of Government Code section 53075.5.

Deleted: H

J. “Franchisee” means any person, firm, association, corporation, partnership or other entity that is granted a Franchise by the Board pursuant to the Ordinance of SSG and has entered into a duly executed Franchise Agreement with SSG.

Deleted: I

K. “Hourly Rate” means the charge made to a Taxicab passenger based on Taximeter calibration in instances in which the speed of the vehicle causes

Deleted: a03/15/12

Deleted: a02/25/12

the Taximeter to switch from a Rate per Mile charge to a rate based on passenger time use of the vehicle.

J. "Jurisdiction of SSG" means the area within the jurisdictional boundaries of the cities of Desert Hot Springs, Palm Springs, Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio, Coachella and the unincorporated area of Riverside County that is within the territorial boundaries of the Palm Springs and Desert Sands Unified School Districts and that portion of the Coachella Valley Unified School District located within Riverside County.

Deleted: J

M. "Owner" means the person or entity identified as the Owner of a Taxicab on the Certificate of Title issued by the California Department of Motor Vehicles (DMV).

Deleted: K

N. "Person" means natural persons, corporations, partnerships, limited liability companies, joint ventures, associations, trusts or other organizations, whether or not legal entities

O. "Rate per Mile" or "Mileage Rate" means the charge made to a Taxicab passenger calculated and based on distance traveled by the Taxicab vehicle.

Deleted: L

P. "Street" means any place commonly used for the purpose of public travel.

Deleted: M

Q. "Street Stand" means a portion of a street designated by a member city or the county within which the stand is located for the use, while awaiting employment, of any Taxicab, except for locations at which a stand is located within the boundaries of any airport.

Deleted: N

Deleted: .

R. "SunLine Regulatory Administration" or "SRA" means the division of SunLine Services Group charged with the duties, obligations and responsibilities of SunLine Services Group to implement and enforce the Ordinance of SSG, any related ordinance and any regulations promulgated pursuant thereto as directed by the board of SSG and the Taxicab Administrator. Unless otherwise specifically specified herein, references to "SSG" refer to and include SRA.

Deleted: O

S. "Surcharge" means the Fee imposed by SSG to recover the costs of regulating Taxicabs and which is charged each time that a Taxicab is initially engaged for hire by a passenger.

Deleted: P

T. "Taxicab" means every automobile or motor-propelled vehicle, designed for carrying not more than eight persons, excluding the Driver, where the driver's seat may be separated from the passenger's compartment by a glass or other partition, used for the transportation of passengers for hire over the public streets in the jurisdiction of SSG, and not over a defined route, irrespective of whether the operations extend beyond the boundary

Deleted: Q

Deleted: a03/15/12

Deleted: a02/25/12

limits of the member entities of SunLine, in circumstances where the vehicle is routed under the direction of the passenger or of the person hiring same.

U. "Taxicab Administrator" means the General Manager of SSG or his/her designee. "Assistant Taxicab Administrator(s)" shall be those persons authorized by the Taxicab Administrator to perform or assist in the performance of the functions and powers of the Taxicab Administrator under the provisions of the Ordinance of SSG.

Deleted: R

V. "Taximeter" means a device that automatically calculates, at a predetermined rate or rates, and indicates the charge for hire of a vehicle, for distance traveled and waiting time.

Deleted: S

W. "Toplight" means an illuminated sign, permanently affixed to the top of a Taxicab, which, bears the name of the Franchise on both the front and back and when illuminated, clearly indicates whether or not the Taxicab is vacant and available for hire.

Deleted: T

X. "Vehicle Inspection Sticker" means the numbered sticker affixed to the lower left rear of the windshield of each Taxicab vehicle authorized to operate in the jurisdiction of SSG.

Deleted: U

Y. "Vehicle Permit" means both the vehicle inspection sticker and the authority from SSG for a Taxicab vehicle to operate in the jurisdiction of SSG.

Deleted: V

Section 1.015 Delivery of Notices or Requests

A. All notices or requests referred to in the Ordinance of SSG which are due to SRA shall be delivered to the Administrative Office of SunLine Regulatory Administration. ~~All notices or requests referred to in the Ordinance of SSG to any individual or Franchisee shall be delivered to the address of record for the individual or Franchisee.~~

Deleted:

B. The address of record for a Franchisee shall be the address listed on the Franchise Agreement. ~~Franchisees shall give notice in writing to SRA of any change in their business address, and delivery of notices or requests to the address provided by the Franchisee shall be presumed received by the Franchisee.~~

Deleted:

C. Delivery of any notice or request under the Ordinance of SSG shall be effective as follows:

1. Immediately if given by personal delivery;
2. One day after delivery if delivered by an overnight delivery service; and,

Deleted: a03/15/12

Deleted: a02/25/12

3. Three days after delivery if delivered by U.S. Mail.

Section 1.020 Hotel Limousine - Exemption

“Hotel Limousine” means a motor vehicle owned and operated exclusively by hotel. A “Hotel” is defined as any building or group of buildings or a portion thereof containing five (5) or more guest rooms used by five (5) or more guests for compensation. A Hotel Limousine is used for the sole purpose of providing transportation for hotel guests. Hotel Limousines are exempt from the regulation of the Ordinance of SSG when operated in accordance with this section.

Section 1.030 Franchise Agreement - Required

- A. It is unlawful for any Person to operate, cause to be operated, to advertise or otherwise hold themselves out to the public in any fashion as a Franchisee without having first entered into a Franchise Agreement with SSG. Subject to the limitations of the Ordinance of SSG, the Board may, and is empowered to, grant to any qualified Person, a nonexclusive Franchise to operate Taxicabs within the jurisdiction of SSG. Such Franchise shall be evidenced by a duly executed Franchise Agreement between the Franchisee and SSG. These Franchise Agreements may contain contractual provisions that are supplementary to and/or more restrictive than the provisions contained in the Ordinance of SSG. It is a violation of this Ordinance to operate a Franchise which is not in compliance with the terms and conditions of the Franchise Agreement. Franchisees will be required to provide a list of the Vehicle Identification Numbers (“VIN”) of the Taxicabs (“vehicle identification list”) which have passed the vehicle safety inspection required by the Ordinance of SSG and amendments thereto.
- B. The Franchisee shall maintain with SSG a current list of all Drivers authorized to operate any vehicle on the required vehicle identification list. The Franchisee shall verbally report any additions or deletions to its list of Drivers to SSG within 24 hours of such addition or deletion.
- C. Franchisees are required to ensure that all Drivers operating a Taxicab listed on the required vehicle identification list are familiar with the provisions of the Ordinance of SSG as amended from time to time, with the Franchise Agreement as amended from time to time, and with all regulations adopted by SSG from time to time. Franchisees shall promptly notify their Drivers of any changes in the provisions of the above documents and direct their drivers to implement the same.
- D. Regardless of whether there is an employment or other direct relationship between the Franchisee and the Driver, Franchisees shall ensure that all Drivers authorized to operate a Taxicab vehicle listed on the vehicle identification list comply with the provisions of the Ordinance of SSG as

Deleted: p

Deleted: p

Deleted: , firm, association, corporation, partnership or other entity,

Deleted: Ordinance of SSG and regulations adopted

Deleted: to implement it

Deleted: a03/15/12

Deleted: a02/25/12

amended from time to time, the Franchise Agreement as amended from time to time, all requirements of state law, and with all regulations adopted to implement the Ordinance of SSG. The Franchisee shall not knowingly (or with reason to know) permit any Driver who is not in compliance with the provisions of the Ordinance of SSG as amended from time to time, the Franchise Agreement as amended from time to time, and all requirements of state law to operate any Taxicab listed on the vehicle identification list. This includes without limitation, the Driver operating hours requirements of Section 6.11 of the SunLine Services Group's Taxicab Regulations.

- E. In the event that any Driver listed on the authorized driver list on file with SSG has violated any provision of section 1.110, the Franchisee shall revoke all authority for the Driver to operate any vehicle on the vehicle identification list immediately upon written notification by the Taxicab Administrator of the suspension or revocation of the Driver's Driver Permit. The Franchise may be temporarily suspended by the Taxicab Administrator in the event that a Franchisee fails to comply with this section and administrative penalties may be imposed in accordance with section 1.255.
- F. The Franchisee shall comply with all requirements concerning the mandatory controlled substances and alcohol testing program as set forth in the Ordinance of SSG.
- G. No Franchisee shall allow a person to drive a Taxicab using the Franchise's name unless that person has a valid Driver Permit issued by SSG which states that the Driver is affiliated with the Franchise.
- H. The term of the franchise shall be five (5) years. The term may be extended an additional one (1) year after each of the initial five years of the franchise up to a total of ten (10) years at the sole discretion of the SSG, subject to the provisions below. All franchises sunset after ten (10) years and are thereafter void. All Franchises granted pursuant to the Ordinance of SSG shall be nonexclusive and shall be subject to the terms and conditions specified in the Ordinance of SSG and any additional terms contained in a Franchise Agreement between the Franchisee and SSG. 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 may prescribe, and may be denied in SSG's sole and absolute discretion. 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 and shall result in immediate termination of the Franchise Agreement.

Deleted: All Franchise Agreements sunset after ten (10) years and are thereafter void. All agreements must be renewed after the ten (10) year expiration

Deleted: a03/15/12

Deleted: a02/25/12

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

Section 1.050 Franchise – Insurance Required

- A. Before any Franchise Agreement is entered into between a Franchisee and SSG, the Franchisee shall procure and maintain, at its cost, comprehensive general liability and property damage insurance, against all claims for injuries against persons or damages to property which may arise from or in connection with the operation of Taxicabs by the Franchisee, its agents, representatives, employees, Franchisees, or subcontractors and the Owner of the vehicle. The Franchisee shall also carry Workers' Compensation Insurance in accordance with California Labor Code section 3700 or any other provision of the State of California Workers' Compensation laws.
- B. The policies shall contain or be endorsed to contain the following provisions:
1. General Liability and Automotive Liability Coverage.
 - a. SSG, its member entities, their officers, officials, employees, and volunteers are to be covered as insureds for liability related to:
 - (i) Activities performed by or on behalf of the Franchisee;
 - (ii) Premises owned, occupied, or used by the Franchisee, and;
 - (iii) Automobiles owned or leased by the Franchisee.
 - b. The coverage shall contain no special limitations on the scope of protection afforded to SSG, its member entities, their officers, officials, employees, agents, representatives, or volunteers.
 - c. The Franchisee's insurance coverage shall be primary insurance as respects SSG, its member entities, their officers, officials, employees, agents, representatives, and volunteers. Any insurance or self-insurance maintained by SSG, its member entities, their officers, officials, employees, agents, representatives, or volunteers shall be in excess of the Franchisee's insurance and shall not contribute with it.
 - d. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to SSG, its

Deleted: a03/15/12

Deleted: a02/25/12

member entities, their officers, officials, employees, and agents.

- e. Franchisee's insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer's liability.

2. All Coverage:

- a. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to SSG.
- b. Franchisee shall furnish SSG with a certificate of insurance and any applicable endorsements affecting the coverage required hereunder. The policies and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. At SSG's option, endorsements and any certificates of insurance required by SSG shall be on forms provided or approved by SSG. All endorsements and certificates are to be received and approved by SSG prior to the operation of any Taxicab by the Franchisee in the jurisdiction of SSG. SSG reserves the right to require complete, certified copies of all insurance policies, including endorsements affecting the coverage required by the Ordinance of SSG, at any time and shall include, but not be limited to, the obligation to indemnify, hold harmless, release and defend SSG.
- c. Franchisee shall include all individual Drivers employed, retained by or subcontracted by Franchisee, agents, contractors, other sub operators ("sub-operators") as may be permitted by SSG, as insureds under its policies or shall furnish separate certificates and endorsements for each sub-operator. All coverage for such sub-operators shall be subject to all of the requirements stated herein.
- d. The procuring of such insurance or the delivery of endorsements and certificates evidencing the same shall not be construed as a limitation of the Franchisee's obligation to indemnify, hold harmless, release and defend SSG, its member entities, their officers, officials, employees, agents, representatives, and volunteers from and against any and all liability, claims, suits, costs, expenses, fines, judgments,

Deleted: a03/15/12

Deleted: a02/25/12

settlements, charges or penalties whatever, including reasonable attorneys fees, regardless of the merit or outcome of the same arising out of, or in any manner connected with, any or all of the operations or services authorized, conducted or permitted under a nonexclusive Franchise Agreement.

e. The amount of insurance required hereunder shall be as follows:

(i) For injury or death in any one accident or occurrence, _____ (\$____,000,000);

Deleted: one million dollars

Deleted: 1

(ii) For the injury or destruction of property in any one accident or occurrence, _____ million dollars (\$____,000,000);

Deleted: one

Deleted: 1

(iii) For combined single limits of liability for primary bodily injury and primary property damage, _____ million dollars (\$____,000,000);

Deleted: one

Deleted: 1

(iv) For Workers' Compensation Insurance, with the limits established and required by the State of California;

(v) For employer's liability, with limits of _____ million dollars (\$____,000,000).

Deleted: one

Deleted: 1

f. It shall be the responsibility of all Franchisees to provide and maintain insurance coverage in compliance with the provisions of the Ordinance of SSG to cover each and every Driver that operates a vehicle as a Taxicab. The Franchisee shall further ensure that appropriate certificates of insurance reflecting coverage are on file with SRA at all times.

Deleted: the

3. Sufficiency of Insurer:

Insurance required by this Section shall be satisfactory only if issued by companies having at least a A- Best Insurance Rating or equivalent and are admitted to do business in California. All applicants for the licensing of any Taxicab vehicle or for a Franchise are required to comply with this section prior to the issuance of any license or Franchise.

Deleted: B

Deleted: 7

4. Penalties

Franchisees are responsible to ensure compliance with all of the foregoing insurance requirements and regulatory provisions related to such

Deleted: a03/15/12

Deleted: a02/25/12

requirements. Responsibility on the part of the Franchisee includes ensuring that any vehicle Owner whose vehicle is operated under the Franchisee's name maintains insurance and provides SRA with proof of same at all times that each vehicle is operated. Failure to comply with the foregoing insurance requirements and/or regulations shall result in a summary suspension of the Vehicle Permit for any affected vehicle which will be presumed unfit and read as out of service. Failures to comply with the foregoing insurance requirements which affect the Franchise as a whole shall result in immediate summary suspension of the Franchise. Failure to comply with the foregoing insurance requirements three times within a calendar year constitutes grounds for termination of the Franchise.

Section 1.060 Franchise – Color Scheme

- A. All Taxicabs operating under a Franchise shall be of distinctive appearance such as is in common usage in this country for Taxicabs and shall have a standard monogram, insignia, or logo which is permanently affixed to each vehicle and clearly indicates that the vehicle is offered for the use of transportation of passengers for hire.
- B. No Franchise shall be granted to any ~~Person whose name, monogram, logo or insignia to be used on its Taxicabs is in conflict with, or imitates, any monogram, name, logo or insignia used by another Franchise within the jurisdiction of SSG in such a manner as to be misleading to, or which would tend to deceive or defraud the public.~~
- C. No Franchise shall be entitled to utilize the name or telephone number of any previously operating Franchise unless the assuming Franchisee has paid all fines, permit and Franchise Fees, surcharges, administrative penalties due to SSG from the previous Franchisee and otherwise complied with the requirements for issuance of a Franchise under the Ordinance of SSG. In any case where an administrative or other form of proceeding is pending against the previous Franchisee, no transfer of the name shall occur unless and until SRA is provided with adequate monetary assurance of payment of any anticipated monetary penalty. Assurance may be in the form of a bond or undertaking.

Deleted: p

Deleted: or entity

Section 1.065 Advertisements

- A. Definition. For purposes of this Ordinance, "advertisement" means the dissemination in any newspaper, circular, form letter, brochure, business card, telephone directory (including the yellow and/or white pages) or similar publication, display, sign, radio broadcast, telecast or by other electronic means, information designed to promote the use of a Franchisee's services.

Deleted: a03/15/12

Deleted: a02/25/12

B. No Franchisee, Driver or any other Person shall place or cause to be placed any advertisement which:

Deleted: p
Deleted: or entity

1. is misleading to, or would tend to deceive or defraud the public;
2. uses a name(s) other than the name(s) registered with SSG for which a valid Franchise has been issued without first obtaining written consent of SSG; or
3. uses a name, monogram, logo or insignia which is in conflict with or imitates any monogram, logo or insignia used by any other Person operating in the jurisdiction of SSG.

Deleted: granted

Deleted: p
Deleted: or Franchisee

C. All advertising placed or caused to be placed by a Franchisee or Driver, including all business cards, shall display the Franchisee's predominant business telephone number.

D. Due to the nature, frequency and duration of violations that may occur under this section, the Board of SSG hereby provides for imposition of specific penalties for violations of this section or of any regulation adopted to implement it. The penalties to be imposed as provided hereunder are in addition to any other remedy available to SSG under sections 1.110, 1.250, 1.255, 1.256, 1.257 or 1.259 of the Ordinance of SSG and are as follows:

1. A penalty in the amount of \$1,000 is hereby imposed for the first violation of this section.
2. A penalty in the amount of \$1,000 is hereby imposed and the Franchise may be suspended for a period of up to 30 days for a second violation of this section.
3. A penalty in the amount of \$1,000 is hereby imposed and the Franchise may be terminated for a third violation of this section.
4. The Taxicab Administrator, in his or her discretion, may reduce any penalty imposed by this section for a violation of this section.

E. No Franchise shall be entitled to utilize the name or telephone number of any unlicensed entity, whether listed in the white pages or advertised in the Yellow pages of the telephone directory.

Section 1.070 Vehicle Inspection

A. Prior to obtaining a Franchise, an applicant for a Franchise shall first present each vehicle to be used as a Taxicab to SSG for a vehicle safety and cosmetic inspection. SSG shall establish and publish vehicle safety inspection and cosmetic standards and procedures as a part of the

Deleted: a03/15/12
Deleted: a02/25/12

regulations adopted in order to implement this Ordinance. Any vehicle(s) that a Franchisee proposes to add to its Franchise shall also be presented to SSG for successful completion of a vehicle safety and cosmetic inspection prior to operation as a Taxicab. The Taxicab Administrator shall maintain a list which reflects the VIN of each vehicle that successfully completes the vehicle safety inspection. A record of the VIN of each vehicle that fails the vehicle safety inspection shall be also be maintained by SSG.

- B. Prior to the commencement of any vehicle safety and cosmetic inspection, the Franchisee shall pay a vehicle safety Inspection Fee in an amount to be determined by resolution of the Board of Directors.
- C. Time for Vehicle Inspections: In addition to the initial vehicle safety and cosmetic inspection, each vehicle shall be required to pass additional inspections at the following times:
 - 1. Every six (6) months, beginning six (6) months from the date the vehicle is first licensed as a Taxicab;
 - 2. After every incident resulting in cosmetic or greater damages as referred to in Section G of this Ordinance; and,
 - 3. At any time upon written request by the Taxi Administrator.
- D. Failure to present a vehicle for inspection under this Ordinance within three (3) days of the date upon which a written request under Section 1.070 C(3) is delivered or within three days after inspection is due under Section 1.070 C(1) or C(2) shall result in issuance of a penalty in accordance with Section 1.255. Further failure to present a vehicle for inspection under this Ordinance within ten (10) days of the date upon which a written request is delivered or inspection is due shall result in the vehicle being declared presumed unfit to operate as a Taxicab, an administrative citation shall be issued to that effect, and the vehicle shall be read out of service.
- E. Vehicles shall be permitted one (1) re-inspection upon the failure of any inspection. Any vehicle that fails a re-inspection shall be presumed to be unfit to operate as a Taxicab, shall be issued an administrative citation to that effect and shall be read out of service.
- F. The Franchisee may appeal the presumption of unfitness by written request for an informal review by the Taxicab Administrator. The decision of the Taxicab Administrator shall be final. Any person aggrieved by the Taxicab Administrator's decision under this section may obtain review of the administrative decision in accordance with the timelines and provisions of Government Code section 53069.4 and/or Code of Civil Procedure section 1094.5, et seq.

Deleted: a03/15/12
Deleted: a02/25/12

G. It is unlawful to operate a Taxicab vehicle in an unsafe operating condition, including but not limited to a condition that violates the vehicle safety inspection standards of SSG. All Franchisees are responsible to ensure that their vehicles are maintained in a safe operating condition at all times that they are in service. An incident that results in any cosmetic or greater damage shall be reported to SRA no later than the business day following the date of the damage for SRA's inspection of the vehicle. For purposes of this section "cosmetic damage" means damage to the interior or exterior of the vehicle that does not necessarily affect the safe operation of the vehicle. "Greater damage" means all mechanical damage as well as all damage that may affect the safe or reliable operation of the vehicle. SRA shall inspect the vehicle to determine if the vehicle's may be operated pending repair of the damage.

