



RESOLUTION NO. 25872

**LAX**  
**LA/Ontario**  
**Van Nuys**  
**City of Los Angeles**

BE IT RESOLVED that the Board of Airport Commissioners approved a First Amendment to Agreement LAA-8562 with Authorized Taxicab Supervision, Inc. to revise the driver penalty structure for taxicab operations at Los Angeles International Airport, as referenced in the Board-adopted staff report attached hereto and made part hereof; and

Eric Garcetti  
Mayor

BE IT FURTHER RESOLVED that the Board of Airport Commissioners authorized the Executive Director to execute said First Amendment upon approval as to form by the City Attorney and upon approval by the Los Angeles City Council; and

**Board of Airport  
Commissioners**

Sean O. Burton  
President

BE IT FURTHER RESOLVED that the issuance of permits, leases, agreements, and renewals, amendments or extensions thereof, or other entitlements granting use of an existing airport facility involving negligible or no expansion of use and/or alteration or modification of the facilities or its operations beyond that previously existing or permitted is exempt from the requirements of the California Environmental Quality Act pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines; and

Valeria C. Velasco  
Vice President

Jeffery J. Daar  
Gabriel L. Eshaghian  
Beatrice C. Hsu  
Nolan V. Rollins  
Dr. Cynthia A. Telles

BE IT FURTHER RESOLVED that the actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606.

Deborah Flint  
Executive Director

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I hereby certify that this Resolution No. 25872 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, January 14, 2016.

Sandra J. Miller – Secretary  
BOARD OF AIRPORT COMMISSIONERS





Los Angeles World Airports

Item Number  
11

# REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

*Marisa Katnich*  
Approved by: Marisa Katnich, Director, Landside Business Management

*Debbie Bowers*  
Reviewed by: Debbie Bowers, Deputy Executive Director

*Timothy J. ...*  
City Attorney

*Deborah Flint*  
Deborah Flint - Executive Director

Meeting Date: 1-14-16

CAO Review:  Completed  
 Pending  
 N/A

Reviewed for	Date	Approval Status	By
Capital Budget	11/16/2015	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	DS
Operating Budget	11/18/2015	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	RW
CEQA	11/20/2015	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	MV
Procurement	11/17/2015	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	MT
Guest Experience	11/16/2015	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BY

## **SUBJECT: First Amendment to Taxi Management Agreement**

Approve the First Amendment to the Agreement with Authorized Taxicab Supervision, Inc. to revise the driver penalty structure for taxicab operations at Los Angeles International Airport.

## **RECOMMENDATIONS:**

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.
3. APPROVE the First Amendment to the Agreement with Authorized Taxicab Supervision, Inc. as referenced in this report.
4. AUTHORIZE the Executive Director to execute the First Amendment to the Agreement with Authorized Taxicab Supervision, Inc. as referenced in this report upon approval as to form by the City Attorney and upon approval by the Los Angeles City Council.

## **DISCUSSION:**

### **1. Purpose**

Revise driver penalty schedule for taxicab operations at Los Angeles International Airport (LAX).

### **2. Prior Related Actions**

- March 7, 2011 - Board Resolution No. 24394  
The Board of Airport Commissioners (Board) approved Agreement No. LAA-8562 Authorized Taxicab Supervision, Inc. to provide taxi management services at LAX.

### **3. Current Action**

Authorized Taxicab Supervision (ATS) provides taxi management services at LAX, which include the following responsibilities: managing taxicab dispatch and taxicab stands in the Central Terminal Area (CTA), performing taxicab vehicle inspections; and operating the holding lot.

Also, ATS on behalf of Los Angeles World Airports (LAWA), adjudicates all taxicab driver violations through hearings with a private third party (a retired civil court judge) and uses a progressive "three strikes" approach when imposing penalties. However, in many instances, the hearing officer will place drivers on probation rather than impose the maximum penalty currently available, which is the inability to operate taxicab service at the airport for a defined number of days. Under the proposed First Amendment, LAWA will revise the penalty schedule for taxicab driver violations at LAX, specifically making penalties more stringent for refusal of service and discourtesy, and also revise the requirements for complaint handling and processing.

While major discourtesies, trip refusals and passenger dismissals have always maintained a potential penalty of driver permit revocation, the changes under the proposed Amendment will make it abundantly clear that driver discriminatory behavior is not accepted or tolerated. The proposed changes to the penalty structure are consistent with that of the Los Angeles Department of Transportation Taxi Commission.