Deleted: appearance is such that it

Section 1.080 Franchise – Minimum Requirements

A. Any Person wishing to apply for the issuance of a Franchise shall truthfully and fully complete a Proposal for Providing Franchise Taxicab Services in the form prescribed by SunLine and provide all supporting documentation for evaluation by SRA.

Deleted: p

Deleted: , firm or entity

B. The following minimum requirements apply to the issuance and maintenance of a Franchise. The Taxicab Administrator is authorized to adopt rules and regulations to implement the requirements which shall become effective upon review and approval by the Board of SSG:

1. Each Franchisee shall maintain and provide a year-round computerized dispatch system capable of providing performance reports as required by SRA;

Deleted: .

2. Each applicant for a Franchise shall maintain in service a number of vehicles no less than 75% nor more than 125% of the allocation of non-temporary taxicab permits under its Franchise Agreement. The Franchisee shall continue to maintain ownership of the minimum number of vehicles as a condition to the continued validity of any Franchise. [DO WE CARE IF THEY "OWN" THE CABS? IT IS MY UNDERSTANDING THAT MOST OF THE FRANCHISEE'S ACTUALLY LEASE THE CABS THEY ARE OPERATING] The minimum number of vehicles established by this section may be revised by SRA without amendment to this Ordinance;

Deleted:

3. Each Franchisee shall have a principal place of business from which it conducts its activities as a Franchisee, including the dispatch of Taxicabs required under section 1) above, and related activities. This requirement shall not be interpreted to require that all activities of a Franchisee be conducted from a single location.

Deleted: a03/15/12

Deleted: a02/25/12

A Franchisee may have other locations, in addition to its principal place of business, where it conducts repair and maintenance, storage of vehicles or similar activities, so long as each activity conducted by the Franchisee, is conducted from a location properly zoned for that activity by the local jurisdiction;

Deleted:

Deleted: as provided in subdivision (4) below

4. The principal place of business and each other location from which a Franchisee conducts Taxicab activities, shall be located within the jurisdiction of SSG;
5. Each individual or entity holding any interest in the use of the Franchise name or otherwise participating in the Franchise system is required to truthfully complete a Proposal for Providing Franchise Taxicab Services, successfully complete a local and Department of Justice criminal background check and provide such information as is required to evaluate the legitimacy of the Franchisee's business structure, qualifications, corporate stability, financial stability and capability, and;
6. Each applicant for a Franchise shall have a registered fictitious business name with the County of Riverside to do business under the name stated in the application proposal. For Taxicab registration purposes the fictitious business name registration must be renewed at least once every five (5) years.
7. Each applicant for a Franchise shall provide SRA with a business plan and implementation scheduled for acquisition of newer Taxicab vehicles, newer Taxicab technologies including, but not limited to computerized dispatch and GPS tracking of Taxicab vehicles, for electronic processing of credit cards, and for the acquisition of at least two (2) wheelchair-accessible vehicles that meet federal standards.
8. Each applicant for a Franchise shall truthfully supply information requested by SRA as to the Franchisee's experience in the Taxicab business, financial stability, quality of service, past number of trips per vehicle, and the anticipated ability to meet and maintain performance standards. SRA shall consider and evaluate such criteria in determining whether a Franchise should be issued, whether conditions should be imposed upon the Franchise and to determine the identity and number of vehicles to be initially operated under the Franchise, among others. A Franchise may be terminated or suspended by SRA if the Franchisee fails to meet and maintain any conditions imposed by SRA. Each applicant must also furnish all information required of an applicant by the most current RFP prepared by SRA.

Deleted: C

Deleted: a03/15/12

Deleted: a02/25/12

9. A Franchise applicant may appeal the imposition of any conditions imposed by the Taxicab Administrator to the Appeal Committee as provided under section 1.258 G. and H.

10. Additional requirements may be imposed pursuant to the Franchise Agreement.

C. All Franchisees shall be required to certify to SRA's satisfaction at least every year that no less than an average of eight (8) dispatched and non-dispatched trips per day per each non-temporary taxicab permitted vehicle per year are generated as provided for in the Franchise Agreement. Franchisees shall be responsible to maintain sufficient records to accurately verify the number of trips per vehicle at the request of SRA. SRA shall reduce the number of Vehicle Permits licensed to the Franchisee if the eight (8) trip minimum is not maintained. If a Franchisee is required to reduce the number of permitted vehicles, it shall be required to remove vehicles over five (5) model years of age first in the case of standard vehicles and over seven (7) model years of age in the case of approved alternative fueled vehicles, using the Environment Protection Agency's definition of an alternative fueled vehicle. SRA may terminate the Franchise Agreement if the number of licensed vehicles is reduced below the minimum number required by Section 1.080 B. 2).

Deleted: six (6) months

Deleted: by each vehicle licensed under the Franchise Agreement

D. Franchisees shall at all times maintain accurate and complete accounts of all revenues and income arising out of its Taxicab operations, a list of vehicles in use, a list of all Drivers of the Franchise, any complaints by patrons and any other information SRA may require to verify compliance with the Franchise Agreement and the Ordinance of SSG. The Franchisee's books, accounts and records pertaining to compliance with the Ordinance of SSG and the conditions of the Franchise Agreement shall at all reasonable times be open to inspection, examination and audit by the authorized officers, employees and agents of SSG. The refusal of a Franchisee to provide the required records for inspection shall be deemed a violation of the Ordinance of SSG and cause for termination of the Franchise Agreement. Any proprietary data provided to SSG shall be maintained confidential to the extent permitted by law.

Section 1.090 Franchise Fee

At the time a Franchise proposal is received, the proposer shall pay the Franchise Fee as established by resolution of the Board of Directors. Franchise Fees shall be due and payable in a manner and at a time established by the Board. The Board may establish a procedure for payment of the Franchise Fee in installments.

Deleted: a03/15/12

Deleted: a02/25/12

Section 1.090.5 Sale or Transfer of Assets, Interest or Membership in Franchisee or Transfer of Control of Franchisee

Unless prohibited by law, neither the franchise nor any rights or obligations of the Franchisee or any Control Person in or pursuant to the franchise, shall be transferred in part or as a whole, by assignment, trust, mortgage, lease, sublease, pledge or other hypothecation, and shall not be sold, transferred, leased, assigned, or disposed of in part or as a whole, either by forced sale, stock sale, asset sale, merger, consolidation, reorganization or otherwise, nor shall title thereto, either legal or equitable, or any right or interest therein, pass to or vest in any natural person, corporation, partnership, limited liability company, joint venture, association, trust or other organization, whether or not a legal entity, nor shall a transfer of control of or a "Controlling Interest" (as defined in Section 1.010) in the Franchisee or any "Control Person" (also as defined in Section 1.010) or the taxicab services occur, either by act of the Company, any Control Person, by operation of law or otherwise, in each case without the prior written consent of the Board, which consent shall be expressed by resolution and then only under conditions as may be therein prescribed. No Franchisee or Control Person shall enter into any management contract or other arrangement for the management of the Franchisee or Control Person, or sell or otherwise transfer any Controlling Interest in a Franchisee or any Control Person, or any material portion thereof, with or without the franchise, without the prior written consent of the Board. Any natural person, corporation, partnership, limited liability company, joint venture, association, trust or other organization, whether or not a legal entity, proposing any of the above acts shall theretofore submit an application to SRA containing all information required of an applicant seeking the initial award of a franchise. SRA shall review the application under the same procedures used for initial issuance of a Franchise.

Formatted: Font: Not Bold

Section 1.091 Taxicab Vehicle Permits

- A. It is unlawful for any Taxicab vehicle to operate in the jurisdiction of SSG without a properly issued SSG Vehicle Inspection Sticker affixed to the vehicle. Vehicle Inspection Stickers may be issued only to vehicles operating under a duly executed Franchise Agreement between the Franchisee and SSG. It is also unlawful to operate more vehicles than the total number of non-temporary taxicab permits and temporary taxicab permits issued to the Franchisee.

Section 1.092 Transfer and Surrender of Vehicle Permits

- A. Vehicle Permits may be transferred between Franchisees by the Owner listed as the registered Owner of the vehicle on file with SSG provided that the following conditions are satisfied:

Deleted: a03/13/12

Deleted: a02/25/12

1. The Franchisee to which the vehicle is to be transferred and the Owner of the vehicle request its transfer of SSG;
2. The vehicle is presented to SSG for a Taximeter reading to distinguish its operations under the former Franchise from those under the Franchise to which the vehicle will be transferred;
3. The vehicle meets all standards and qualifications of SSG for operation as a Taxicab vehicle in the jurisdiction of SSG;
4. Transfer of the vehicle will not cause the Franchisee to exceed the maximum number of vehicles authorized by SSG, and;
5. Payment is made to SSG of a Vehicle Permit Transfer Fee to cover the administrative costs of such transfer, The Board of Directors may establish by resolution the amount of any Vehicle Permit Transfer Fee.

B. Any vehicle that has been taken out of service and which continues to bear a toplight and the Taxicab signage required by section 1.160 of the Ordinance of SSG shall display SRA issued "Out of Service" signs as provided by regulation. The toplight and Taxicab signage required by section 1.160 of the Ordinance of SSG shall be removed from the exterior of any vehicle that has been permanently taken out of service within 15 days of the date the vehicle was taken out of service.

Deleted: ,

C. If a vehicle is permanently taken out of service with a balance due to SSG of the Vehicle Permit Fee for the year (July 1 to June 30), such Fee shall become immediately due and payable except in cases in which the vehicle is taken out of service due to damage or mechanical failure and is replaced by another vehicle within 30 days. SSG shall pursue collection of the Vehicle Permit Fee from either the Franchisee and/or the Owner of the vehicle.

D. If a Franchise is suspended or terminated, Vehicle Permits listed under the Franchise shall be suspended until the vehicle(s) are transferred to another existing Franchise. Owners of all vehicles with a suspended Vehicle Permit shall present vehicles to SSG for out of service Taximeter readings immediately upon suspension or termination of a Franchise or expiration, suspension or termination of the Vehicle Inspection Sticker. The Owner of the vehicle shall have 30 days to register the vehicle with an existing Franchise. If the Owner fails to register the vehicle within such 30 day period, the vehicle shall be presented to SSG for removal of the Vehicle Inspection Sticker (if such sticker has not already been surrendered) and the balance of the Vehicle Permit Fee owing to SSG for the vehicle shall be immediately due and payable. SSG shall pursue collection of the Vehicle Permit Fee from either the Franchisee or the Owner of the vehicle

Deleted: ,

Deleted: a03/15/12

Deleted: a02/25/12

and no Vehicle Inspection Sticker shall be issued to the vehicle regardless of its ownership until the Vehicle Permit Fee owing to SSG shall have been paid.

Section 1.095 Driver Permit – Required

- A. It is unlawful for any person to drive a Taxicab without having first obtained a Driver Permit. A Driver Permit may be obtained from SSG as provided below. The Driver Permit shall state the Driver's name, California Driver's License number, date of issuance and the name of the Franchisee with whom the Driver is employed within the meaning of Government Code section 53075.5. If the Franchisee and the Driver are the same person, he or she shall apply for and obtain from SSG both a Driver Permit and enter into a valid Franchise Agreement with SSG.
- B. An applicant for a Driver Permit shall complete an application form which shall contain the following information:
1. Applicant's full name, residence address, and age;
 2. Applicant's last two previous residence addresses;
 3. A listing of all equivalent permits which have been issued to the applicant by any governmental agency;
 4. Applicant's height, weight, gender, and color of eyes and hair;
 5. The number and expiration date of the applicant's California Driver's License;
 6. All moving violations within the last 3 years, including dates of violations and the jurisdiction where each violation occurred;
 7. All criminal convictions, including dates of conviction and the court where the conviction was rendered;
 8. Authorization for SSG, or its agents or employees to seek information and conduct an investigation into the truth of the statements set forth in the application and the qualifications of the applicant.
 9. The name of the Franchisee with whom the applicant is employed or who has given the applicant an offer of employment within the meaning of Government Code section 53075.5.
- C. At the time the applicant submits an application for a Driver Permit, the applicant shall do all of the following:

Deleted: a03/15/12
Deleted: a02/25/12

1. Provide SSG with an original current Department of Motor Vehicles ("DMV") print-out ("1-1-6") reflecting the past 10 year driving record of the applicant if applicable. If the applicant has been licensed as a Driver in the State of California for less than 10 years, he or she shall provide original verified driving records from other jurisdiction(s) sufficient to reflect any convictions listed under section 1.110 hereof for the 10 year period prior to filing the application.
 2. Be fingerprinted by SSG and provide SSG with two current 2" X 2" passport sized photographs of the applicant;
 3. Submit to pre-permit/employment controlled substances testing as set forth in the Ordinance of SSG at a collection site certified to perform controlled substance testing pursuant to Part 40 (commencing with Section 40.1) of Title 49 of the Code of Federal Regulations in or near the jurisdiction of SSG.
 4. Pay the Driver Permit Fee as established by resolution of the Board of Directors to cover the administrative costs incurred by SSG in processing the application as required by this section. No Driver Permit application shall be processed without the payment of such Fee, and;
 5. Submit the employment verification form which states the name of the Franchise with whom the applicant is employed or who has given the applicant an offer of employment within the meaning of Government Code section 53075.5. The employment verification form will be supplied to the Franchisee by SSG.
 6. Successfully pass a Driver test certifying familiarity with the Coachella Valley area, the provisions of the Ordinance of SSG and Regulations adopted to implement it and sufficient proficiency in the English language.
- D. A copy of the application for a Driver Permit along with the DMV H-6 form or corresponding out of state driving record shall be used to conduct a local criminal background check in the event a Department of Justice background check is not received within 7 working days. The applicant's application shall be denied in the event that the check discloses conviction of an offense enumerated in Section 1.110. In the event a local background check is conducted pending the Department of Justice report, a temporary permit will be issued if the local check of the Applicant fails to disclose a conviction enumerated in section 1.110.

Deleted: a03/15/12

Deleted: a02/25/12

- E. In the event of denial of a Driver Permit, the applicant may, within 10 days of notification of denial, apply to the SSG for a hearing on the denial in accordance with the procedures set forth in section 1.256.
- F. The applicant's fingerprints shall also be referred to the California Department of Justice electronically for a general criminal background check. If the results of a general criminal background check indicate that the applicant has been convicted of any criminal charge enumerated in section 1.110, the Taxicab Administrator shall immediately revoke any Driver Permit previously issued to the applicant.
- G. In the event that drug testing of the applicant indicates the applicant's use of a controlled substance as defined by the Ordinance of SSG, the application shall be denied. The applicant may, within 10 days of notification of denial based on controlled substances testing results, apply to the Taxicab Administrator for a hearing and reconsideration of the application in accordance with the procedures set forth in the Ordinance of SSG and SSG rules and regulations concerning controlled substances and alcohol testing.
- H. An applicant over the age of eighteen years holding a valid California Driver's License is entitled to a Driver Permit provided that the following conditions are satisfied:
 - 1. The Department of Justice background check of the applicant fails to disclose a conviction enumerated in section 1.110;
 - 2. The applicant tests negative for controlled substances as provided in the Ordinance of SSG;
 - 3. The applicant successfully completes the driver certification requirements established by the Taxicab Administrator as authorized in section 1.096, and;
 - 4. The applicant is either employed by a Franchise or has been given an offer of employment from a Franchise within the meaning of Government Code section 53075.5.
 - 5. The Franchisee provides sufficient proof that the Driver is and will continue to be covered for all Taxicab operations by the insurance required under section 1.050 of the Ordinance of SSG.
 - 6. The Driver provides a copy of a valid California Driver's License. Drivers shall provide SSG with a copy of any replacement California Driver's License immediately upon its issuance. Drivers shall provide SSG with a copy of any renewal of their California Driver's License prior to expiration of the old license.

Deleted: a03/15/12
Deleted: a02/25/12

- I. The Driver Permit shall be valid for a period of one (1) year or until suspended, revoked or surrendered. Termination of the Driver's California Driver's License shall constitute grounds for revocation of the Driver Permit authorized hereunder.
- J. Termination of Employment. Upon termination of employment within the meaning of Government Code section 53075.5 or upon termination of permission by the Franchisee to drive a Taxicab using the Franchisee's name, the Driver Permit shall become void. In such case, the Driver shall immediately return the Driver Permit to SSG. Upon return of the Driver Permit, the Driver may re-apply for a Driver Permit, provided that the Driver complies with the requirements for issuance of a Driver Permit under this section 1.095.
- K. Permit Renewal. Prior to the expiration of a Driver Permit, the Driver may apply to SSG for a renewal thereof for an additional year. A Driver shall be entitled to a one year renewal of the Driver Permit provided that:
 - 1. The Driver pays the Permit Renewal Fee;
 - 2. The Driver submits to permit-renewal controlled substances and alcohol testing as set forth in the Ordinance of SSG;
 - 3. The results of such testing indicate that the Driver has not been using a controlled substance as defined by the Ordinance of SSG;
 - 4. The results of such testing indicate that the Driver has a breath concentration of less than 0.02 percent on an alcohol screening test, and;
 - 5. The Driver has not been convicted of any of the crimes, including but not limited to, those crimes enumerated in section 1.110 during the preceding year.

The rights of appeal provided for by section 1.120 are available to a Driver in the event that renewal of his or her Driver Permit is denied based on the provisions of this section. However, where the renewal of the Driver Permit is denied based on a controlled substances and/or alcohol test result, the rights of appeal provided for by the Ordinance of SSG shall be applicable.

Section 1.100 Permits – Authority

- A. 1. Board Authority:
 - a. The exclusive authority to determine the number of allocable non-temporary taxicab permits.

Formatted: Underline

Formatted: Indent: Left: 1.5"

Deleted: a03/15/12

Deleted: a02/25/12

b. The exclusive authority to allocate non-temporary taxicab permits

c. The exclusive authority to grant or deny any application or request for additional non-temporary taxicab permits.

2. Taxicab Administrator or designee.

a. The power to grant, or deny any application or request for a temporary taxicab permit.

b. Subject to the appeal rights contained in this Ordinance, the power to suspend or revoke any or all of the permits and/or approvals required by or authorized by the Ordinance of SSG when, in the exercise of reasonable discretion, he or she has determined that the applicant has or has not complied with all the provisions of the Ordinance of SSG relating to the granting of permits.

c. To issue any warning letter provided for in this Ordinance unless this Ordinance otherwise provides.

Formatted: Indent: Left: 1"

Deleted: The Taxicab Administrator and Assistant Taxicab Administrator(s) shall have

Deleted: t

Deleted: ,

Section 1.110 Permits and Franchises – Denial, Revocation, Suspension or Termination

A. In addition to any other reason provided for in this Ordinance, a Permit or Franchise may be denied, suspended or revoked when it has been determined that the Applicant, Permittee or Franchisee:

(i) Has not complied with the applicable provisions of this Ordinance;
or

(ii) Has failed to cure any item listed in a sixty day warning for failure to comply with any requirements of the Franchise Agreement issued by the Taxicab Administrator or designee; or

(iii) Has been issued three (3) sixty day warnings of failure to comply with any requirements of the Franchise Agreement within a period of twelve months; or,

(iv) Has knowingly made a false statement of fact in an application for such permit or in a Proposal for Providing Franchise Taxicab Services; or;

(v) Has charged rates other than those which the Permittee and/or Franchisee has on file with SSG; or;

Deleted: The Taxicab Administrator (or designee) ma

Deleted: y

Deleted: and is hereby authorized to serve as the hearing officer to conduct such hearings as deemed necessary within his or her sole discretion and to

Deleted: y

Deleted: revoke

Deleted: any of the permits or suspend or terminate any Franchise mentioned in the Ordinance of SSG when the

Deleted: e

Deleted: of SSG,

Deleted: ;

Deleted: o

Deleted: a03/15/12

Deleted: a02/25/12

- (vi) Has violated any of the rules and regulations of the Board of Directors or the Taxicab Administrator pertaining to the operation of Taxicabs; or
 - (vii) Has engaged in conduct or verbally threatens to engage in conduct which is dangerous or violent such that the safety of the traveling public, SSG employees or agents, Taxicab Drivers or Franchisees, or other persons, is implicated; or
 - (viii) Has engaged in argumentative or discourteous conduct toward the public, a passenger, other Taxicab Drivers or Franchisees or other persons while on call to provide Taxicab service or in the course of providing such service; or
 - (ix) Has engaged in conduct under any circumstances which, in the Taxicab Administrator's judgment, raises substantial justification to call for a hearing; or
 - (x) Has been convicted of any of the following crimes within the time frames set forth below, whether committed in the State of California or elsewhere. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.
 - a. Any conviction regardless of the time elapsed, in any state, of any of the following or their equivalent:
 - (1) any crime which requires the applicant to register as a sex offender under California Penal Code §290, or any felony involving actual or threatened violence against persons, including, but not limited to, assault, battery, robbery or the use of a firearm or other weapon against a person.
 - b. Any conviction (felony or misdemeanor) within the past 7 years of any crime involving theft or dishonesty, including, but not limited to, burglary, theft, shoplifting or other crime related to fraud or intentional dishonesty.
 - c. Any conviction (felony or misdemeanor) within the past 7 years of any crime involving the sale, possession or transportation of narcotics or other controlled substances.
 - d. Any conviction (misdemeanor or felony) within the past 3 years of any crime involving pandering or prostitution,
- B. In addition to the crimes listed above, no Driver Permit shall be granted to an applicant who has been convicted of three (3) or more

Deleted: ,
Deleted: ;

Deleted: ,
Deleted: ,

Deleted: A
Formatted: Indent: Left: 1.5"
Deleted: (2)
Deleted: misdemeanor
Formatted: Not Highlight
Deleted: listed in section (vii)(a)2. above, and any conviction (felony or misdemeanor)
Deleted: b. . Any misdemeanor conviction within the past 7 years of any crime listed in section (vii)(a)2. above, and any conviction (felony or misdemeanor) involving theft or dishonesty, including, but not limited to, burglary, theft, shoplifting or other crime related to fraud or intentional dishonesty.¶ c
Formatted: Highlight
Deleted: d
Deleted: B.
Deleted: Crimes which are substantially related to the qualifications, functions, or duties of a Franchisee and Driver include, but are not limited to, the following: reckless driving; wet reckless driving; murder; rape; vehicular manslaughter; a violation of California Vehicle Code sections 20001, 20002, or 20003 or any corresponding substitute sections; robbery; a violation of California Penal Code section 314 or any corresponding substitute section; pandering; crimes related to the use, sale, possession, or transportation of narcotics or intoxicating liquors; assault; battery; or indecent exposure.¶
Deleted: C
Deleted: p
Deleted: who
Deleted: a03/15/12
Deleted: a02/25/12

moving violations within three years previous to submission of the application. Any permit previously granted shall be revoked for any Permittee who has been convicted of three (3) or more moving violations within three years. In the case of a conviction or plea of nolo contendere as to a violation related to driving under the influence of alcohol or drugs, an applicant shall not be disqualified if the conviction or plea is ten (10) years or more in age and no similar violation appears on the applicant's driving record for the intervening ten (10) year period.

Deleted:

C. In addition to the foregoing, a Driver Permit may be suspended, revoked or denied in the event that:

Deleted: D

- (i) A Driver is involved in an accident due to a medical condition that prevents the Driver from safely operating a vehicle, or;
- (ii) A medical condition that prevents a Driver from safely operating a vehicle otherwise comes to SSG's attention. Any Driver whose permit has been suspended, revoked or denied due to a prohibitive medical condition as described above, shall be entitled to a license upon certification by a medical doctor that the condition is correctable, has been corrected and will continue to be corrected.

(iii) In addition to the above, any Driver Permit may be suspended or revoked for any crime which is substantially related to the qualifications, functions, or duties of a Driver which includes, but are not limited to, the following: reckless driving; wet reckless driving; murder; rape; vehicular manslaughter; a violation of California Vehicle Code sections 20001, 20002, or 20003 or any corresponding substitute sections; robbery; a violation of California Penal Code section 314 or any corresponding substitute section; pandering; crimes related to the use, sale, possession, or transportation of narcotics or intoxicating liquors; assault; battery; or indecent exposure.

(iv.) In addition to the above, any Driver Permit may also be suspended for and during the period that the payment of any citation remains outstanding after all appeal periods have been exhausted.

E. From the time of the revocation or suspension of a Driver Permit granted under the provisions of the Ordinance of SSG, it is unlawful for any person whose Driver's Permit has been suspended or revoked to operate or drive a Taxicab within the jurisdiction of SSG until a new permit has been procured or the period of suspension has expired. It is also unlawful for any person to drive or operate within the jurisdiction of SSG any taxicab included a Franchisee's vehicle identification list of during the period that a Franchise has been revoked, terminated or suspended

Deleted: ¶

Deleted: termination or during the

Deleted: a Franchise or

Deleted: p

Deleted: or Franchise

Deleted: is

Deleted: ,

Deleted: terminated

Deleted: , respectively,

Deleted: ,

Deleted: a new Franchise has been awarded, or until

Deleted: on the permit or Franchise

Deleted: a03/15/12

Deleted: a02/25/12

F. In the event the Franchisee or Permittee appeals any denial, suspension, revocation or termination of a Franchise or Permit issued under this Ordinance, the appeal procedures of Section 1.256 shall apply. The Taxicab Administrator is authorized to adopt regulations establishing hearing procedures to implement these provisions, which shall become effective upon review and approval by the Board of SSG.

Deleted: Taxicab Administrator conducts a hearing as provided in Section 1.110 A.,

Deleted: ,

Section 1.120 Appeal from License Denial Due to Criminal Conviction

A. With the exception of the conviction of a crime which requires registration as a sex offender under California Penal Code section 290, in any case where a Driver Permit is denied due to a criminal conviction under section 1.110 of the Ordinance of SSG, the applicant shall be entitled to apply the Driver Permit application fee towards the appeal fee from such denial under 1.256. In the event that a Driver Permit is granted on such appeal, the applicant shall pay the Driver Permit fee in full prior to issuance of a license.

Deleted: (vii) A. or B.

B. In conducting an appeal to consider the issuance of a license denied due to a previous criminal conviction, the hearing officer shall consider the following criteria to determine if the applicant has demonstrated sufficient evidence of rehabilitation such that a permit should be issued.

- (i) The nature and severity of the offense(s).
- (ii) The total criminal record of the applicant.
- (iii) The extent of time that has elapsed since commission of the offense(s).
- (iv) Whether the applicant has complied with any or all terms of parole, probation, restitution or any other sanctions imposed against the applicant in connection with the offense.
- (v) Evidence of rehabilitation provided by the applicant.
- (vi) Evidence of expungement proceedings pursuant to Penal Code 1203.4.

C. The hearing officer may impose conditions or restrictions upon the issuance of a license under these provisions, as determined within the discretion of the hearing officer, to ensure the safety of the traveling public.

D. Nothing contained in this section should be construed to limit the admission and consideration of prior criminal history information in the event of a subsequent violation of the Ordinance of SSG by a Driver who is issued a license following a hearing as provided in this section.

Deleted: a03/15/12

Deleted: a02/23/12

- E. With respect to the conviction of a crime that requires the applicant to register as a sex offender under California Penal Code 290, the Board of Directors finds that the California Legislature has determined that registration is required due to the repeated nature of commission of such crimes by those who have been convicted in the past (*People v. Castellanos* (1999) 21 Cal. 4th 785) and that the rehabilitation criteria set forth in sections A. (i) through A. (vi) above do not apply to such convictions. The Board further finds that crimes which trigger registration under Penal Code 290 are particularly related to the disqualification of an individual to qualify for a Taxicab Driver's Permit under the Ordinance of SSG and that no permit should be issued to such individuals.

Section 1.125 Unauthorized Taxicab Services Prohibited

- A. No person shall knowingly dispatch a vehicle or respond to a request for a ATaxi,@ Acab@ or ATaxicab@ for pick-up within the jurisdiction of SunLine Services Group unless the responding vehicle has a valid Taxicab Vehicle Permit, the Driver of such vehicle has a valid Taxicab Driver Permit, and the Taxicab is operated pursuant to a Franchise awarded by SunLine Services Group.
- B. No vehicle shall be designated as a ATaxi@ or ATaxicab@ in any sign or advertising matter within the jurisdiction of SunLine Services Group unless the vehicle has a valid Taxicab Vehicle Permit, the Driver of such vehicle has a valid Taxicab Driver Permit, and the Taxicab is operated pursuant to a franchise awarded by SmiLine Services Group.
- C. No person who drives or operates a Taxicab within the jurisdiction of SunLine Services Group shall publish, advertise or broadcast in any manner, written or oral, a telephone number either by itself or connected to a rotary or call forwarding system for Taxicab service, which is the same telephone number as that for other Taxicabs or vehicles for hire.
- D. No person who drives or operates a Taxicab within the jurisdiction of SunLine Services Group shall use a name that imitates a name used by another person or Franchise who drives or operates a Taxicab in such a manner as to be misleading or tend to confuse or defraud the public.
- E. The Taxicab Administrator or his/her designee, following a hearing, or if the use of the taxicab by Franchisee constitutes an immediate threat to the health of safety of the public prior to a hearing provided a post impoundment hearing is held soon thereafter, is authorized to impound and retain possession of any vehicle used in violation of the Ordinance of SSG until such time as the provisions of Government Code section 53075.9, as it may be amended from time to time, are satisfied.

Deleted:

Deleted: a03/15/12

Deleted: a02/25/12

- F. Any person operating or dispatching a vehicle in violation of this section is subject to citation.
- G. In addition to any other penalties provided by the Ordinance of SSG, following a hearing pursuant to Section 1.256, if a violation of this Ordinance of SSG is found, fines may be imposed as follows:
 1. \$5,000.00 for each violation; and,
 2. An amount sufficient to cover the reasonable expense of investigation incurred by SSG.

Section 1.130 Rules, Regulations and Fees

- A. The Taxicab Administrator shall promulgate regulations to implement the Ordinance of SSG, which shall become effective upon review and approval by the Board of SSG.
- B. The Board of Directors shall have the authority to adopt a schedule of fees to be charged to any applicant, permittee or prospective permittee in connection with activities of SSG under the Ordinance of SSG.

Section 1.140 Use of Toplight

- A. Each Taxicab shall have permanently affixed to the top of the Taxicab an operable Toplight. The lights of the Toplight shall be connected to the Taximeter so that the Toplight clearly indicates when the Taximeter is in operation.

Section 1.150 Information Display

- A. Every Taxicab shall display an information card in full view of the passenger compartment. The information card, which shall be approved by the Taxicab Administrator, shall bear the Owner's name or the corporate or fictitious name under which the Owner operates, the business address and telephone number of the Owner, the Franchisees name or the fictitious name under which the Franchise operates, the business address and telephone number of the Franchisee, and the rates, including any surcharges, to be charged for the vehicle.
- B. In addition to the information card, every Taxicab shall display a rate card in full view of all passengers. The rate card shall state all of the following: a) the maximum hourly, base, per mile or other rate set by SSG; and, b) the hourly rate, the rate per mile and the Base Rate or other rate charged by the Franchisee.
- C. The information contained in both the information and rate cards shall be printed in type not smaller than twelve (12) point.

Deleted: a03/15/12
Deleted: a02/25/12

Section 1.160 Identification Display

In addition to the posted rate, every Taxicab shall have conspicuously displayed, on both sides of the vehicle, the name of the Franchise, or the Corporate or fictitious name under which the Franchisee operates, the Franchisee's (or company's) telephone number, and the cab or vehicle number.

Section 1.170 Route – Number of Passengers

- A. Every Driver who is engaged to carry passengers shall take the most direct route possible that will carry the passengers safely and expeditiously to their destinations, -unless otherwise directed by a passenger. A Driver shall not refuse a dispatch call or other request for Taxicab service unless the Driver has a legitimate fear for his or her safety or is otherwise engaged by a passenger.
- B. When a Taxicab is engaged, the person engaging the Taxicab shall have the exclusive right to the full and complete use of the passenger compartment, and it shall be unlawful for the Driver to solicit or carry additional passengers unless authorized by the person engaging the Taxicab.
- C. The Driver of a Taxicab may transport two or more passengers who voluntarily agree to share the vehicle from the same pickup point to one discharge point. A passenger who first engages a Taxicab has the exclusive right to conveyance therein to his/her desired destination and the Driver may not solicit additional passengers without the express permission of the first passenger.
- D. For the purposes of this subsection, the term "adult passengers" is defined as a person age thirteen (13) or older. The number of adult passengers which may be carried in a Taxicab shall be limited to the seating capacity of the vehicle as specified by the manufacturer. The number of passengers consisting of adults plus children (age twelve years or less) which may be carried in a Taxicab shall be limited to adult seating capacity of the vehicle as specified by the manufacturer plus one. No person shall be carried in a Taxicab who is required to share in any way the seating space occupied by another, nor shall any person be carried who is required to occupy a space in or on the Taxicab which is not a seat.
- E. In no event shall the number of passengers carried interfere with compliance with, and the Franchisee and the Driver shall comply with, Vehicle Code Sections 27315 and 27360 and any subsequently enacted state law concerning the use of seat belts and child passenger seat restraints.

Deleted: a03/15/12

Deleted: a02/25/12

Section 1.180 Taximeter – Accuracy

- A. It shall be the duty of every Franchisee to at all times keep the Taximeter registered with SSG for use in each vehicle accurate. Only one Taximeter shall be used in each vehicle and it shall be permanently affixed and calibrated solely to the rate posted on the exterior of the vehicle and registered with SSG. It shall be certified as to its accuracy for operation in the vehicle in which it is registered by the County of Riverside in accordance with County requirements and a certificate to that effect shall be kept available for inspection in the Taxicab. The Taximeter shall be subject to inspection from time to time, by SRA, by any peace officer or any employee of the Riverside County Department of Weights and Measures. SRA is authorized, in its discretion, or upon information received from any peace officer, or upon the complaint of any person, to investigate the Taximeter and to remove or cause to be removed from the streets of the jurisdiction of SSG, any Taxicab upon discovery of a faulty or inaccurate Taximeter, until the Taximeter has been correctly adjusted and evidence of its accuracy has been presented to the Taxicab Administrator.
- B. It is unlawful to install a Taximeter into a vehicle other than the vehicle to which it is registered with SSG without complying with the following:
1. Presentation of the Taximeter for a final out of service reading concurrent with its removal from the previous vehicle;
 2. Calibration and certification of the Taximeter for use in the vehicle to which it is to be transferred;
 3. Registration with SSG of the Taximeter with the corresponding vehicle to which it is to be transferred;
 4. Presentation of the vehicle and Taximeter for an initial Taximeter reading prior to operation of the vehicle to which the Taximeter has been transferred.

Section 1.190 Taximeter – Use

All Taxicabs must base their charges on Taximeters. All Taximeters shall be placed so that the reading dial showing the amount to be charged is well lighted and readily discernable by the passenger(s) riding in the Taxicab. Nothing contained in this section shall be construed to prohibit a Taxicab from charging a discounted rate from that appearing on the Taximeter; however, the Taximeter must have been engaged during the entire trip up to the time of its conclusion.

Section 1.200 Taximeter – Misuse

- A. It is unlawful for any Driver, while carrying one or more passengers:

Deleted: a03/15/12

Deleted: a02/25/12

1. to fail to activate the Taximeter as if the Taxicab is not employed; or,
2. to fail to deactivate the Taximeter at the termination of each and every service; or,
3. to activate the Taximeter when the Taxicab is not either actually carrying one or more passengers, except that, the Driver may activate the Taximeter in the event that he or she has been engaged to carry baggage or run an errand.

B. It is unlawful for any Driver, upon initial engagement of a Taxicab for service by a passenger(s), to fail to activate the trip counter of the Taximeter so as to cause the Taximeter to register a Surcharge.

Section 1.210 Receipt for Fare

It is unlawful for the Driver, upon receiving full payment of a fare, to refuse to give a receipt upon the request of any passenger making the payment.

Section 1.220 Street Stands

- A. Each of the member cities and the county shall have the power of decision as to whether Street Stands may be located within its boundaries and if so, their location or locations. The following provisions shall apply to any Street Stand.
- B. Taxicabs may stand while awaiting employment at any properly approved Street Stand in accordance with the requirements of this Ordinance and such regulations as may be adopted by SSG. No more than three Taxicabs may be engaged in standing at a Street Stand at any one time. While at a Street Stand, a Taxicab shall not ordinarily have its engine running unless necessary to control the interior temperature of the Taxicab, and then only to the extent necessary.

Section 1.225 Exclusive Arrangements Between Franchises and Venues Concerning Taxicab Trips Prohibited

No Franchisee nor representative of a Franchisee, including any Driver or agent acting on behalf of a Franchisee, shall make arrangements in exchange for compensation for exclusive or preferential service rights with any venue, business establishment or public transportation facility within the jurisdiction of SSG which generates Taxicab transportation service trips. DOES THIS PREVENT TAXI COMPANIES FROM PARTICIPATING IN DIAL-A-RIDE PROGRAMS?

Deleted: a03/15/12
Deleted: a02/25/12

Section 1.230 Operation by Other Than Franchisee

No Taxicab operated under a Franchise shall be operated by anyone but an employee or independent contractor of a Franchisee duly licensed and permitted to drive a Taxicab.

Section 1.240 Rates

- A. The Board of Directors, by resolution, shall establish, and thereafter may modify, increase, or decrease, the maximum rates to be charged for the transportation of Taxicab passengers.
- B. No Taxicab operating in the jurisdiction of SSG may charge a rate in excess of any maximum rate established by SSG. Maximum rates may be adjusted annually by resolution of the Board of Directors.
- C. Franchisee may charge a rate that is less than the maximum rate set by SSG. Only one base, hourly, mileage or other rate may be charged by a Franchisee and, such rates shall be uniform for all vehicles operated under a Franchise regardless of the location of the trip origination or destination within the jurisdiction of SSG.
- D. Every Taxicab shall clearly display on the exterior of the vehicle the base rate, the rate charged per mile for its usage, the hourly rate and any additional rate charged by an airport or other jurisdiction.

Section 1.245 Surcharges

- A. "Surcharge" is hereby imposed by SSG to recover the costs of administration and enforcement of the Ordinance of SSG.
- B. When a Taxicab is initially engaged for service by a passenger or passengers a Surcharge shall be and hereby is imposed as a part of the fare of the vehicle in accordance with the regulations adopted pursuant to this Ordinance.
- C. No Taxicab shall be operated within the jurisdiction of SSG unless it is equipped with a Taximeter with a properly functioning trip counter that registers the total number of times that the Taxicab is initially engaged for hire. SSG shall provide a seal for each Taximeter to ensure against tampering with the trip counter. All Taxicabs must be presented to SSG for periodic Readings of the Taximeter trip counter for the purpose of determining the number of times that the Taxicab has been engaged for hire and the amount of Surcharge associated therewith. Surcharges shall be billed to the Franchisee.
- D. The Board of Directors, by resolution, shall establish, and thereafter may modify, increase, or decrease, the Surcharge to be charged for the

Deleted: ,

Deleted: a03/15/12

Deleted: a02/25/12

transportation of Taxicab passengers as needed to recover the costs of administration and enforcement of this Ordinance.

- E. At least annually, the Board of Directors shall review the amount of Surcharge to be charged for the transportation of Taxicab passengers for the purpose of modifying, increasing or decreasing the Surcharge needed to recover the costs of administration and enforcement of this Ordinance.
- F. In the event that a Franchisee fails to present all of the vehicles operated under the Franchise for periodic Readings to SSG, the Franchise shall be suspended and a penalty of \$50.00 per day per vehicle operated under the Franchise is hereby imposed. The Taxicab Administrator may, in his or her discretion, reduce the amount of any penalties imposed under this Section.
- G. In the event that Franchisee fails to pay all Surcharges within thirty (30) days after delivery of the bill, the Franchise shall be suspended and a penalty of \$50.00 per day per vehicle operated under the Franchise is hereby imposed. The Taxicab Administrator may, in his or her discretion, reduce the amount of any penalty imposed under this Section.

Section 1.250 Enforcement

- A. Any violation of one or more of the provisions of the Ordinance of SSG shall constitute a public nuisance that may be remedied by injunction.
- B. SSG shall be entitled to recover all attorney' fees and costs incurred in the filing or prosecution of any action brought to enforce the provisions of the Ordinance of SSG or the regulations promulgated pursuant thereto._

Section 1.255 Penalties

- A. Except as otherwise specifically provided in the Ordinance of SSG, a civil penalty of \$100.00 is hereby imposed for each separate violation of the Ordinance of SSG or of any regulation adopted to implement it on a per vehicle per day basis. If the violation is continuing in nature, the civil penalty shall be \$100.00 per vehicle per day for each day during which the violation continues.
- B. A civil penalty of \$1,000.00 is hereby imposed for the following:
 - 1. Failure to present any vehicle for the vehicle safety inspections required under section 1.070 on or before the date upon which the inspection is due.
 - 2. Tampering with any Riverside County Weights & Measures or SSG applied Taximeter seal;

Deleted: a03/15/12
Deleted: a02/25/12

3. Failing to present a vehicle to SSG for inspection of the Taximeter trip counter prior to taking the vehicle out of service in accordance with the regulations adopted pursuant to the Ordinance of SSG;
 4. Returning a vehicle to service without first presenting the vehicle to SSG for inspection of the Taximeter trip counter in accordance with the regulations adopted pursuant to the Ordinance of SSG.
 5. Any failure to comply with the provisions of Section 1.180 B. related to the transfer of Taximeters from one vehicle to another.
- C. The civil penalties provided for herein may be recovered in any action brought to enforce the Ordinance of SSG and the regulations adopted to implement it.
- D. The penalties provided under Section A. shall be increased to \$200.00 for a second violation of the Ordinance of SSG within a year and shall be increased to \$500.00 for a third violation of the Ordinance of SSG within a year. A violation of any provision of the Ordinance of SSG which provides for a \$1,000.00 penalty shall be counted as a violation to determine if any subsequent violation within a year is a second or third violation as provided under this subsection.