ATS is implementing a comprehensive diversity and antidiscrimination training program for all 4,000 taxicab drivers and all staff involved in management, supervision and field operations. Continuous training will also be provided to all ATS field staff on reporting and escalation procedures for all driver infractions.

The table below provides a summary of the proposed First Amendment:

Provision	Current	Proposed
Driver Penalties	<ul style="list-style-type: none"> <li>• Refusal of service penalties range from suspension of up to 10 airport days for first offense, up to 28 airport days for the second offense, and revocation for the third offense</li> <li>• Discourtesy penalties range from suspension of up to 7 airport days for the first offense, up to 28 airport days for the second offense, and revocation for the third offense</li> <li>• Hearing officer may issue multiple informal warnings for same offense, which is proven to be ineffective</li> </ul>	<ul style="list-style-type: none"> <li>• Refusal of service and when motivated by prejudice against a specific race, nationality, religion, age, disability, sex, or gender identity, would result in immediate revocation of the driver's permit to provide taxicab service</li> <li>• Refusal of service and discourtesy (without prejudice) penalties would be no less stringent than less than 6 airport days for refusal of service and no less than 4 days for discourtesy</li> <li>• Informal warning procedure is eliminated</li> </ul>
Hearing and Adjudication Process	<ul style="list-style-type: none"> <li>• ATS retains a third party hearing officer to adjudicate all complaints</li> <li>• There is no requirement for ATS to supply LAWA with adjudication records or information on disciplinary actions</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment of all hearing officers is subject to LAWA's prior approval</li> <li>• LAWA may appoint a hearing officer at its cost</li> <li>• ATS is required to notify LAWA at each step of the complaint, investigation, and adjudication processes of actions taken to resolve taxicab infractions</li> </ul>
Complaint handling procedures	None	<ul style="list-style-type: none"> <li>• ATS would be required to notify LAWA in writing of all customer complaints within two business days of receipt of complaint, and provide LAWA with all disciplinary and training actions taken by ATS to resolve each complaint within five business days of any action</li> </ul>

Provision	Current	Proposed
Penalties for complaint handling and submission of reports	None	<ul style="list-style-type: none"> <li>• ATS would be subject to a monetary penalty of \$50 per day for 1) failing to promptly respond to and address complaints to LAWA's satisfaction and 2) failing to submit reports</li> </ul>

Drivers may appeal ATS's disciplinary actions to the Los Angeles Department of Transportation (DOT), however LAWA's penalty structure is consistent with DOTs.

***Action Requested***

Staff requests the Board approve the First Amendment and authorize the Executive Director to execute the First Amendment, after approval as to form by the City Attorney and approval by the City Council.

**Minority/Women Business Enterprise Program**

ATS committed to 1.93% M/WBE participation and has achieved 0.41% to date. One of ATS' MBE/WBE vendors retired and closed the business. ATS has identified two replacement vendors who are applying for M/WBE certification, which will assist in meeting the pledge. ATS will also seek to find MBE/WBE candidates additional projects as they arise.

***Fiscal Impact***

This is an administrative action and will have no fiscal impact.

**4. Alternatives Considered**

**• Take No Action**

This would result in maintaining the current penalty structure which does not cover driver violations related to prejudice or discourage drivers by way of penalties from refusing service or providing appropriate levels of customer service.

**APPROPRIATIONS:**

No appropriations are requested for this item.

**STANDARD PROVISIONS:**

1. The issuance of permits, leases, agreements, and renewals, amendments or extensions thereof, or other entitlements granting use of an existing airport facility involving negligible or no expansion of use and/or alteration or modification of the facilities or its operations beyond that previously existing or permitted is exempt from the requirements of the California Environmental Quality Act pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.

2. This item is subject to approval as to form by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606.
4. ATS is required by contract to comply with the provisions of the Living Wage / Service Contractor Worker Retention Ordinances.
5. Procurement Services Division has reviewed this action (File # 7259) and established a 20% combined Minority/Women Business Enterprise (M/WBE) level of participation for this project. ATS committed to 1.93% M/WBE participation and has achieved 0.41% to date.
6. ATS is required by contract to comply with the provisions of the Affirmative Action Program.
7. ATS has been assigned Business Tax Registration Certificate number 820812-86.
8. ATS is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
9. ATS has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
10. Pursuant to Charter Section 1022, staff determined the work specified on the proposed contract can be performed more feasibly or economically by an Independent Contractor than by City employees.
11. ATS has submitted the Contractor Responsibility Program Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. ATS has been determined by Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance.
13. ATS will be required to comply with the provisions of the First Source Hiring Program for all non-trade Airport jobs.
14. ATS has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.