Section 1.256 Administrative Appeal Hearings – In General

Any person aggrieved by any determination under Section 1.110, Section 3.070, or any other provision of the Ordinance of SSG shall be entitled to appeal that decision as provided for herein.

- A. A request for hearing must be made within ten (10) days following delivery of notice of the decision which is challenged by delivering the request for hearing at the administrative offices of SSG together with:
- (i) An advance deposit of any fine or a notice of request for an Advance Hardship Waiver pursuant to Section 3.080; and,
 - (ii) Payment of an Appeal Fee as established by resolution of the Board of Directors.
- B. Upon satisfaction of the foregoing, SRA shall set a hearing within thirty (30) days of delivery of the request for hearing, or as soon thereafter as reasonably practical. The General Manager of SunLine shall appoint a hearing officer.

- (i) If the appeal is of: (1) a decision to deny, suspend, revoke or terminate a permit or franchise; or (2) a administrative fine or penalty imposed pursuant to an administrative citation in excess of \$2000, the hearing officer shall be either a retired judge or and

Deleted: .

Deleted: Administrative hearings conducted pursuant to

Deleted: conducted as follows:

Formatted: Indent: Left: 1"

Deleted: a03/15/12

Deleted: a02/25/12

administrative law judge with the California State office of Administrative law judges.

(ii) If the appeal is of a decision to impose a(n) administrative fine(s) or penalty(ies) pursuant to an administrative citation whose total is less than \$2000, the General Manager of SunLine shall refer the matter to the administrative hearing officer under contract with SunLine.

C. SSG shall notify the appealing party of the time and date for the hearing, which notice shall delivered at least fifteen (15) days prior to the hearing.

D. The hearing officer shall conduct an administrative hearing which allows SRA and the appealing party to be represented by an attorney, to present evidence related to the alleged violations, to cross examine witnesses who have testified, and to argue their positions. The administrative hearing shall be informal and technical rules of evidence, including but not limited to the hearsay rule, shall not apply. Oral testimony received at the hearing shall be taken only on oath, affirmation, or penalty of perjury. The right to cross-examine witnesses shall not preclude the introduction and consideration of written statements whether made under oath or not. The proceedings shall be recorded or otherwise preserved. It is the intent of SunLine Services Group that hearing officers allow wide latitude in introduction of evidence and the holdings and discussions concerning informality of hearings and relaxed rules of evidence set forth in *Mohilef v. Janovici* (1986) 56 Cal, App. 4th 310 apply to the fullest extent to all hearings conducted under this and any other Ordinance of SSG.

Deleted: The hearing officer shall be the Taxicab Administrator. In the event that the Taxicab Administrator is not available to serve, the General Manager of SSG shall serve as the hearing officer. In the event that neither the Taxicab Administrator nor the General Manager are available to serve, the hearing officer shall be selected from among the retired judges available to serve as administrative hearing officers through Inland Valley Arbitration and Mediation Services either by stipulation or by the then applicable rules of TVAMS.¶

Deleted: The appealing party may be represented by an attorney at the administrative hearing.

E. If the appealing party fails to appear, the hearing officer may conduct the hearing in the party's absence and/or may render a decision to dismiss the matter.

Deleted: unreasonably

Deleted: at the hearing in the judgment of the hearing officer.

F. After consideration of the evidence presented by all parties, the hearing officer shall render a written decision which sets forth a statement of the case, any relevant findings of fact to support the decision and administrative enforcement order. If the hearing officer finds one or more of the alleged violations has been committed, he or she may suspend, revoke, or terminate any permit or franchise and/or impose administrative monetary penalties in accordance with the limits set forth in the Ordinance of SSG. In determining whether to suspend or revoke any permit or franchise or to impose administrative monetary penalties, the hearing officer shall take into consideration the gravity of the violation, the entire record of the party requesting the hearing, and the harm threatened to the public by the violation.

Deleted: of the Ordinance adopted by SSG pertaining to Taxicabs, or the regulations adopted to implement such Ordinance,

Deleted: or

Deleted: .

Deleted: appealing

Deleted: involved

Deleted: appealing

Deleted: as applicable,

Deleted: a03/15/12

Deleted: a02/25/12

G. The decision of the hearing officer shall be final and the party requesting the hearing, shall be notified in writing of the decision of the hearing

officer. Such decision shall be delivered within fifteen (15) days from the date the hearing is concluded.

- H. Any review of a decision by the hearing officer brought pursuant to an administrative citation shall be governed by the provisions of Government Code section 53069.4. Review of any other final decision under this Ordinance shall be governed by Code of Civil Procedure section 1094.5, et seq.

Section 1.259 Criminal Enforcement and Penalties

- A. As an alternative to the provisions of the Ordinance of SSG authorizing enforcement and imposition of monetary penalties through civil actions or administrative proceedings, criminal enforcement may be pursued by SSG, at the discretion of the Taxicab Administrator.
- B. Violations of the Ordinance of SSG shall constitute a misdemeanor.
- C. RESERVED
- D. Every misdemeanor violation shall be punishable by a fine not exceeding one thousand dollars (\$1,000.00) or imprisonment not exceeding six months.
- E. Prosecution of a violation under this section shall not prevent SSG from pursuit of other appropriate civil or administrative remedies.

Section 1.260 Airports

- A. Nothing in this Ordinance shall prevent Palm Springs Regional Airport or any other publicly owned airport from regulation of Taxicab access or from charging access/permit fees,

Section 1.270 Severability

If any section, subsection, sentence, clause or phrase of the Ordinance of SSG is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance of SSG. The Board of Directors of SSG hereby declares that it would have passed this Ordinance, and each section, subsection, clause, sentence or phrase thereof, irrespective of the fact that any one or more other sections, subsections, clauses, sentences or phrases may be declared invalid or unconstitutional.

Deleted: Section 1.257. Administrative Hearings – Suspension or Termination of Franchise Agreement¶

Except in the case of automatic or summary action such as set forth in Sections 1.030(H), 1.050(B)(4) and 2.070(D), administrative hearings concerning a decision to suspend or terminate a Franchise Agreement shall be conducted as follows:¶

A. Enforcement pursuant to this section shall be initiated by written notice of a hearing regarding the suspension or termination of a Franchise Agreement, which shall include the following information:¶

(i) A list of the violation(s) of the Ordinance, Regulations or terms of the Franchise Agreement which subject the Franchisee to consideration for termination;¶

(ii) The date of the violations;¶
(iii) The section of the Ordinance, Regulation, or Franchise Agreement violated or any other issue which forms the basis for the hearing;¶

(iv) A general description of the grounds for bringing the question of termination of the Franchise to a hearing for decision; and,¶

(v) A description of the administrative hearing process.¶

B. SRA shall notify the Franchisee of the time and date for the hearing, ... [1]

Deleted: The Taxicab Administrator may, in his or her discretion, determine to prosecute a violation of the Ordinance of SSG as an infraction. In determining whether to prosecute a violation as a misdemeanor or an infraction, the Taxicab Administrator shall consider the gravity of the violation, the record of the Franchisee or Driver involved and ... [2]

Deleted: Every violation of the Ordinance of SSG determined to be an infraction is punishable by (1) a fine not exceeding one hundred dollars (\$100.00) for a first violation; (2) a fine not exceeding two hundred dollars (\$200.00) for a second violation of this Ordinance within one year; (3) a fine not exceeding five hundred dollars (\$500.00) for ... [3]

Deleted: determined to be a misdemeanor

Deleted: B. SSG hereby incorporates the Palm Springs Airport Taxicab rules and regulations as they now exist or are amended from time to time into this ordinance. Enforcement of the Palm Springs Airport Taxicab rules and regulations shall be effected by SSG in accordance with the provisions of sections 1.255 and 1.256 hereof.¶

Deleted: a03/15/12

Deleted: a02/25/12

SECTION TWO

DRUG AND ALCOHOL TESTING

Section 2.010 Scope

All applicants for a Driver Permit and all licensed Drivers shall submit to and comply with the Ordinance of SSG concerning controlled substances and alcohol testing. Franchisees are responsible for the compliance both of themselves and of their Drivers, officers, employees, and agents, consortia and/or contractors with the requirements of this program.

Section 2.020 Definitions

The definitions set forth in Section 1.010, as may be amended from time to time, are hereby incorporated by reference into this Ordinance. In addition, as used in this Section:

- A. "Alcohol" shall mean the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl or isopropyl alcohol.

- B. "Controlled substances" shall mean cocaine, opiates, amphetamines and phencyclidine and any and all other substances listed in Part 21 (commencing with section 1308.11) of Title 49 of the Code of Federal Regulations, as now enacted or as may be subsequently amended.

- C. "Refuse to Submit" (to a test authorized by the Ordinance of SSG) includes that the Driver (a) fails to keep an appointment to submit to controlled substances and/or alcohol testing as required by the Ordinance of SSG without a valid explanation; (b) fails to provide adequate breath for alcohol testing without a valid medical explanation after he or she has received notice of the requirement for breath testing in accordance with the provisions of the Ordinance of SSG; (c) fails to provide adequate urine for controlled substances testing without a valid medical explanation after he or she has received notice of the requirement for -urine testing in accordance with the provisions of the Ordinance of SSG; or (d) engages in conduct that clearly obstructs the testing process.

- D. "SunLine Supervisor" shall mean an SSG operations supervisor trained to detect whether or not reasonable suspicion exists to require a Driver to submit to controlled substances and/or alcohol testing as provided in the Ordinance of SSG.

Deleted: a03/15/12
Deleted: a02/25/12

Section 2.030 Rules, Regulations and Fees

- A. The Taxicab Administrator shall promulgate regulations to implement the Ordinance of SSG, which shall become effective upon review and approval by the Board of SSG.
- B. The Board of Directors shall have the authority to adopt a schedule of fees to be charged to any applicant, permittee or prospective permittee in connection with the activities of SSG under this Ordinance.

Section 2.035 Mandatory Controlled Substance and Alcohol Testing Program

Each Franchisee shall maintain a mandatory controlled substance and alcohol testing certification program conforming to Part 40 of Title 49 of the Code of Federal Regulations and the California Government Code section 53075.5, Each Franchisee shall maintain a written drug and alcohol policy meeting SSG requirements and proof that the Franchisee has implemented a drug and alcohol certification program covering all of its Drivers which meets all of the following requirements:

- A. A contract with a program administrator and authorized lab certified by the U.S. Department of Transportation;
- B. Procedures and components conforming to Part 40 of Title 49 of the Code of Federal Regulations for issuance of permits and permit renewal;
- C. Procedures and components conforming to Part 40 of Title 49 of the Code of Federal Regulations for rehabilitation, return-to-duty and follow up testing;
- D. Procedures and components for random testing following the U.S. Department of Transportation guidelines, and additional tests as required following accidents, rehabilitation, return-to-service, and other circumstances providing reasonable suspicion to test;
- E. Monthly reports of the random testing component shall be filed with SSG by the program administrator no later than the 20th day following the end of the previous monthly reporting period; and,
- F. The Franchisee's and the program administrator's records shall be made available to Taxicab Administrator upon request.

Section 2.040 Tests Required

All Drivers and all Driver applicants shall be required to submit to the following tests:

Deleted: a03/15/12
Deleted: a02/25/12

- A. Pre-Permit/Employment Testing. As a condition to the issuance of a Driver Permit, the Driver shall undergo testing for controlled substances. A Driver Permit will not be issued to an applicant unless the applicant tests negative for controlled substances. This section shall apply in those cases where a Driver re-applies for a new Driver Permit pursuant to section 1.095 J. of the Ordinance of SSG, except, the Driver shall also undergo testing for alcohol as provided in subdivision B. below.
- B. Permit Renewal Testing. As a condition to renewal of a Driver Permit, the Driver shall undergo testing for controlled substances and alcohol. A Driver Permit will not be renewed unless the Driver tests negative for controlled substances and alcohol. A negative test for alcohol means an alcohol screening test showing a breath alcohol concentration of less than 0.02 percent. No Franchisee shall allow a Driver to operate a Taxicab unless the Driver has received a controlled substances and alcohol test result indicating a verified negative result. A certified test in another jurisdiction submitted in support of an application to renew a permit by SSG shall be accepted as meeting the requirements of SSG if the Driver has not tested positive subsequent to a negative result.
- C. Random Testing. All Drivers shall be subject to random controlled substances and/or alcohol testing in accordance with SSG rules and regulations concerning random testing and Part 21 (commencing with section 40.1) of the Code of Federal Regulations, as now enacted or as may be subsequently amended. Random test shall mean a controlled substances and/or alcohol test performed on not more than 48 hours notice based upon the random selection of a Driver from among the pool of then currently licensed Drivers.
- D. Reasonable Suspicion Testing. Reasonable suspicion testing means a controlled substances and/or alcohol test performed when there is a good faith belief based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the Driver that indicate that the Driver is under the influence of controlled substances and/or alcohol or has violated one or more of the prohibitions contained in section 2.060 of the Ordinance of SSG. For purposes of this section, reasonable suspicion shall exist only after a SunLine Supervisor or Franchisee has considered the facts and/or evidence in the particular case and agrees that they constitute a finding of reasonable suspicion. After it has been confirmed in writing by the SunLine Supervisor or Franchisee, the facts and/or evidence upon which the reasonable suspicion is based shall be documented in writing. A copy of this shall be given to the Driver. In the event that reasonable suspicion testing is performed, the Driver Permit for the Driver so suspected shall be immediately suspended until the results are received and accepted by SSG.

Deleted: a03/15/L2

Deleted: a02/25/L2

Section 2.050 When Testing Required

In addition to requirements for controlled substances and/or alcohol testing as a condition for issuance and renewal of a Driver Permit under Section 1.095 and this Ordinance, all Drivers are subject to the following controlled substances and/or alcohol tests upon occurrence of the following events:

- A. Random Testing. All Drivers shall submit to a random controlled substances and/or alcohol test upon not more than 48 hours notice as provided by SunLine rules and regulations.
- B. Reasonable Suspicion Testing. Drivers shall immediately be subject to controlled substances and/or alcohol testing when there is a reasonable suspicion that the Driver is under the influence of controlled substances and/or alcohol or has violated one or more of the prohibitions contained in section 2.060 of the Ordinance of SSG.

Section 2.060 Prohibited Conduct

- A. No Driver shall operate a Taxicab while having an alcohol concentration of 0.02 percent or greater. No Franchisee having actual knowledge that a Driver has an alcohol concentration of 0.02 percent or greater shall permit the Driver to operate or continue to operate a Taxicab.
- B. No Driver shall operate a Taxicab while the Driver shall have in his or her possession on his or her person, any bottle, can, or other receptacle, containing any alcoholic beverage which has been opened, or a seal broken, or the contents of which have been partially removed. No Franchisee having actual knowledge that a Driver possesses an open container of alcohol on his or her person may permit the Driver to operate or continue to operate a Taxicab.
- C. No Driver shall consume alcohol while operating a Taxicab. No Franchisee having actual knowledge that a Driver is consuming alcohol while operating a Taxicab shall permit the Driver to operate or continue to operate a Taxicab.
- D. No Driver shall operate a Taxicab within four hours after using alcohol. No Franchisee having actual knowledge that a Driver has used alcohol within four hours shall permit a Driver to operate or continue to operate a Taxicab.
- E. No Driver shall refuse to submit to a controlled substances test and/or alcohol test authorized by the Ordinance of SSG. No Franchisee shall permit a Driver who refuses to submit to such tests to operate or continue to operate a Taxicab.

Deleted: a03/15/12
Deleted: a02/25/12

- F. No Driver shall operate a Taxicab when the Driver uses any controlled substances, except when the use is pursuant to the instructions of a physician who has advised the Driver in writing that the substances do not adversely affect the Driver's ability to safely operate a Taxicab. No Franchisee having actual knowledge that a Driver has used any controlled substances shall permit the Driver to operate or continue to operate a Taxicab, A Franchisee may require the Driver to notify the Franchisee of any therapeutic use.
- G. No Driver shall operate a Taxicab if the Driver tests positive for controlled substances after submitting to one of the test authorized by the Ordinance of SSG. No Franchisee having actual knowledge that a Driver has tested positive for controlled substances shall permit the Driver to operate or continue to operate a Taxicab.
- H. Any Franchisee having actual knowledge that a Driver has violated one or more of the above prohibitions shall immediately notify SSG of the violation.

Section 2.070 Testing Procedures

- A. Notice. Franchisee or its program administrator shall provide notice to all Drivers of the requirement that a Driver submit to a controlled substances and/or alcohol test as provided by this Ordinance in accordance with SSG rules and regulations concerning controlled substances and alcohol testing.
- B. Procedures. The Driver shall show a valid California driver's license at the time and place of testing. Procedures for the tests authorized by the Ordinance of SSG are set forth in SSG rules and regulations concerning controlled substances and alcohol testing and shall be conducted in accordance with the standards and procedures set forth in Part 40 (commencing with section 40.1) of Title 49 of the Code of Federal Regulations, as now enacted or subsequently amended.
- C. A Driver shall only be tested for alcohol pursuant to the Ordinance of SSG at such times as the Driver is driving a Taxicab, just before a Driver is scheduled to drive a Taxicab, or just after the Driver has ceased driving a Taxicab.
- D. Reporting of Test Results. In the case of self-employed independent driver within the meaning of Government Code section 53075.5, the test results shall be reported directly to SSG, who shall notify the Franchisee. In all other cases, the test results shall be reported to the Franchisee who has employed or made an offer of employment to the Driver within the meaning of Government Code section 53075.5. The Franchisee shall immediately notify SSG of the results. Failure of a Franchisee to notify SSG of the results of a positive controlled substances and/or alcohol test

Deleted: a03/15/12
Deleted: a02/25/12

shall result in the imposition of a monetary penalty in the amount of \$1,000.00 and suspension of the Franchise for a period of 30 days. The Taxicab Administrator may, in his/her discretion, reduce the amount of any penalty imposed under this section.

- E. Confidentiality of Test Results. Results of all tests provided for in this Ordinance are confidential and shall not be released without the written consent of the Driver, except as provided in this Ordinance or as otherwise provided by law.

Section 2.080 Penalties

- A. Drivers. Any applicant for a Driver Permit who tests positive for controlled substances shall be denied a Driver Permit. The Driver Permit of any licensed Driver who tests positive for controlled substances and/or alcohol on any permit renewal, random or reasonable suspicion test shall be revoked. Except as provided above, a Driver shall be subject to the same enforcement procedures and penalties set forth in Sections 1.250 through 1.259 as may be amended from time to time, for any violation of the Ordinance of SSG.
- B. Franchisees. In addition to the specific provisions of this Ordinance, any Franchisee who violates the Ordinance of SSG shall be subject to the same enforcement procedures and penalties set forth in Section 1.250 through 1.259 as may be amended from time to time.

Section 2.090 Rights of Appeal

- A. Where an applicant has been denied a Driver Permit on the basis of a positive test result for controlled substances and/or alcohol, the applicant may request a hearing and reconsideration of the denial in accordance with Section 1.256 of the Ordinance of SSG and the SSG rules and regulations, as they may be amended from time to time.
- B. Where a Driver's Driver Permit has been revoked on the basis of a positive test result for controlled substances and/or alcohol, the Driver may request a bearing and reconsideration of the denial in accordance with Section 1.256 of the Ordinance of SSG and the SSG rules and regulations, as they may be amended from time to time.

Section 2.100 Severability

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors of SSG hereby declares that it would have passed this Ordinance, and each section, subsection, clause, sentence or phrase thereof, irrespective of the fact that any one or more other sections,

Deleted: a03/15/12
Deleted: a02/25/12

subsections, clauses, sentences or phrases may be declared invalid or unconstitutional.

SECTION THREE

ADMINISTRATIVE CITATIONS

Section 3.010 Applicability

- A. This Section provides for administrative citations which are in addition to all other legal remedies, criminal or civil, which may be pursued by the SSG to address any violation of the Ordinance adopted by SSG for the purpose of regulating Taxicabs and regulations adopted to implement them.
- B. Use of this Section shall be at the sole discretion of the Taxicab Administrator of SSG or his/her designee.

Section 3.020 Enforcement Officer – Defined

For purposes of the Section, “enforcement officer” shall mean the Taxicab Administrator, any Assistant Taxicab Administrator, SSG employee or agent of SSG designated by the Taxicab Administrator with the authority to enforce any provision of the Ordinance of SSG and regulations pertaining to the regulation of Taxicabs in the jurisdiction of SSG.

Section 3.030 Regulation – Defined

For purposes of this Section, “Regulation” shall mean and include the Ordinance of SSG as presently adopted or amended and any regulation adopted by or on behalf of SSG that pertains to such Ordinance or otherwise applies to the regulation of Taxicab transportation services by SSG within the jurisdiction of SSG.

Section 3.040 Administrative Citation

- A. Whenever an enforcement officer charged with the enforcement of any regulation determines that a violation has occurred, the enforcement officer shall have the authority to issue an administrative citation to any Person responsible for the violation. In instances in which a Driver is cited for a violation, the Franchisee may also be cited pursuant to section 1.030 D.
- B. Each administrative citation shall contain the following information:
 - 1. The date of the violation;

Deleted: p

Deleted: or Franchisee

Deleted: a03/15/12

Deleted: a02/25/12

2. The address or a definite description of the location where the violation occurred;
3. The section of the regulation violated and a description of the violation;
4. The amount of the fine for the violation;
5. A description of the fine payment process, including a description of the time within which and the place to which the fine shall be paid;
6. An order prohibiting the continuation or repeated occurrence of the violation described in the administrative citation;
7. A description of the administrative citation review process, including the time within which the administrative citation may be contested and the place from which a request for hearing form to contest the administrative citation may be obtained; and
8. The name and signature of the citing enforcement officer.

Section 3.050 Amount of Fines

- A. The amount of the fines for code violations imposed pursuant to the Ordinance of SSG shall be set forth in the schedule of fines established by resolution of SSG.
- B. The schedule of fines shall specify any increased fines for repeat violations of the same code provision by the same person within twelve months from the date of an administrative citation,
- C. The schedule of fines shall specify the amount of any late payment charges imposed for the payment of a fine after its due date.

Section 3.060 Payment of the Fine

- A. The fine shall be paid to SSG within thirty (30) days from the date of the administrative citation.
- B. If the fine is challenged by an administrative hearing as set forth in Section 1.256 and the hearing officer determines that the administrative citation shall be upheld, then the fine amount on deposit with SSG shall be retained by SSG.
- C. If after a hearing under Section 1.256 the hearing officer determines that the administrative citation should be upheld and the fine has not been deposited pursuant to an Advance Deposit Hardship Waiver, the fine shall

Deleted: ,

Deleted: a03/15/12

Deleted: a02/25/12

be due within thirty (30) days of the date of the decision of the hearing officer is deposited in the mail. Failure to pay the fine within such period shall result in the suspension of the Driver Permit of the Driver until such time as payment is made,

- D. If after a hearing under Section 1.256 the hearing officer determines that the administrative citation should be canceled and the fine was deposited with SSG, then SSG shall promptly refund the amount of the deposited fine, together with interest at the rate of five percent (5%) per annum for the period of time that the fine amount was held by SSG.
- E. Payment of a fine under the Ordinance of SSG shall not excuse or discharge any continuation or repeated occurrence of the regulatory violation that is the subject of the administrative citation,

Section 3.070 Hearing Request

- A. Any recipient of an administrative citation may contest that there was a regulatory violation or that he or she is the responsible party in accordance with the procedures set forth in Section 1.256.

Section 3.080 Advance Deposit Hardship Waiver

- A. Any person or Franchise who intends to request a hearing to contest that there was a regulatory violation or that he or she is the responsible party and who is financially unable to make the advance deposit of the fine as required in Section 3.070 A. may file a request for an Advance Deposit Hardship Waiver.
- B. The request shall be filed with the SunLine Regulatory Administration on an Advance Deposit Hardship Waiver application form, available from the SunLine Regulatory Administration, within ten (10) days of the date of the administrative citation.
- C. The requirement of depositing the full amount of the fine as described in Section 3.060 A. shall be stayed unless or until the Taxicab Administrator or Assistant Taxicab Administrator makes a determination not to issue the Advance Deposit Hardship Waiver.
- D. The Taxicab Administrator or Assistant Taxicab Administrator may waive the requirement of an advance deposit set forth in Section 3.060 A. and issue the Advance Deposit Hardship Waiver only if the cited party submits a sworn affidavit, together with any supporting documents or materials demonstrating to the satisfaction of the Taxicab Administrator or Assistant Taxicab Administrator the person's actual financial inability to deposit with SSG the full amount of the fine in advance of the hearing.

Deleted: a03/13/12
Deleted: a02/23/12

Section 3.120 Late Payment Charges

Any person who fails to pay to SSG any fine imposed pursuant to the provisions of the Ordinance of SSG on or before the date that fine is due also shall be liable for the payment of any applicable late payment charges set forth in the schedule of fines. In addition, the permit of the Driver involved may be suspended pending payment.

Section 3.130 Recovery of Administrative Citation Fines and Costs

SSG may collect any past due administrative citation fine or late payment charge by use of all available legal means. SSG also may recover its collection costs, including any attorneys' fees.

Section 3.140 Administrative Regulations

The Taxicab Administrator shall promulgate regulations to implement the Ordinance of SSG, which shall become effective upon review and approval by the Board of SSG.

PART 2: This Ordinance shall take effect 30 days from the date of its adoption.

PART 3: SunLine Service Group shall certify the passage and adoption of this Ordinance 2010-01 and shall cause the same to be posted and published in the manner required by law.

PASSED, APPROVED AND ADOPTED by the Board of Directors of SunLine Services Group at a regular meeting held on the ____ day of _____, 2010.

Date: _____

Bud England
Chairman of the Board of Directors of SSG

Date: _____

C. Mikel Oglesby
General Manager

Date: _____

Carolyn Rude
Clerk of the Board

Deleted: a03/15/12
Deleted: a02/23/12

Deleted: a03/15/12

Deleted: a02/25/12

Section 1.257 Administrative Hearings – Suspension or Termination of Franchise Agreement

Except in the case of automatic or summary action such as set forth in Sections 1.030(H), 1.050(B)(4) and 2.070(D), administrative hearings concerning a decision to suspend or terminate a Franchise Agreement shall be conducted as follows:

- A. Enforcement pursuant to this section shall be initiated by written notice of a hearing regarding the suspension or termination of a Franchise Agreement, which shall include the following information:
 - (i) A list of the violation(s) of the Ordinance, Regulations or terms of the Franchise Agreement which subject the Franchise to consideration for termination;
 - (ii) The date of the violations;
 - (iii) The section of the Ordinance, Regulation, or Franchise Agreement violated or any other issue which forms the basis for the hearing;
 - (iv) A general description of the grounds for bringing the question of termination of the Franchise to a hearing for decision; and,
 - (v) A description of the administrative hearing process.
- B. SRA shall notify the Franchisee of the time and date for the hearing, which notice shall delivered at least fifteen (15) days prior to the hearing.
- C. The hearing officer shall be the Taxicab Administrator. In the event that the Taxicab Administrator is not available to serve, the General Manager of SSG shall serve as the hearing officer. In the event that neither the Taxicab Administrator nor the General Manager are available to serve, the hearing officer shall be selected from among the retired judges available to serve as administrative hearing officers through Inland Valley Arbitration and Mediation Services either by stipulation or by the then applicable rules of TVAMS.
- D. The hearing shall be open to the public, and notice of the hearing shall be posted in accordance with the regulations in place for notice of public meetings of SSG.

- E. The hearing officer shall conduct an administrative hearing which allows SRA and the Franchisee to present evidence related to the alleged violations, to cross examine witnesses who have testified and to argue their positions. The Franchisee may be represented by an attorney at the administrative hearing. The administrative hearing shall be informal and technical rules of evidence, including but not limited to the hearsay rule, shall not apply. Oral testimony received at the hearing shall be taken only on oath, affirmation, or penalty of perjury. The right to cross-examine witnesses shall not preclude the introduction and consideration of written statements whether made under oath or not. The proceedings shall be recorded or otherwise preserved. It is the intent of SunLine Services Group that hearing officers allow wide latitude in introduction of evidence and the holdings and discussions concerning informality of hearings and relaxed rules of evidence set forth in *Mohilef v. Janovici* (1986) 56 Cal. App. 4th 310 apply to the fullest extent to all hearings conducted under this and any other ordinance of SSG.
- F. If the Franchisee unreasonably fails to appear at the hearing in the judgment of the hearing officer, the hearing officer may conduct the hearing in the Franchisee's absence.
- G. After consideration of the evidence presented by all parties, the hearing officer shall render a written decision which sets forth a statement of the case and any relevant findings of fact to support the decision. In determining whether to suspend or terminate the Franchise, the hearing officer shall take into consideration the gravity of the violation the entire record of the Franchisee (s) involved, and the harm threatened to the public by the violation. In addition to rendering a decision on suspension or termination of a Franchise Agreement, if the hearing officer finds one or more violations of this Ordinance or any other Ordinance adopted by SSG pertaining to Taxicabs, or the regulations adopted to implement such Taxicabs, or the regulations adopted to implement such Ordinance, he or she may suspend or revoke any permit and impose administrative monetary penalties in accordance with the limits set forth in the Ordinance of SSG.
- H. The decision of the hearing officer shall be in writing and shall be delivered to the Franchisee or to legal counsel representing the Franchisee within fifteen (15) days from the conclusion of the hearing.
- I. If the decision of the hearing officer is to suspend or terminate the Franchise, the suspension or termination will continue to be in effect during any appeal by the Franchisee if the hearing officer

reasonably determines that continued suspension or termination is necessary for the protection of the public health, safety, or welfare.

- J. A Franchisee may appeal the suspension or termination of the Franchise in accordance with the provisions of Section 1.258 of the Ordinance of SSG.

Section 1.258 Appeal to Committee of the Board of Directors

A Franchisee may appeal the following regulatory decisions of SSG in the manner provided in this Section: (1) the suspension or termination of the Franchise; (2) any fine exceeding \$3,000.00 in the aggregate for a single violation; or (3) any regulatory decision which has the effect of taking more than 25% of the Franchisee's vehicles out of service.

- A. The Chairperson of SSG shall appoint a committee (the 'Appeal Committee') of three members from among the members of the Board of Directors, to serve on the Appeal Committee for a period of one year from the time of appointment or until his or her resignation or until he or she ceases to be a member of the Board of Directors. In the event any member of the Appeal Committee is unable to serve, the Chairperson of SSG may designate an alternate to serve on the Committee for any particular hearing.
- B. The Appeal Committee shall hear those matters eligible for appeal under the Ordinance of SSG in accordance with hearing and appeal procedures adopted by SRA.
- C. An appeal of the decision of the hearing officer may only be initiated by delivering a written request for appeal hearing within ten (10) days of delivery of the decision of the hearing officer along with an Appeal Fee as established by resolution of the Board of Directors.
- D. Upon satisfaction of Section 1.258(C), SRA shall set a hearing to be held before the Appeals Committee within thirty (30) days of delivery of the request for hearing.
- E. The notice of the appeal hearing shall be delivered no less than fifteen (15) days before the appeal hearing.
- F. Appeals shall be limited to the administrative record created before the administrative hearing officer, unless the Appeal Committee requests additional evidence. The Appeal Committee may suspend an appeal hearing in progress for the purpose of obtaining additional evidence so requested.

- G. The decision of the Appeal Committee shall be final. SSG shall notify the Franchisee in writing of the decision of the Appeal Committee within fifteen (15) days of the date of the conclusion of the appeal hearing. Any review of a decision of the Appeal Committee shall be by way of administrative mandate pursuant to Code of Civil Procedure section 1094.5.

Page 37: [2] Deleted FARB 3/15/2012 2:20:00 PM

The Taxicab Administrator may, in his or her discretion, determine to prosecute a violation of the Ordinance of SSG as an infraction. In determining whether to prosecute a violation as a misdemeanor or an infraction, the Taxicab Administrator shall consider the gravity of the violation, the record of the Franchisee or Driver involved and the harm threatened to the public by the violation.

Page 37: [3] Deleted FARB 3/15/2012 2:20:00 PM

Every violation of the Ordinance of SSG determined to be an infraction is punishable by (1) a fine not exceeding one hundred dollars (\$100.00) for a first violation; (2) a fine not exceeding two hundred dollars (\$200.00) for a second violation of this Ordinance within one year; (3) a fine not exceeding five hundred dollars (\$500.00) for each additional violation of the Ordinance of SSG within one year.

SUNLINE SERVICES GROUP
REQUEST FOR PROPOSALS
FOR PROVIDING
FRANCHISE TAXICAB SERVICES

RFP 09-021

March 27, 2009

OBJECTIVE

The goal of the Coachella Valley Taxi RFP is to ensure excellence and professionalism in the taxicab service provided to visitors and citizens of Coachella Valley. Officials of SunLine Services Group (SSG) using its regulatory unit the SunLine Regulatory Administration (SRA) desire taxicab fleets that are safe, accessible to all, significantly reduce emission of pollutants, and affordable. SSG is also committed to the goal of having dependable on-call ground transportation available to the public. Because missed and/or late customer pickups can have devastating consequences to riders who count on timely taxicab service, a key element in the evaluation of proposals will be proposed dispatch and tracking systems that will ensure dependable and timely response to calls for service.

I. INTRODUCTION

PROPOSALS REQUESTED

SSG is issuing this Request for Proposals (RFP) for the selection of multiple franchisee taxicab operators to provide taxicab service in the Coachella Valley. It is anticipated that the total number of taxicabs operating in Coachella Valley will be no more than 180 vehicles in the first several years of these taxi franchise agreements, but that this number may change as demand for service changes over time. It is further anticipated that there will be no less than two (2) and no more than four (4) taxi companies operating in Coachella Valley. Therefore, proposers (interchangeably referred to herein as "franchisees") can offer to operate a minimum of 40 taxis during peak season or up to a maximum of 100 vehicles during peak season. The Sunline Regulatory Administration (SRA) reserves the rights to accept, reject, or negotiate the actual number of taxicabs per franchise company selected. There may be only two companies of 90

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: bidders

Deleted: a03/15/12

Deleted: a02/25/12

taxis each, four taxi companies of 45 vehicles each or any combination of companies (up to 4) and vehicles (up to 100) that results in a maximum of 180 maximum taxis to operate In Coachella Valley at any one time.

To the extent possible selected providers will be encouraged to support Coachella Valley's existing taxi businesses and those proposers that intend to hire personnel who reside in Coachella Valley.

Proposer's that form a new business structure or entity in order to comply with the requirements of this solicitation, must provide a copy of any cooperative agreement, operating instructions, and an organizational chart. The Agency's review will verify the existence of one synergistic entity as contrasted by a collection of redundant processes.

PROPOSAL DUE DATE

Proposals must be received no later than **4 P.M. on June 1st, 2009**. Late proposals may be rejected. Proposals shall be submitted in a sealed envelope addressed as follows:

**Attn. Ms. Naomi Nightingale
Taxi Administrator
SunLine Regulatory Administration
32-505 Harry Oliver Trail
Thousand Palms, CA 92276-3501**

The envelope shall be marked "**Proposal for Providing Taxicab Service.**"

Deleted: a03/15/12
Deleted: a02/25/12

SUNLINE'S VISION FOR TAXICAB SERVICE.

Deleted: ¶

In 2007, SunLine commissioned a comprehensive study of taxicab services within the Valley. The study found considerable fractionalization of the taxi industry, too many taxis operating for the existing demand, an oversupply of taxis at the Palm Springs Airport, and lack of efficiencies found in modern computerized taxi operations. The study recommended consolidation and expansion of full service taxi companies within the Coachella Valley. The recommendation of a minimum of ten trips per day per vehicle was made to either force some taxi firms from the industry or reduce the number of taxis they can operate until such time they would be able to generate additional markets for their company taxis. It was recommended that existing taxi companies consolidate into larger operations and become full service taxi companies.

The study further suggested that full service taxi companies should expand to 40 or more vehicles per fleet. Upgraded technologies, made possible by sharing the cost among more taxis per company would improve operational performance and efficiencies.

These recommendations were made with the assumption that current taxi operators would not only comply with the recommendations but see them as an opportunity to grow their operations. Some existing taxi owners, perhaps the smaller ones, would see that being a taxi company requires significantly more than they are willing to do and thus would choose to obtain a sedan or limo license if they wished to continue their transportation operations. These are not regulated by SRA and are easily obtainable. In this way they would still be able to service their clients as a prearranged car service throughout the valley including the airport. They would just not be permitted to operate as a taxicab.

The study concluded that should the existing taxi industry prefer to not participate in the revised structure for taxicab services, the SRA would have little choice but to competitively bid the Coachella Valley taxicab service. Several communities of similar size such as Anaheim, California, and Salt Lake City, Utah, have either adopted or are in the process of adopting a competitive franchise approach to their local taxicab operations.

Deleted: a03/15/12

Deleted: a02/25/12

Instead of viewing their taxi operations as a regulated public utility, these communities have sunset this regulation in favor of franchisees or contract for taxi service much the same as an airport would offer a five-year concession agreement for taxi or van services. The early results of this approach are very promising. Typically the wider competition from national and even international taxi firms outside the area results in new, cleaner vehicles, wheelchair accessibility, additional capital and professional management.

The report further rationalized that since the existing operator taxi permits were expiring in July of 2007 and operators would be given their last year of guaranteed operation, the final recommendation was for the SRA Board to hold consideration of a Franchise Taxi System for one year. If the existing taxi industry was not consolidating, modernizing, and service improved, then it should be permitted to continue. If however, there was considerable resistance to restructuring the existing taxi regulations, then the franchise option should be considered further and implemented.

It was recommended that two, three or four taxi franchises could be developed for taxi firms of 50 to 100 vehicles each but no more than 175 total taxis in the valley at this time. This number has since been revised upward to 180 vehicles. It was rationalized that restricting the size of the total taxi fleet to 180 at this time would give the new franchise operators the opportunity to grow through the same formula of having at least 10 trips per day per vehicle and vehicle ownership.

Based on the recommendations and rationale presented as a result of this study, and a review of conditions one year later, the SRA Board has determined that it would be in the public's best interest to significantly change the way valley taxi services are regulated and managed. The current system of non-exclusive, traditional taxi company business licenses and associated Certificates of Public Convenience and Necessity will be terminated.

In place of the system of Certificates of Public Convenience and Necessity, SRA will award approximately two (2) to four (4) taxi service franchise agreements with service providers to supply taxicab services. Taxicab service providers under agreement with the SRA will operate a total of approximately 180 vehicles. Individuals are invited to propose the number of vehicles they would prefer to operate. The number of vehicles awarded to each selected provider will be negotiated and established during evaluation and contract award process. Depending on the

Deleted: a03/15/12
Deleted: a02/25/12

number of vehicles proposed, and the number of contracts awarded, selected providers may initially be authorized to operate from 40 up to potentially one hundred (100) vehicles. Growth in the number of taxi vehicle authorizations for temporary or permanent additions to selected providers will be based on documented demand of service (e.g., trips per cab per day) as provided herein. Conversely, reductions in fleet sizes may also occur based on lack of service demand. Each franchise agreement will have a five (5) year term with the ability to increase the term for another five (5) years through yearly evaluations.

Statement of Work

Providers will be responsible for the effective and efficient management of on-demand taxicab transportation services throughout Coachella Valley including the Palm Springs International Airport (“Airport”). The Board requires selected providers to establish physical operating bases within the area in order to better provide Coachella Valley services and meet the needs of the public. While dispatching may be done remotely, effective management of valley-wide, 24/7, on-demand transportation services shall require providers to perform responsibilities and tasks including but not limited to: driver training and knowledge testing; dispatching; supervision; vehicle inspections; driver background checks; data collection and report submission; provision of customer guest services; enforcement of Board and Airport policies, procedures, rules and regulations; on demand ground transportation traffic control; lost and found management; and complaint management.

Providers will be required to monitor and control the number of taxicabs waiting at the Airport to ensure adequate service during peak demand periods while limiting the number of taxicabs at the Airport during non-peak hours to ensure area-wide availability of taxicab service for other areas of Coachella Valley.

AWARD OF FRANCHISES

The SRA Board has not previously awarded Non-Exclusive taxicab franchises. The Board is seeking qualified taxicab operators that best meet the requirements as specified in this RFP. Evaluations and determinations of responsibility and qualifications shall be based upon the information furnished by the proposers in response to this RFP, as well as from other sources determined at the sole discretion of the SRA Board. No award will be made until after such

Deleted: a03/15/12
Deleted: a02/25/12

investigations as are deemed necessary are made regarding the qualifications of proposers. By submitting this proposal, the proposer authorizes the SRA Board and its representatives to perform all investigations necessary to determine suitability. The SRA Board reserves the right to reject all proposals at its sole discretion. All information submitted in response to this RFP shall be deemed a public record except to the extent that the proposer expressly marks information as a trade secret or as proprietary information, in which event the SRA Board shall preserve the confidentiality of such information to the extent permitted by law.

This Request for Proposals as well as the Franchisee's proposal shall be incorporated into any resulting franchise agreement.

FRANCHISE TERM

The term of the franchise shall be five (5) years. The term may be extended an additional one (1) year after each of the initial five years of the franchise up to a total of ten (10) years at the sole discretion of the SRA, subject to the provisions below. All franchises sunset after ten (10) years and are thereafter void.

PROPOSER RESPONSIBILITY

The proposer will assume the responsibility for making sure all required documents are factually accurate, fully completed and submitted with the proposal.

MINIMUM QUALIFICATIONS OF PROPOSERS

All proposers must present evidence that they are fully competent to perform the conditions of the Franchise and that they will be able to fulfill the conditions of the Franchise for the duration of the Franchise. A Selection Committee, on the basis of the proposer's written submissions, shall evaluate qualifications and perform such investigations and findings as may be necessary. The proposals will be presented to the SSG Board of Directors with the recommendations of the Selection Committee.

LOCAL PREFERENCE

In evaluating applications, SRA may give preference to proposers with established presence in the Coachella Valley, to the extent legally permissible. An addendum may be forthcoming describing these criteria in more detail.

Deleted: a03/15/12

Deleted: a02/25/12

II. PROPOSAL PROCEDURE

PROPOSAL REQUIREMENTS

Proposers must submit one (1) original and twelve (12) copies of their proposal. No proposal by the telephone, e-mail or fax or modifications to a proposal by said means will be considered. Proposals may be rejected which are received after the date and time fixed in this RFP. Any such late proposal may be returned to the proposer. Any proposal which is incomplete may be returned to the proposer or, at the SBA's option, have points deducted during the evaluation process. A proposer may withdraw its proposal, provided its request is in writing and is received by the SRA Board prior to the time set for receipt of proposals. After proposals have been opened, no proposer may withdraw its proposal, except with the consent of the Sunline Regulatory Authority Board. Proposals must remain valid for a minimum of 120 days.

OPTIONAL PRE-PROPOSAL CONFERENCE

SunLine will conduct an optional pre-proposal conference at its offices at 32-505 Harry Oliver Trail, Thousand Palms, CA. This Pre-proposal conference will be held at 10:00 am on April 8, 2009, in the Zweig Building. Attendees will be asked to sign-in at this time. Proposers are strongly encouraged to attend the pre-proposal conference. SRA will answer questions and provide clarifications about the RFP at this meeting.

Proposers shall submit any questions regarding this RFP by May 1st 2009, in writing to:

**Attn: Ms. Naomi Nightingale
Taxi Administrator
SunLine Regulatory Administration
32-505 Harry Oliver Trail
Thousand Palms, CA 92276-3501**

CONTENTS OF COMPLETE WRITTEN PROPOSAL

Each application shall contain the following information:

- (A) The name and address of the applicant.
- (B) The name, address and telephone number of the person submitting the application, and the name, address and telephone number of the person who may be contacted regarding this application.

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: ¶

Deleted: a03/15/12

Deleted: a02/25/12

- (C) Whether the business is corporation, and if so, the date of incorporation and the state where incorporated. Corporate applicants shall submit a copy of their Articles of Incorporation and Bylaws along with a list of the names of the officers of the corporation. LLC's shall provide a copy of their Operating Agreement.
- (D) Any collective bargaining agreements with labor organizations which cover employees of the applicant, the personnel covered by such agreement and the date of expiration of any such agreements.
- (E) A full and complete written proposal for providing taxicab service within the Coachella Valley containing all of the documents or information requested in Section IV of the RFP. Indicate how the proposer will satisfy the work requirements indicated in Section III of this RFP. Each document or paper submitted shall be labeled indicating the paragraph number in the RFP to which it responds.
- (F) Proof of insurance satisfactory to the SRA Board.
- (G) A cashier's check payable to the Sunline Regulatory Authority for the proper deposit and processing fees as specified below.
- (H) A completed labor code certificate included with the Request for Proposals.
- (I) A demonstration of the applicants technical ability and legal qualifications to construct, maintain, upgrade, and operate a taxi service, including identification of key personnel.
- (J) The applicant must show that it, as well as any person which controls the applicant, has not, at any time during the ten years preceding the submission of the petition, been convicted of any act or omission of character that the applicant cannot be relied upon to deal truthfully with SSG and taxi patrons, or to substantially comply with its lawful obligations under applicable law.
- (K) if the application is for any action referenced in Section 1.090.5 of the SSG Ordinance, current financial statements showing the financial condition of the Franchisee as of the date of the application.
- (L) A statement prepared by a certified public accountant or responsible official of the applicant regarding the applicant's financial ability to construct, upgrade, maintain and operate the taxicab service it wishes to operate.
- (M) A description of the applicant's plans for meeting any obligations under the franchise, including, but not limited to, any upgrade obligations, upgrade completion schedules, and performance characteristics
- (N) An affidavit or declaration of the applicant or authorized officer certifying the truth and accuracy of the information in the petition or other written request, acknowledging the enforceability of the commitments of the petition or other

Formatted: Indent: Left: 0.5", Hanging: 0.5"

Formatted: Font: Not Bold

Deleted: a03/15/12

Deleted: a02/25/12

written request, and certifying that the proposal meets all federal and state law requirement

(O) A summary of the plans and commitments of the applicant to remedy specific and known defaults and violations, if any, in the operation of the system under the franchise.

(P) At any time during the review process, the SRA reserves the right to require additional supporting documentation from the company or any other person involved in the action or proposed action. The company shall provide all reasonably requested assistance to SRA in connection with any inquiry and, as appropriate, shall use its best efforts to secure the cooperation and assistance of all other persons involved in the action.

Deleted: SCHEDULE¶
It is the SRA's intent to award the franchise before August 1st, 2009. The following tentative dates are subject to change at the sole discretion of the Coachella Valley.¶
March 27, 2009 . Release RFP to Potential Franchises¶
April 8, 2009 . Pre-Proposal Conference¶
May 1st, 2009 . Cut-Off for RFP questions¶
June 1st, 2009 . Proposals Due 4:00 P.M. at Office of the SRA¶
July, 2009 . Successful proposers presented to the SunLine Services Group Board and Resolution of the Award of Franchises adopted¶
August 1st, 2009 . New taxicab franchisee begins operations¶

PROPOSAL FEE and DEPOSITS

A proposer's deposit in the amount of \$5,000 must accompany your proposal. The deposit is credited against any future franchise fees payable to the SRA. In addition; a non-refundable processing fee of \$3,000 is required with each proposal. Payment of these fees in the form of a cashier's check payable to the SRA must accompany each proposal. Failure to remit the required fees in the proper form shall be cause for the disqualification of the proposal.

PROVIDER FEES

A. Airport Automated Vehicle Identification (AVI) Fee,

1. Each vehicle operated at the Airport shall have an automated vehicle identification (AVI) transponder tag. This tag shall be installed on the windshield and shall allow access to the restricted commercial traffic lanes, other designated areas, and bus plazas,

2. Each time a vehicle of Provider enters the terminal front roadway system from the taxi holding area or commercial lane, an access fee shall automatically be charged to Provider by the Airport. These lanes or specific designated locations shall be the only areas Provider may transact business at the Airport. Use of the ground transportation lanes shall include pick-up and drop-off of passengers. Transacting business in areas of the Airport other than the restricted commercial lanes or other terminal

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: a03/15/12

Deleted: a02/25/12

front roadways as approved by the Director of Airports for Provider's business may result in civil fines and/or other citations or actions.

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

- 3. The AVI fee per trip as of February 1st 2008 is \$2.50 Standard Pick-Up and \$3.00 for Pre Arranged Trips.

Formatted: Font color: Auto

This fee is reviewed and established by the Director of Airports on an annual basis.

Formatted: Font color: Auto

Formatted: Font color: Auto

- 4. Provider shall be billed by the Department of Airport's Finance Division on a monthly basis. Failure to pay on time may result in the revocation of access to the Airport for commercial purposes.

Formatted: Font color: Auto

B. Vehicle Permit Fee

Formatted: Font color: Auto

Formatted: Font color: Auto

On an annual basis, Provider shall pay to SRA a fee of \$600.00 per vehicle authorized to operate under this Agreement as a taxicab in Coachella Valley. This fee shall be subject to review by SRA annually. Said fee shall initially be paid upon commencement of service under this franchise agreement. Thereafter Provider shall be billed annually on a contract year basis with billings sent by SRA prior to the anniversary date each year with payment being due before the last day of that month.

C. Driver Background Check & Permit Fees

Formatted: Font color: Auto

Formatted: Font color: Auto

Drivers shall obtain vehicle operators certificates from SRA. Application and background check fees are set by SRA and are currently \$100.00. The Driver Permit Renewal Fee is \$75.00 and Driver Transfer Fee is \$65.00. The Driver Permit Reinstatement Fee is \$25.00 and there is a \$5.00 fee for Permit replacement.

D. Vehicle Inspection Fee

Formatted: Font color: Auto

Formatted: Font color: Auto

Inspections are currently provided at SunLine's Headquarters at 32-505 Harry Oliver Trail in Thousand Palms, CA at a fee of \$50.00 per vehicle, twice yearly. If corrections are not made after a recommendation from SunLine that the

Deleted: a03/15/12

Deleted: a02/25/12

corrections are required there is a Re-Inspection fee of \$50.00 charged for those re-inspection activities.

E. Taxi Meter Recalibration Fee

Formatted: Font color: Auto
Formatted: Font color: Auto

A taxi meter recalibration fee will be charged by a Third Party. Provider for recalibration of all taxicab meters each time the meter fees are changed. The Third Party Provider will establish fees.

F. Operator Shared Revenue Fee

Formatted: Font color: Auto
Formatted: Font color: Auto

The Operator Shared Revenue Fee Is a fee charged annually per vehicle and it is currently set at \$1,805.00.

METER AND FLAG DROP RATE ADJUSTMENTS

Proposer Note: Current meter rates are established by SRA at a public meeting. The current maximum per trip fee is \$3.25 flag drop and \$2.96 per mile. It is projected that the July 1, 2009 maximum rate per mile will be adjusted to \$2.64. Under the resulting agreements, taxi rates will be reviewed by SRA on a semi-annual basis, with rates to be based on daily average fuel costs and the consumer price index. The method for calculating rate changes is detailed below:

A. Meter per mile rate ("Per Mile Rate") changes. SRA will review Per Mile Rates twice each year to determine if rate changes are applicable, based on changes in fuel costs. Reviews will occur on or near March 15 and September 15. If rate changes are authorized, scheduled meter recalibrations will start on or after April 1 and October 1, respectively. The initial semi-annual review process shall not be performed until a minimum of six (6) months have elapsed from the service commencement date stated in Paragraph 1 of the first part of this Agreement,

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

1. Per Mile Rate changes shall be based on the average price of regular grade fuel per US gallon ("Fuel") according to the following criteria and requirements,

Formatted: Font color: Auto

Deleted: a03/15/12

Deleted: a02/25/12

a. Fuel costs shall be determined using AAA's "Media Site for Retail Gasoline Prices, California, MetroAverages," "www.fuelgaugereport.com/CAmetro.asp." (If this website should cease operation, SRA will rely on a similar site or index. The average cost of Fuel is calculated either by:

Formatted: Font color: Auto
Formatted: Font color: Auto

(1) taking the actual cost of Fuel averaged for the three months preceding the respective review date,

Formatted: Font color: Auto
Formatted: Font color: Auto
Formatted: Font color: Auto

or

(2) taking the actual cost of Fuel averaged for the six months preceding the respective review date,

Formatted: Font color: Auto
Formatted: Font color: Auto
Formatted: Font color: Auto

b. If an increase is indicated, then the higher of the three or six month Fuel average will be used. If a decrease is indicated, the lower average will be used,

Formatted: Font color: Auto
Formatted: Font color: Auto

c. Based on the average Fuel price established above, a Per Mile Rate increase or decrease will be authorized as follows;

Formatted: Font color: Auto

Fuel Cost Increases (Decreases)	Per Mile Rate Increases (Decreases)
\$0.000 to \$0.255 per gallon	\$0.00
\$0.256 to \$0.755 per gallon	\$0.10
\$0.756 to \$1.255 per gallon	\$0.20
\$1.256 to \$1.755 per gallon	\$0.30
\$1.756 to \$2.255 per gallon	\$0.40

2. One hundred percent (100 %) of any Per Mile Rate increase must go to whoever purchases the fuel for the vehicle. Whoever stands to benefit from an increase will be required to absorb decreases in the Per Mile Rate,

Formatted: Font color: Auto
Formatted: Font color: Auto
Formatted: Font color: Auto

3. SRA reserves the right to modify these criteria and requirements for Per Mile Rate change authorizations,

Formatted: Font color: Auto

Deleted: a03/15/12
Deleted: a02/25/12

B. Flag drop rate ("Flag Drop Rate") changes. SRA reviews Flag Drop Rates once each year to determine if rate changes are warranted based on changes in the Consumer Price Index. Reviews occur on or near March 15. If rate changes are authorized, scheduled meter recalibrations will start on or after April 1. The initial annual review process shall not be calculated until a minimum of six (6) consecutive calendar months have elapsed from the service commencement date stated in Paragraph 1 of the first part of this Agreement.

Formatted: Font color: Auto

1. Flag Drop Rate changes shall be based on the percentage increase in the latest Consumer Price Index - All Urban Consumers, West Urban Area (CPI-West Urban), published by the United States Department of Labor, Bureau of Labor Statistics (http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=dropmap&series_id=CUUR0400SAO,CUUSO400SA0). The percent increase will be calculated using the CPI-West Urban data from the calendar year (January 1 to December 31) preceding the annual review. If the CPI-West Urban index is no longer published, a similar index will be used.

Formatted: Font color: Auto

Formatted: Font color: Auto

a. For each five percent (5%) increase in the CPI-West Urban index over the previous calendar year, the flag drop rate shall increase in increments of \$0.05 (5 cents). Partial percentage increases of the 5% requirement shall not be considered.

Formatted: Font color: Auto

Formatted: Font color: Auto

b. If the CPI-West Urban index does not meet or exceed the 5% requirement for two (2) consecutive calendar years, SRA may at its option, take the percentage difference from January 1 of the first year to December 31 of the second year and use the resulting percentage increase to determine a Flag Drop Rate change. Partial increments of the 5% standard shall not be considered.

Formatted: Font color: Auto

Formatted: Font color: Auto

c. Rates will be reviewed annually regardless of whether a one year or two year calculation was used the previous year.

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: a03/15/12

Deleted: a02/25/12

Examples:

1 YEAR EXAMPLE: The Consumer Price Index rises 6.5% from January 1 to December 31 preceding the March review. SRA authorizes an increase of five cents over the current flag drop rate

2-YEAR EXAMPLE: The Consumer Price Index increase does not exceed 5% in each of two consecutive calendar years. SRA takes the January 1 CPI-West Urban index number for the first year and subtracts it from the December 31 CPI-West Urban index number of the second year to obtain a two year index change. If the two year index change meets or exceeds 5.0%, then SRA may authorize an increase of five cents, from the current flag drop rate.

2. If the consumer price index decreases by more than 5% during the twelve month period prior to an annual review date, SRA may require a Flag Drop Rate decrease based on the above criteria and requirements,

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

3. One hundred percent 100 % of any Flag Drop Rate increases shall to go to the driver. Drivers shall be required to absorb decreases in a Flag Drop Rate,

Formatted: Font color: Auto

Formatted: Font color: Auto

4. SRA reserves the right to modify the criteria and requirements for Flag Drop Rate changes,

Formatted: Font color: Auto

Formatted: Font color: Auto

C. Other Rates;

Formatted: Font color: Auto

Formatted: Font color: Auto

1. Maximum Waiting Time Rate: The rate that an owner or driver of a taxicab may establish and charge for waiting for customer. The maximum current rate is thirty five dollars (\$35.00) per hour,

Formatted: Font color: Auto

Formatted: Font color: Auto

2. This rate shall be set by SRA on or near March 15 of each year, SRA will determine whether the Waiting Time Rate requires any adjusting,

Formatted: Font color: Auto

PROPOSER SITE VISIT

Deleted: a03/15/12

Deleted: a02/25/12

The Selection Committee and/or representatives the SRA may request oral presentations of any proposer and/or conduct site visits of the proposers' places of business. Notice of the date time of any such visit will be provided in advance. Sites visited may include all dispatch facilities, maintenance facilities or general office facilities of the proposer. Formal interviews of proposers may be conducted.

PROPOSAL REQUIREMENTS AND FRANCHISE TERMS

Prior to the establishment of the Franchise system, there were a total of 260 or more taxicab permits allocated among the 15 different providers. The Sunline Taxicab Franchise was thereafter established in order to provide for a minimum of two and a maximum of four taxicab companies to each initially operate a minimum number of 40, to a maximum number of 100 non-temporary taxicab permits within the new franchise system for a total 180 non-temporary taxicab permits. Franchisees are also be eligible for temporary extra-capacity Coachella Valley permits as specified below. The number of non-temporary taxicab permits may change over time with demand as revealed by the annual review of taxicab usage conducted by SRA. Four initial Franchises were awarded in 2010. Through the Franchise system, Sunline will regulate the provision of taxicab service in the Coachella Valley and, as warranted, issue, deny, revoke and suspend taxicab franchises as provided in this document, the Ordinance, and all Regulations adopted by Sunline to ensure the provision of an efficient and properly regulated taxicab service to the residents and visitors to the Valley.

Deleted: A

Deleted: are currently

Deleted: This request for proposals is for

Deleted: These taxicab

Deleted: f

Deleted: will

Each of the Coachella Valley's franchisee taxicab operators shall at all times maintain in service a number of vehicles equal to no less than 75% nor more than 125% of the allocation of non-temporary taxicab permits issued to the franchisee in its franchise. For instance, if a franchise awards a minimum of 40 non-temporary taxicab permits, the franchisee will be allowed to have as many as 50 taxicabs to meet peak demand. However, under no circumstances shall this franchisee operate less than 30 taxicabs on the streets of Coachella Valley. Franchisees may be permitted to adjust upward the number of taxicabs they utilize by up to 25% based on a showing to SRA that the increase is justified as explained below, provided they pay the appropriate fees and the vehicles meet franchise requirements. With this 25% flexibility, the total number of taxis potentially on the streets of Coachella Valley at any given time, and thus the total number

Deleted: under

Deleted: Thus, since this

Deleted: will

Deleted: successful proposer

Deleted: the

Deleted: based on a reasonable forecast

Deleted: actually

Deleted: a03/15/12

Deleted: a02/25/12

~~of allocable, non-temporary taxicab permits initially will be 225 (180 [initial non-temporary taxicab permits] X 125% [potential increase in non-temporary taxicab permits] =225 [total allocable non-temporary taxicab permits]).~~

Deleted: of Coachella Valley at any given time

Deleted: between 135 and a maximum of

Formatted: Font: Bold

Each franchisee may also apply for ~~temporary~~ extra-capacity Coachella Valley permits for their taxicabs not included in the franchise allotment. ~~Except as provided below, taxicabs displaying temporary Coachella Valley permits may be used in Coachella Valley only during large conventions or other similar events, which temporarily increase the demand for taxicabs beyond the number regularly franchised. Such temporary extra-capacity Coachella Valley permits shall be revocable at SRA's will in its total and absolute discretion. SRA may also issue additional temporary permits, also revocable at SRA's will in its total and absolute discretion, when there has been full use of all allocable non-temporary taxicab permits and there nevertheless remains insufficient taxi service to accommodate demand.~~

Deleted: T

Deleted: These non-franchised temporary "permit" taxicabs may be used in Coachella Valley only when specifically authorized by the Sunline Regulatory Board or its designee.

Proposers shall comply with a service standard that all future franchisees will be required to meet. The established minimum service standard for franchised taxicabs operating within the Coachella Valley is that 85% of accepted pickups are to be within 20 minutes from the time of telephone request and that 95% of pickups are to be within 40 minutes of request. The standard must be achieved for (1) the Resort Areas, (2) SRA of Palm Springs, and (3) all other parts of the Coachella Valley. Franchisees, when requested by calling customers, shall be prepared to have the necessary required child car seats in their taxicabs. Franchisee performance shall be tracked through a computerized dispatch system and reported to the SRA on a monthly basis with annual summary reports (see requirements below).

Deleted: of franchisee performance

The SRA will conduct annual reviews ~~which will have two components: (1) an evaluation of the total taxicab demand in the Coachella Valley in order to determine the total number of allocable non-temporary taxicab permits for the following year; and (2) the performance of each franchisee to determine the total number of permits allocated to each franchisee for the following year.~~

Formatted: Font: Bold

Total Taxicab Demand.

Deleted: a03/15/12

Deleted: a02/25/12

Taxicab demand in the Valley will initially be determined by evaluating all franchisees' data regarding trips per vehicle per day. If the average number of trips per vehicle per day exceeds 10 trips per day for each allocable non-temporary permit, SRA may create and allocate additional non-temporary taxicab permits. (For example, SRA initially established a total of 225 allocable non-temporary taxicab permits. If analysis reveals that there is an average of 2500 trips per day, SRA may increase the total number of allocable permits by 25 (2500 [total average trips per day per for all franchisees combined] / 10 [target trips per vehicle per day] =250. 250 [trips per day per target vehicle] – 225 [total allocable non-temporary taxicab permits]= 25 [additional number of allocable non-temporary taxicab permits available to meet current demand].) SRA may then adjust the number of allocable non-temporary permits up or down based upon a review of hotel/resort and airport monitoring of availability and other taxi issues, population changes, hotel occupancy and other relevant factors. Based on this review, SRA may adjust the number of allocable non-temporary taxicab permits for the following year.

Deleted: The performance review will be based on company response times; citations and complaint data, ... and ... [1]

Formatted: Not Highlight

Deleted: The ... service needs will be based on response times, total trips per vehicle in service, ... the ... for each of the Franchisees for the following year. ... Additional taxi allocations will be made pro rata among the Franchisees with adjustments upward or downward based upon each franchisee's performance, each franchisee's need for and utilization of the 25% adjustment provision and of temporary permits, and estimated change in taxi service demand in the next year. The SRA may also change the adjustment percentage (initially set at 25%) and the number of temporary permits allocated to each franchisee. The SRA may reduce the number of allocations for a franchisee based upon unsatisfactory performance and/or a significant drop in the need for taxicab service. ... [2]

Reallocation of Non-Temporary Permits To Franchisees

Deleted: REVIEW AND ADJUSTMENT OF AUTHORIZED NUMBER OF VEHICLES

Formatted: Font: Bold

Formatted ... [3]

Deleted: 1

Formatted: Font: Bold

Deleted: SRA shall review Prov ... [4]

Formatted ... [5]

Deleted: s...vehicles ...Provide ... [6]

Formatted ... [7]

Deleted: in the fleet ...six (6) m ... [8]

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: average trips per taxicab ... [9]

Formatted: Font color: Auto

Deleted: w...ive ... [10]

Formatted: Font color: Auto

Deleted: 2

Formatted ... [11]

Deleted: in the fleet

Formatted ... [12]

Deleted: allow Provider up to ... [13]

Formatted: Font color: Auto

Deleted: a03/15/12

Deleted: a02/25/12

Non-temporary taxicab permit allocations will annually be made pro rata among the Franchisees, with a maximum 25% adjustment upward or downward based upon each franchisee's performance as provided below. The above notwithstanding, at no time shall any franchisee be permitted to have more than % of all allocable non-temporary taxicab permits.

SRA authorized revisions in the number of non-temporary taxicab permits allocated to a franchisee shall be based on changes in the average trips per day as reported monthly by each franchisee in accordance with the following criteria and requirements.

- a. The trips per day for each franchisee's allocated non-temporary taxicab will be averaged over the year prior to the review date.
- b. When the records demonstrate that a franchisee exceeds ten (10) trips per day for at least sixty (60%) percent of the total number of non-temporary taxicabs permits allocated to the franchisee, SRA may, at its sole and absolute discretion, allocate up to an additional 5 non-temporary taxicab permits.

c. When the records demonstrate that a franchisee exceeds ten (10) trips per day for all non-temporary taxicab permits allocated to the franchisee, SRA may, at its discretion, allocate a sufficient number of additional non-temporary taxicab permits to reduce the average number of trips per non-temporary allocated permit per day to 10. By way of example only, if the franchisee has been allocated 50 non-temporary taxicab permits, and its reports demonstrate it has 550 trips per day, SRA may allocate to the franchisee an additional 5 non-temporary taxicab permits.

Formatted: Font: Bold

d. If the average number of trips per vehicle decreases to below eight (8) trips per day for at least sixty (60%) percent of the total number of non-temporary taxicab permits allocated to the franchisee, SRA's may, at its discretion, decrease the number of non-temporary taxicab permits allocated to the franchisee by a sufficient number of non-temporary taxicab permits to increase the average number of trips per non-temporary permit per day for 60% of the non-temporary allocated permits to 10 trips per day. If a Franchisee is required to reduce the number of permitted vehicles, it shall be required to remove vehicles over five (5) model years of age first in the case of standard vehicles and over seven (7) model years of age in the case of approved alternative fueled vehicles, using the Environment Protection Agency's definition of an alternative fueled vehicle.

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Heading 4,h4

Deleted:

Deleted: at least sixty (60%) percent of the taxicabs in the fleet

Formatted: Font color: Auto

Deleted: the fleet size may, at

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: be

Deleted: d

Formatted: Font color: Auto

Deleted: five (5) vehicles in Provider's fleet

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: Provider

Formatted: Font color: Auto

Deleted: its fleet size

Formatted: Font color: Auto

Deleted: Provider

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: provider under contract with SRA

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

Deleted: a03/15/12

Deleted: a02/23/12

3. Franchisee will not be required to accept any increases in the number of non-temporary taxicab permits allocated to it. However, if a franchisee opts not to accept an increase, that increase may, but need not be offered to another franchisee providing that franchisee's resulting non-temporary taxicab permits does not exceed % of all allocable non-temporary taxicab permits. All SRA mandated decreases must be implemented.

4. SRA reserves the right to modify these criteria and requirements for fleet change authorizations.

Formatted: Font color: Auto

Formatted: Font color: Auto

Franchisee must agree to abide by all applicable laws, rules, regulations, orders and restrictions which are now in force or which may be hereafter adopted by the SRA and communities of the Coachella Valley or any governmental authority, federal, state, county, or municipal, lawfully exercising jurisdiction over taxicab service in the State of California and Coachella Valley.

If at any time the SRA determines that a franchisee is not meeting the service standard set forth in the franchise, is experiencing excessive problems as shown by complaint or citations, or is not in compliance with other franchise terms, the SRA may issue the franchisee a sixty (60) day warning. The franchisee must correct the problem with sixty (60) days. If the problem is not corrected, SRA may set a public hearing to consider termination of the franchise or take other appropriate steps to correct deficiencies.

Deleted: I

Deleted: company

Deleted: company

Deleted: s

Deleted: are

Deleted: the

Deleted: The

Deleted: the

SRA may temporarily suspend any franchise without prior notice in case of failure to meet insurance requirements, the lapse of any permits or licenses required to provide services or any failure that endangers the health and safety of the public. The temporary suspension shall remain effective until a decision by the SRA Board of Directors and the SRA pursuant to the governing ordinance unless earlier lifted by the SRA Taxi Administrator.

Deleted: the

Franchise fees will be set from time to time by resolution of SRA on a cost-recovery basis to offset costs involved in administering the program. Fees will be allocated among the Franchisees on a per-vehicle basis.

Deleted: The

All franchises awarded shall be non-exclusive. SRA reserves the right to issue additional franchises. The SSG Board of Directors awards franchises after a public hearing.

Formatted: Font color: Auto

Formatted: Font color: Auto

III. GENERAL FRANCHISE REQUIREMENTS

The following are the minimum requirements for obtaining and maintaining a franchise. Proposer's ability to meet or exceed these standards should be demonstrated in the responses provided by the proposer to the request in Section IV below.

1. Start-up

Deleted: a03/15/12

Deleted: a02/25/12

The awarded franchisee shall place 50% of the fifty (50) vehicles into service within two (2) months of the start of the franchise and 100% of their allocated taxis into service within five (5) months of start of franchise. Exceptions to the two-month requirement will be considered for start-up companies. Proposals must specify phase-in plan and justify any exceptions sought. Note that the 25% adjustment flexibility takes effect after the franchisee attains operation of 100% of allocation.

2. Vehicles

No standard vehicles in service shall be more than five (5) model years of age.

Vehicles must be in good operating order, free from known mechanical defects. The interiors and exteriors of the vehicles must be kept in clean, neat and attractive condition. Vehicles are to be taken out of service for repair or maintenance of body damage, dents, broken glass, torn upholstery, bad stains, inoperable seat belts, unclean windows, dirty trunk, unclean Interior or exterior, unsafe tire tread, missing hubcaps and mechanical defects.

Franchisee must have at least two (2) wheelchair-accessible vehicles that meet Federal standards. Each vehicle must be approved by the SRA. Each vehicle will be granted one (1) additional full calendar operating year of service, creating a potential for such vehicles to be up to six (6) model years old based on the calendar year and the year of model manufacture during each year of the resulting agreement.

Within 24 months of the effective starting date of their respective franchises, the franchise must place into service at least 5% of their fleets as vehicles certified as Ultra-Low Emission Vehicles by the California Air Resources Board. An equivalent number (combination) of Low Emission Vehicles (LEV) or cleaner which results in the same emission reductions as that provided by the 5% ULEV requirement will also be allowed as authorized by SRA.

The use of alternative fueled vehicles shall be specified in the proposal. Each approved alternative fueled vehicle will be granted two (2) additional full calendar operating years of service, creating a potential for such vehicles to be up to seven (7) model years old based on the calendar year and the year of model manufacture during each year of the resulting agreement.

Deleted: a03/15/12
Deleted: a02/25/12

Exterior advertising is permitted only on a trunk mounted sign no larger than one foot tall by three feet long. Only one sign shall be permitted per vehicle. The regulation of signs shall be as provide in the regulations establish by Sunline.

- Deleted: No
- Formatted: Highlight
- Deleted: e
- Formatted: Highlight
- Deleted: any vehicles (rooftop, trunk, etc.) in order to maintain, a professional appearance and reduce "sign blight."
- Formatted: Highlight

3. Standards for Drivers

Each driver shall have a current California driver's license and Taxicab Driver Permit issued by SRA and the ability to read signs, labels, work schedules, and simple instructions in English; to understand and follow oral directions in English; to write simple messages in English; and to speak English sufficiently to communicate clearly with the public. Drivers may also be required to pass an English Proficiency test and/or Training administered by the SRA.

Franchisee must provide a training program for all its drivers which shall include SRA, Coachella Valley and State rules and regulations; geography including map reading, major points of interest in Coachella Valley, and familiarity with Coachella Valley and surrounding area; driver safety and defensive driving; vehicle safety and maintenance/inspection checks; customer service and relations; sensitivity guidelines for disabled, frail and elderly passengers; behind the wheel driver training; and (for drivers of accessible vehicles) accessible vehicle operation training.

Drivers must be dressed in a neat and clean fashion. This requirement is best met through an SRA required taxi firm uniform or a common standard of dress which shall be specified in response to this Request for Proposals. For example, attire could include a white or yellow collared shirt or sport shirt and black pants or slacks with closed toed shoes. The shirts must bear the company logo identifying the company drivers are working for.

Drivers will also be expected to have knowledge of and comply with the Palm Springs Airport's Taxi Passenger Bill of Rights. For more information on these rights please see the City of Palm Springs Website at the following address:

Deleted: ,

<http://www.palmspringsca.gov/index.aspx?page=287>.

- Deleted: http://wwwv.
- Deleted: palmspringsca.gov/Modules/ShowDocument.aspx?documentid=3713

4. Dispatching and Customer Service

- Deleted: a03/15/12
- Deleted: a02/25/12

Proposals must specify the methods the company will use to ensure sufficient service at the Airport without flooding the Airport with an excessive number of cabs. Proposals must specify the methods the company will use to ensure sufficient service to all other areas of Coachella Valley during peak winter season.

Franchisee must have a centralized office location for dispatch and reservations. This may be remote if that is the company's general policy and procedure. However, a computerized 24 hour dispatch system is required:

- System must track caller location, response time from the time customer calls until taxi pick up, and duration of trip. Customer call means the time customer first called, not time of any callback.
- System must track number of customer callbacks,
- Pickup zones must separate Coachella Valley into its respective communities so officials from each community can see the quality of taxi service they are receiving.
- System must track calls by pickup zone by hour, day and zip code.
- System must track all requests for service including multiple requests; for instance, if a hotel/resort requests 5 cabs, the system must reflect 5 requests and show response times for each of the 5 requests.
- System must track number of calls in which customer was advised of wait times of 20 minutes or more and declined to wait. Procedures to call back customers where original estimate of time of pickup changes and revised response time will be in excess of 20 minutes, or similar procedure, will be considered an enhancement.
- System must be capable of recognizing incoming telephone numbers and be capable using computerized voice response and dispatch when the number is a frequent caller such as a hotel, restaurant, or other frequent user of the franchisee taxi service.

Deleted: a03/15/12
Deleted: a02/25/12

- System must be capable of providing credit card swiping, reading and verification of card, authorization of payment, and printing of customer receipt within sixty seconds of being swiped. Passenger rear seat credit card swiping would be considered a plus.
- System must be capable of tracking any lost articles by knowing only the date, time of day, and pickup and drop off locations.

By no later than January 1, 2014, System must be capable of report real time information regarding driver hours behind the wheel.

No customer seeking service at a taxi queue, hotel queue or street hail may be refused service, nor may any customer telephoning for service be refused. However, customers waiting for service may be advised of current response times and given the option of calling another company. Therefore, the dispatch system must be capable of tracking any such refusals to the individual taxi and driver. These refusals would not include drunk and disorderly passengers which may be refused service.

GPS systems are required.

- GPS system must be capable of providing drivers turn by turn directions and monitoring shortest route taken.
- GPS system must be capable of reporting all trips that were greater than one percent (1%) out of route.
- GPS system must be capable of capturing and reporting, for all vehicles in the fleet and individual drivers, all trips for which the taxi meter was utilized.

5. Complaint Procedures

Applicants must have in place a complaint procedure that includes a log of all complaints received, date and time of complaint, response, date and time of response, results of investigation, action taken, and any written communication. All complaints received in writing must be responded to in writing within five business days with at minimum an acknowledgment of complaint, complaint status and expected time to resolve. All complaints received by the telephone must be logged. All telephone complaints of a serious nature must be responded to in writing.

Deleted: a03/15/12

Deleted: a02/25/12

6. Record-keeping and reporting

Franchisee must keep electronic data based records of all revenues, trips, driver name, driver time behind the wheel, vehicle registration, maintenance and complaints. These records must be maintained for four years and dispatch data for one year.

Franchisee must report dispatch data as set forth in Exhibit A examples. A summary of complaints lodged and action taken shall be submitted on a quarterly basis. Electronic support data for each call, trip dispatched, total trips made by vehicle and driver are to be provided in addition to the monthly reports. Franchisee will be required to submit this report by the 10th day of the month following the end of each Quarter, along with their franchise payment.

SRA has the right to inspect maintenance, complaint, and financial records, facilities and vehicles, and to audit meters and vehicles for accurate measurement and metering of fares; and to audit books, ledgers, journals, and accounts of operator. The franchisee is also required to cooperate with law enforcement for any criminal investigation. SRA reserves the right to approve agreements between taxi franchise operators and any subcontractor, including but not exclusive to taxicab drivers.

Franchisee must within 30 days of request submit to the SRA recent list of telephone customers' first names and telephone numbers, for customer satisfaction survey purposes.

7. Insurance and Indemnification

The franchisee shall, as a condition of being granted a franchise hereunder, indemnify, hold harmless, release and defend the SRA, its Board of Directors and each member thereof, and its officers, agents, commission members and employees from and against any and all liability, claims, suits, costs, expenses, fines, judgments, settlements, damages, awards, charges, penalties, actions or causes of actions whatever, including attorney's fees, regardless of the merit or outcome of the same, arising out of or in any way connected with any or all of the operations or services authorized, conducted or permitted under a non-exclusive franchise granted hereunder, to the fullest extent permitted by law.

Deleted: a03/15/12

Deleted: a02/25/12

Every applicant shall provide proof of insurance in the amounts, required by the SRA underwritten by an insurer licensed and authorized to conduct such business in the State of California. Currently the required coverage is \$ _____.

Deleted: 1,000,000

8. Minimum Trio Standards

Deleted: ten

The selected Franchisee(s) will be required to reach and maintain an average number of eight (8) (8) dispatched and non-dispatched trips per day per vehicle per year. The electronic capture of all trips will enable SRA to award additional vehicle permits as needed or to reduce the number of vehicle authorizations if there is an excess of taxicabs on the streets. The selected taxicab Franchisee will be expected to generate increased productivity by dispatching taxis through improved operational efficiency to enhance cost effectiveness. The use of such technologies would also make the task of administration by the SRA much more informed, efficient and accurate.

Deleted: 10

Deleted: the

9. Taxi Identification Requirements

The selected franchisee(s) will be required to establish a distinctive color and numbering system to easily identify the company and specific cab in the case of complaints or violations. This distinctive coloring shall be approved by SRA. The franchisee shall also provide SRA with a list of the active numbers associated with the taxi's put into service.

Formatted: Font color: Auto

Formatted: Font color: Auto

IV. EVALUATION MEASURES

The SRA will evaluate proposals on a 100 point scale according to the following measures, based on the indicated ability of the proposer to satisfy the Franchise Requirements stated above. All information which the proposer wishes to have considered by the Evaluation Committee of the SRA should be stated in the proposer's submission. Please label each narrative or document with the paragraph number and letter in this RFP to which the applicant is responding.

1. Proposer experience: (20 points)

- (A) Describe the experience and qualifications of the company in operating taxicabs and/or vehicles for hire, such as shuttles or limousines, and indicate the maximum and average number of taxis/vehicles operated during the past ten (10) years.

Deleted: a03/15/12

Deleted: a02/25/12

(B) If applicable, state the number of years of experience providing taxi operations in the Coachella Valley and elsewhere, the number of taxis specifically operated in Coachella Valley, and provide statistics that will indicate the scope of operations within Coachella Valley, if any. If the proposer has done business in Coachella Valley under a different corporate or company name, specify the name and when such service was provided in Coachella Valley.

2. Financial stability: (20 points)

(A) Provide audited balance sheet, cash flow and income statements consistent with generally accepted accounting principals (GAAP) for the most recent three years.

(B) Provide information on pending or past litigation within the last ten (10) years, fines or enforcement proceedings by other cities or public entities, bankruptcy filings, projected 3-year cash flow analysis, projected operating expenses, assuming your company is awarded a franchise for 40 taxicab vehicles sought in this proposal; and insurance and bonding capability.

3. Quality & Coverage of service: (20 points)

(A) Coverage

(1) Specify the total number of trips per day (or shift) you propose your fleet will average per vehicle. Include all calls, street hails, queues, and personals.

(2) Specify percent of pickups in each zone you propose to produce for your drivers. That is, what percentage of total trips do you propose your fleet will provide in (A) the Airport and (B) All Other Areas of Coachella Valley,

(B) Provide full details of how company will meet the service standard you propose. Note that the service standard you propose must be met. Details should include your full marketing plan for expanding taxi operations and marketing within the Coachella Valley.

Deleted: a03/15/12

Deleted: a02/25/12

- (C) Provide full details on how your company will use temporary permits to meet the service standards for both the Airport and All Other Areas of Coachella Valley during the peak winter season and how your company will redirect those temporary cabs out of Coachella Valley to reach appropriate levels for off peak summer service.
- (D) Describe the experience and qualifications of the senior officers and managers of the company and any prior companies the officers and managers of the company have been affiliated with, owned, or operated. Include brief resumes. Describe tasks assigned to officers and key management personnel and approximate percentage of time devoted to each task.
- (E) Describe process for recruiting, screening, drug testing, skill testing and hiring drivers. Provide disciplinary policy. Provide list of current drivers, whether drive full-time or part-time, and years of experience of each.
- (F) Provide training program for training new drivers, with emphasis on dealing with diverse clientele and driving skills, and a training program to maintain the skills of existing drivers. Describe type of material included or to be included concerning importance of service in Coachella Valley. State dress standards in the way of a company uniform as required by SRA Franchise Agreement for drivers and other personnel who interface with the public.
- (G) Provide your company's policy prohibiting smoking in cabs by passengers or drivers and methods for enforcement.
- (H) Provide copies of agreements with VISA, MasterCard, and American Express as well as other credit card agencies for accepting credit card payments for fares and gratuities.
- (I) Describe your customer complaint procedures and record keeping mechanisms to facilitate resolution of complaints. Provide a copy of the written procedure.

Deleted: a03/15/12

Deleted: a02/25/12

- (J) Provide full details on telephone and dispatching systems proposed or currently being used, including system manuals and sample data printouts. Provide manual or other documentation of dispatch procedures including information obtained from customer (name, customer phone number, location, handicap status, etc.) and procedure for handling situations that may arise such as extended response times, no-show cabs, etc. Specify type and capability of GPS system and how information will be used in dispatch process. Describe any procedures to call back customers where original estimate of time of pickup changes and revised response time will be in excess of 15 minutes, or similar procedure.
- (K) Provide any record of adverse actions or warnings regarding your past taxi service from SRA, or any other regulatory agency within the last ten (10) years.

4. Anticipated Ability to Meet and Maintain Performance Standards: (20 points)

- (A) Describe your plans for meeting minimum dispatch calls per taxicab per day and how you plan to meet your proposed total number of trips per day per vehicle.
- (B) Specify maximum age of vehicles to be assigned to Coachella Valley as follows:

The maximum age of taxicabs shall not be more than 5 years older than the current model year. Vehicles will not be used more than 5 years as taxicabs.
- (C) Specify vehicles by make and model year you propose for service,
- (D) Specify phase-in plan for purchase of additional vehicles and justify any exceptions sought to vehicle requirements stated above. Describe how your company will adequately service during the first six months of operation as you ramp up for the Winter peak season.
- (E) Provide the number of vehicles operated by your company in the past year, number of accidents, number of injury accidents, and number of accidents involving a fatality. Provide your company's written vehicle safety program and provide information on drug and alcohol testing.

Deleted: a03/15/12
Deleted: a02/25/12

- (F) Describe your maintenance facilities including address, size and equipment. Include maintenance schedules. List current personnel employed to conduct maintenance, or other maintenance arrangements.
- (G) Describe your data storage and retrieval processes for drivers' records, vehicle maintenance records, trips, fares paid and times of dispatch/response.

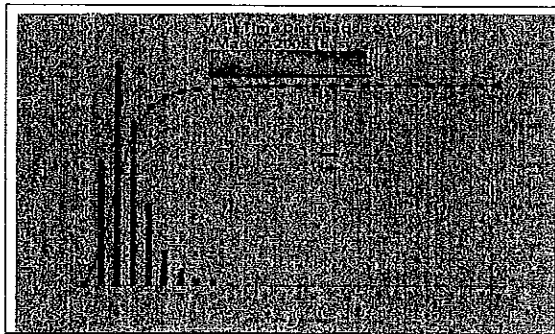
5. Clean and Alternative Fuels/Accessible Vehicles: (20 points)

- (A) Describe proposed number vehicles, if any, which will meet California Air Resources Board LEV, SULEV or ULEV standards, Zero Emission Vehicles, hybrids, or alternative fueled vehicles. Include roster of vehicles specifying fueling system, model year and which standard is met, Also, describe your plan for integrating clean fuel vehicles and facilities to fuel and service such vehicles into current fleet and facilities.
- (B) Describe the type(s) of accessible vehicles to be used in Coachella Valley and the timetable for purchasing accessible vehicles to meet this requirement.

(Note: Data borrowed from Anaheim Taxi Operations)

Exhibit A: Examples of Required Data Reporting

Customer Wait Time Distribution



Trips via Zip Codes Served:

Deleted: a03/15/12
Deleted: a02/25/12

	20	1.4	18.5	24	1.7	13.3
	-	-	-	2	0.1	21.0
	703	50.2	13.1	702	50.1	12.7
	1353	98.6	10.1	1102	78.7	9.8
	560	40.0	15.0	502	35.9	14.0
	1454	103.9	11.4	1273	90.9	11.8
	579	41.4	13.5	536	38.3	13.2
	193	13.8	20.2	181	12.9	16.7
	37	2.6	22.2	38	2.7	22.4
	1	0.1	16.0	3	0.2	17.0

Trip Call Completion Rates

Load	4922	78%	4368	79%
No Show	1116	17%	880	16%
Cancel	481	7%	299	5%
Total Calls	6519		5547	
Average Daily Calls	466		395	

Deleted: a03/15/12
Deleted: a02/25/12

[SAMPLE AGREEMENT]
FRANCHISE AGREEMENT
BETWEEN
SUNLINE SERVICES GROUP
AND

THIS AGREEMENT is made and entered into this ____ day of _____, 2009, by and between SunLine Services Group, a California Joint Powers Authority, 32-505 Harry Oliver Trail, Thousand Palms, California 92276-3501, (hereinafter referred to as "AGENCY"), and _____ (hereinafter referred to as "FRANCHISEE").

WITNESSETH:

WHEREAS, AGENCY desires to franchise Taxi Services for its operations in the Coachella Valley area of Riverside County; and

WHEREAS, FRANCHISEE has submitted a proposal for Taxi Services and further has represented that it has the requisite personnel and experience, and is capable of performing the services therewith; and

WHEREAS, FRANCHISEE wishes to provide the services;

NOW, THEREFORE, it is mutually understood and agreed by AGENCY and FRANCHISEE as follows:

ARTICLE 1. COMPLETE AGREEMENT

A. This Agreement; Request for Proposal (RFP) No. 09-001; and the Franchisee's Proposal in response to this RFP, including all exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and condition(s) of the Agreement between AGENCY and FRANCHISEE and it supersedes all prior representations, understandings and communications. The invalidity in whole or in part of

Deleted: a03/15/12

Deleted: a02/25/12

any term or condition of this Agreement shall not affect the validity of other term(s) or condition(s).

B. AGENCY's failure to insist in any one or more instances upon FRANCHISEE's performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of AGENCY's right to such performance or to future performance of such term(s) or condition(s) and FRANCHISEE's obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon AGENCY except when specifically authorized by signed written amendment to this Agreement issued in accordance with the provisions of this Agreement.

C. ORDER OF PRECEDENCE - In the case of any disagreement or conflict between any of the terms that constitute the complete agreement, said disagreement or conflict shall be resolved based on the following order of precedence: a) the signed agreement; b) the Request for Proposals; c) The Franchisee's Proposal.

ARTICLE 2. AGENCY DESIGNEE

The General Manager or his successor with the AGENCY shall have the authority to act for and exercise any of the rights of AGENCY as Set forth in this Agreement.

ARTICLE 3. STATEMENT OF WORK

A. On or about _____, 2009, FRANCHISEE provided AGENCY with a response to AGENCY's request for proposals to provide taxi services for its operations In the Coachella Valley area of Riverside County for AGENCY. In making its proposal FRANCHISEE offered to provide all labor, materials, equipment and services required to provide taxi services as described herein. FRANCHISEE shall perform the work necessary to comply with the contractual requirements in a manner satisfactory to AGENCY in consideration of Agency's awarding of this Franchise Agreement.

ARTICLE 4. DELIVERY SCHEDULE

FRANCHISEE shall supply the services In the Scope of Work between the date of award and five (5) years with five one year options unless earlier terminated or extended as provided

Deleted: a03/15/12
Deleted: a02/25/12

elsewhere in this Agreement. The Franchisee shall not commence any work until the Franchisee develops a comprehensive work plan detailing their oversight efforts. SunLine shall approve this plan in writing prior to the start of any work by the Franchisee.

ARTICLE 5. CONSIDERATION

A. For FRANCHISEE's full and complete performance of its obligations under this Agreement, AGENCY will allow the Franchisee to operate a franchise within the areas covered by the SRA.

ARTICLE 6. REPRESENTATIONS

Notwithstanding any provisions of this Agreement to the contrary, AGENCY and FRANCHISEE mutually agree that AGENCY makes no representation whatsoever regarding the profitability of any franchise granted by the terms of this Agreement.

ARTICLE 7. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

To FRANCHISEE:

ATTENTION:

To AGENCY:

SunLine Transit Agency
32-505 Harry Oliver Trail
Thousand Palms, CA 92276-3501

ATTENTION:
Naomi Nighthale
PH: (760) 343-3456
FAX: (760) 343-3845

Deleted: a03/15/12
Deleted: a02/25/12

ARTICLE 8. INDEPENDENT CONTRACTOR

FRANCHISEE's relationship to AGENCY in the performance of this Agreement is that of an independent contractor. FRANCHISEE's personnel performing services under this Agreement shall at all times be under FRANCHISEE's exclusive direction and control and shall be considered exclusively to be employees of FRANCHISEE and not employees of AGENCY. FRANCHISEE shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

ARTICLE 9. INSURANCE

During performance hereunder, FRANCHISEE shall maintain a certificate of insurance with the following limits of liability, and FRANCHISEE shall not of its own initiative cause such insurance to be cancelled or materially changed during the term of this project. Comprehensive General Liability, including Contractual, Independent Contractors, and Personal Injury Liability, with at least the following limits of liability. Combined single limits of liability in the amount of \$1,000,000 per occurrence. Automobile Liability, including any autos, with at least the following limits of liability:

- A. Primary Bodily Injury Liability limits of \$1,000,000.00 per occurrence; and
- B. Primary Property Damage Liability limits of \$1,000,000.00 per occurrence;
- C. Combined single limits of liability for Primary Bodily Injury and Primary Property Damage of \$1,000,000.00 per occurrence;
- D. Workers' Compensation Insurance with the limits established and required by the State of California;
- E. Employer's Liability with limits of \$1,000,000.00.

Prior to commencement of any work hereunder, FRANCHISEE shall furnish to AGENCY'S Taxi Administrator, a certificate of insurance evidencing the required insurance

Deleted: a03/15/12

Deleted: a02/25/12

coverage's for FRANCHISEE and further providing that: Certificate shall name and apply specifically to this project/site location on each certificate (worker's compensation coverage is an exception to this requirement); AGENCY is named as an additional insured to the extent of FRANCHISEE's contractual obligations set forth under Article 13 "Indemnification", on Comprehensive General Liability and Automotive Liability insurance with respect to performance hereunder, and; the coverage shall be primary and noncontributory as to any other insurance with respect to performance hereunder and; thirty (30) days prior written notice of cancellation or material change in coverage be given to AGENCY. "Occurrence, as used herein, means any event or related exposure to conditions which result in bodily injury or property damage. FRANCHISEE shall also execute and provide AGENCY with the Labor Code certificate attached hereto as EXHIBIT B.

Insurance coverage to be placed with licensed authorized insurance carriers having at least a B-7 Best Insurance Rating or equivalent.

ARTICLE 10. CHANGES

By written notice or order, AGENCY may, from time to time, order work suspension or make changes in the general scope of this Agreement, including, but not limited to, the services furnished to AGENCY by FRANCHISEE as described in the Scope of Work. If any such work suspension or change causes an increase or decrease in the price of this Agreement or in the time required for its performance, FRANCHISEE shall promptly notify AGENCY thereof and assert its claim for adjustment within ten (10) days after the change or work suspension is ordered, and an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse FRANCHISEE from proceeding immediately with the agreement as changed.

ARTICLE 11. DISPUTES

A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under this Agreement which is not disposed of by supplemental agreement shall be decided by AGENCY's Taxi Administrator, who shall reduce the decision to writing and mail or otherwise furnish a copy thereof to FRANCHISEE. The decision of the Taxi Administrator shall be final and conclusive.

Deleted: a03/15/12
Deleted: a02/25/12

ARTICLE 12. TERMINATION

A. AGENCY may terminate this Agreement for its convenience any time, in whole or part, by giving FRANCHISEE written notice thereof.

B. AGENCY may terminate this Agreement for FRANCHISEE's default if the FRANCHISEE fails to correct any deficiency noted by SRA or the Taxi Administrator involving compliance with the terms of this agreement or any applicable laws or ordinances.

ARTICLE 13. INDEMNIFICATION

FRANCHISEE shall indemnify, defend and hold harmless AGENCY, its officers, directors, employees and agents from all losses, damages, claims for personal injury or damages to real or personal property to the extent caused by FRANCHISEE'S negligence OR misconduct. FRANCHISEE agrees to indemnify AGENCY against expenses, including reasonable attorneys' fees, and liability arising from any such claim of infringement provided FRANCHISEE has the right to control the defense or settlement of any such claim in accordance with the following:

A. FRANCHISEE, at its own cost and expense, shall indemnify, defend and hold harmless AGENCY from and against any and all claims, demands, actions, suits, damages, liabilities, losses and expenses (including reasonable attorney's fees and disbursements) for personal injury or property damage asserted by third parties to the extent caused by the negligence or willful misconduct of FRANCHISEE in connection with FRANCHISEE'S performance, or failure to perform this Agreement hereunder ("Third Party Claims").

B. AGENCY shall promptly give written notice to FRANCHISEE after obtaining knowledge of any potential or actual Third Party Claim against AGENCY as to which recovery may be sought against FRANCHISEE because of the indemnity set forth above.

C. FRANCHISEE will have the right to defend AGENCY against any such Third Party Claim with counsel mutually agreed upon by FRANCHISEE and AGENCY. In addition:

(i) AGENCY may retain separate co-counsel at its sole cost and expense to monitor the defense of the Third Party Claim provided however, that

Deleted: a03/15/12
Deleted: a02/25/12

FRANCHISEE shall have the right to control the defense of such Third Party Claim in FRANCHISEE'S sole discretion.

- (ii) AGENCY will not consent to the entry of any judgment or enter into any settlement with respect to such Third Party Claim without the prior written consent of FRANCHISEE.
- (iii) AGENCY shall cooperate with all reasonable requests of FRANCHISEE in connection with the defense of such Third Party Claim.

D. To the extent reasonably possible, AGENCY shall use its good faith efforts to mitigate any losses which FRANCHISEE is obligated to indemnify against pursuant to this indemnification paragraph.

ARTICLE 14. ASSIGNMENTS AND SUBCONTRACTING

Neither this Agreement nor any interest herein nor claim hereunder may be assigned by FRANCHISEE either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by the FRANCHISEE. This does not prohibit FRANCHISEE'S from subcontracting to individual taxi operators. No subcontractor may have an ownership interest in more than one taxi.

ARTICLE 15. AUDIT AND INSPECTION OF RECORDS

FRANCHISEE shall provide AGENCY or other agents of AGENCY, such access to FRANCHISEE'S accounting books, records, payroll documents and facilities of the FRANCHISEE which are directly pertinent to this Agreement for the purposes of examining, auditing and inspecting all accounting books, records, work data, documents and activities related hereto. FRANCHISEE shall maintain such books, records, data and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during FRANCHISEE's performance hereunder and for a period of four (4) years from the date of final payment by AGENCY. AGENCY's right to audit books and records directly related to this Agreement shall also extend to all first-tier

Deleted: a03/15/12

Deleted: a02/25/12

subcontractors. FRANCHISEE shall permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

ARTICLE 16. FEDERAL, STATE AND LOCAL LAWS

FRANCHISEE warrants that in the performance of this Agreement, it shall comply with all applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder.

ARTICLE 17. CIVIL RIGHTS

A. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, and 42 U.S.C. § 12132, FRANCHISEE agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability.

B. Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(1) Race, Color, Creed, National Origin, Sex — Franchisee shall comply with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e.

(2) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623, FRANCHISEE agrees to refrain from discrimination against present and prospective employees for reason of age.

(3) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, FRANCHISEE agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities.

Deleted: a03/15/12

Deleted: a02/25/12

ARTICLE 18. RESERVED

N/A

ARTICLE 20. PROHIBITED INTERESTS

A. FRANCHISEE covenants that, for the term of this Agreement, no director, member, officer or employee of AGENCY during his/her tenure in office or for one (1) year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE 21. OWNERSHIP OF REPORTS AND DOCUMENTS

The originals of all letters, documents, reports and other products and data produced under this Agreement shall be delivered to, and become the property of AGENCY. Copies may be made for FRANCHISEE’s records but shall not be furnished to others without written authorization from AGENCY. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by AGENCY.

ARTICLE 22. PATENT AND COPYRIGHT INFRINGEMENT

In lieu of any other warranty by AGENCY or FRANCHISEE against patent or copyright infringement, statutory or otherwise, it is agreed that FRANCHISEE shall defend at Its expense any claim or suit against AGENCY on account of any allegation that any item furnished under this Agreement or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U.S. letters patent or copyright. FRANCHISEE shall, pay all costs and damages finally awarded in any such suit or claim, provided that FRANCHISEE is promptly notified in writing of the suit or claim and given Agency, information and assistance at FRANCHISEE’s expense for the defense of same.

ARTICLE 23. FINISHED AND PRELIMINARY DATA

A. All of FRANCHISEE’s finished technical data, developed specifically for the AGENCY, including but not limited to, technical documentation and user documentation, photo prints and other graphic information required to be furnished under this Agreement, shall be AGENCY’s property and shall be furnished with unlimited rights and, as such, shall be free from

Deleted: a03/15/12
Deleted: a02/25/12

proprietary restriction except as elsewhere authorized in this Agreement. FRANCHISEE further agrees that it shall have no interest or claim to such finished, AGENCY-owned, technical data; furthermore, said data is subject to the provisions of the California Public Records Act.

B. It is expressly understood that any title to technical data is not passed to AGENCY but is retained by FRANCHISEE.

ARTICLE 24. FORCE MAJEURE

Either party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by an unforeseeable cause beyond its control including, but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products, plants or facilities by the federal, state or local SunLine; national fuel shortage; or a material act of omission by the other party; when satisfactory evidence of such cause is presented to the other party, and provided further that such nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the party not performing.

ARTICLE 25. RESERVED

N/A

ARTICLE 26. RESERVED

N/A

This Agreement shall be made effective upon execution by both parties.

Deleted: a03/15/12
Deleted: a02/25/12

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written.

FRANCHISEE

By: _____

AGENCY

SUNLINE SERVICES GROUP

By: _____
C. Mikel Oglesby
General Manager

APPROVED AS TO FORM:

By: _____
David Erwin
General Counsel

Deleted: a03/15/12
Deleted: a02/25/12

EXHIBIT B

LABOR CODE CERTIFICATE

LABOR CODE CERTIFICATE

“I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.”

Franchisee Signature: _____ Date: _____

Printed Name: _____

Deleted: a03/15/12
Deleted: a02/25/12

Page 17: [1] Deleted

FARB

2/27/2012 3:50:00 PM

The performance review will be based on company response times; citations and complaint data,

Page 17: [1] Deleted

FARB

2/27/2012 3:53:00 PM

and

Page 17: [2] Deleted

FARB

2/28/2012 8:59:00 AM

The

Page 17: [2] Deleted

FARB

2/27/2012 4:20:00 PM

service needs will be based on response times, total trips per vehicle in service,

Page 17: [2] Deleted

FARB

2/27/2012 4:20:00 PM

ese

Page 17: [2] Deleted

FARB

2/27/2012 4:20:00 PM

s

Page 17: [2] Deleted

FARB

2/27/2012 4:20:00 PM

the

Page 17: [2] Deleted

FARB

2/27/2012 4:20:00 PM

s

Page 17: [2] Deleted

FARB

2/27/2012 4:21:00 PM

for each of the Franchisees for the following year.

Page 17: [2] Deleted

FARB

2/27/2012 4:29:00 PM

Additional taxi allocations will be made pro rata among the Franchisees with adjustments upward or downward based upon each franchisee's performance, each franchisee's need for and utilization of the 25% adjustment provision and of temporary permits, and estimated change in taxi service demand in the next year. The SRA may also change the adjustment percentage (initially set at 25%) and the number of temporary permits allocated to each franchisee. The SRA may reduce the number of allocations for a franchisee based upon unsatisfactory performance and/or a significant drop in the need for taxicab service.

Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [3] Formatted Font color: Auto, Not Highlight	FARB	2/27/2012 4:30:00 PM
Page 17: [4] Deleted	FARB	2/28/2012 9:00:00 AM

SRA shall review Provider trip information to determine increases and decreases to fleet size. The number of trips per day per vehicle shall be reported monthly.

SRA shall conduct this review semi-annually. The review dates shall be April 15 and October 15, or the next working day if either date falls on a weekend or holiday. SRA shall announce any adjustments within ten (10) working days of the respective review date. The initial semi-annual review process shall not be performed until a minimum of six (6) months have elapsed from the service commencement date stated in Paragraph 1 of the first part of this Agreement. Review shall be based Providers authorized allotment of vehicles.

Page 17: [5] Formatted FARB 2/27/2012 4:43:00 PM
Flush Left,fl, Line spacing: 1.5 lines

Page 17: [6] Deleted FARB 2/27/2012 4:43:00 PM

s

Page 17: [6] Deleted FARB 2/27/2012 4:44:00 PM

vehicles

Page 17: [6] Deleted FARB 2/28/2012 9:01:00 AM

Provider

Page 17: [7] Formatted FARB 2/27/2012 3:38:00 PM
Font color: Auto

Page 17: [7] Formatted FARB 2/27/2012 3:38:00 PM
Font color: Auto

Page 17: [7] Formatted FARB 2/27/2012 3:38:00 PM
Font color: Auto

Page 17: [8] Deleted FARB 2/28/2012 9:02:00 AM

in the fleet

Page 17: [8] Deleted FARB 2/27/2012 4:44:00 PM

six (6) months

Page 17: [9] Deleted FARB 2/27/2012 5:09:00 PM

average trips per taxicab as stated above, exceeds

Page 17: [10] Deleted FARB 2/27/2012 4:44:00 PM

w

Page 17: [10] Deleted FARB 2/27/2012 4:44:00 PM

lve

Page 17: [11] Formatted FARB 2/27/2012 3:38:00 PM

Font color: Auto

Page 17: [11] Formatted FARB 2/27/2012 3:38:00 PM
Font color: Auto

Page 17: [12] Formatted FARB 2/27/2012 3:38:00 PM
Font color: Auto

Page 17: [12] Formatted FARB 2/27/2012 3:38:00 PM
Font color: Auto

Page 17: [13] Deleted FARB 2/27/2012 4:46:00 PM

allow Provider up to five (5) additional vehicles in its fleet.