

BOARD REPORT  
CITY OF LOS ANGELES  
DEPARTMENT OF TRANSPORTATION

Date: May 16, 2019  
To: Board of Taxicab Commissioners  
From: Seleta J. Reynolds, General Manager  
Subject: **APPEAL OF L.A. CHECKER CAB COOPERATIVE, INC., CONCERNING THE DEPARTMENT'S RECOMMENDATION TO REVOKE FRANCHISE ORDINANCE 181423**

**RECOMMENDATIONS**

That your Board:

- a. **FIND** that on June 21, 2018, the Department of Transportation submitted to the Board of Taxicab Commissioners (Board) a recommendation to revoke L.A. Checker Cab Cooperative Inc.'s (Checker) Franchise Ordinance for multiple violations of the Ordinance.
- b. **FIND** that Checker shall pay a monetary penalty of \$335,000.00 for violations of Franchise Ordinance 181423.
- c. **ADVISE** Checker that the monetary penalty shall be paid in full by April 22, 2019.
- d. **DENY** Checker's appeal and uphold the Department's recommendation to revoke Franchise Ordinance 181423.

**INITIATED BY**

On October 15, 2018, L.A. Checker Cab Cooperative, Inc., 14943 Califa St., Van Nuys, California 91411, appealed the Department's recommendation to revoke Franchise Ordinance 181423 by filing a written "Request for Hearing Before the Board of Taxicab Commissioners" (Attachment 1) pursuant to Board Order No. 471, Rule 906 (Attachment 1).

**DISCUSSION**

On June 21, 2018, the Department submitted a report to the Board of Taxicab Commissioners recommending the assessment of a monetary penalty. The Department also recommends the revocation of Checker's Franchise Ordinance 181423 (Ordinance) predicated on multiple violations of the Ordinance.

Investigator Dale Horton (Horton) submitted a report, B18-030.dwh on June 21, 2018, stating that permitted taxicabs operated as L.A. Checker Cab under Franchise Ordinance 181423 were running

taximeters equipped with “pulse devices.” Pulse devices allow the drivers to manipulate the mileage traveled by accelerating the distance, which results in overcharges to the public. Operating a taxicab with a meter equipped with such devices is a violation of multiple sections of their Franchise Ordinance as well as a violation of Section 12510(a)(5) of the Business and Professions Code.

Investigative Reporter Joel Grover aired a report on NBC Channel 4 News about taxicabs with rigged taximeters in May of 2006, November of 2007, and on July 17, 2009. Yevgeny Smolyar, the President of Checker, sent Joel Grover a letter after the November 2007 airing indicating that the company had implemented new and stricter disciplinary action against drivers for such behavior.

The June 21, 2018 report charges that the company should have been fully aware of the propensity of meter tampering by its drivers but failed to manage or take charge of the operation of these taxicabs as required by their Ordinance.

The Board instructed the Department to conduct an Administrative Hearing with Checker regarding the alleged violations. The Hearing Officer, after conducting the hearing, formed the opinion that there was insufficient evidence to alter the recommendation of the Department submitted to the Board on June 21, 2018. Checker received the results via a letter dated October 5, 2018 (Attachment 2).

Neil Evens, Checker’s legal representative, in a letter, dated October 11, 2018 (Attachment 3), indicated that wording in the original letter was incorrect. Checker received a corrected letter dated October 12, 2018 via email (Attachment 4).

Checker submitted a “Request For Hearing Before The Board Of Taxicab Commissioners” on October 15, 2018.

#### Appellant’s Statement

The appellant stated on their “Request For Hearing Before The Board Of Taxicab Commissioners” that “Action specified in 10/5/18 and 10/12/18 letters by Pat Barker to revoke all 269 taxicabs slots held by Checker Cab Coop, Inc. alleged violations Board Order 471 Rules 429 and B & P 12510(a) (5) all disputed. No administrative Hearing was held on 8/23/18. There is no evidence or legal basis to revoke all 269 taxi cab slots as set forth in the letter of Neil Evans sent on 10/11/18 and incorporated by reference here.” [Sic]

#### **PROPOSED DISCIPLINARY ACTIONS**

Patricia Barker, Senior staff Investigator, presented the Board with a verbal report of the Administrative Hearings and subsequent investigation. Barker’s opinion was that the Board should adopt the original recommendation to revoke Ordinance 181423 and assess the monetary penalty and forward it to the City Council. The Board has requested that the Department return to the Board with an amended report for the Board’s consideration, giving multiple disciplinary options. Report LE18-030a.pab outlines those options, as follows:

**SUGGESTED OPTION #1**

L.A. Checker Cab Cooperative, Inc.

1. Find that Checker failed to effect the necessary remedies associated with 14 tampering incidents, even when given ample opportunity to do so. Checker's failure necessitates the assessment of a monetary penalty of \$335,000 absent any monetary penalty assessed to the principals involved in the fraud. Checker must render full payment within 30 calendar days of the Board's decision.
2. Find that Sections 2.3(c) (i) and (iv) of Franchise #181423 necessitates the revocation of L.A. Checker's franchise.
3. Direct the Department to not accept any future application(s) for any form of passenger transportation from L.A. Checker, L.A. Checker Cab Cooperative, Inc., or its principals operating under any other company name for a period of five years.

**SUGGESTED OPTION #2**

1. Find that Checker failed to effect the necessary remedies associated with 14 tampering incidents, even when given ample opportunity to do so. Checker's failure necessitates the assessment of a monetary penalty of \$335,000 absent any monetary penalty assessed to the principals involved in the fraud. Checker must render full payment within 30 calendar days of the Board's decision.
2. Checker shall be placed on probation for a period of not less than two years where any violation of the Board's rules and regulations, City Ordinances, requirements of their Franchise, if any, or any State, County or City law, regulation, codes or laws shall result in the immediate permanent revocation of Checker's authority to operate any form of passenger service within the City of Los Angeles.
3. Checker, whether under the Checker Franchise, company name, or any other means shall, no later than July 1, 2019, enable all licensed Checker vehicles to communicate with the Department in accordance with the Agency APIs defined in the LADOT Mobility Data Specification ("MDS").<sup>1</sup> Compliance with such APIs requires Checker-operated vehicles to notify the Department with temporal and geo-located information before, during, and after every metered trip ("MDS Data").<sup>2</sup> The Department will compare MDS Data to the licensed meter data reported by Checker to the Department to determine whether Checker is operating in accordance with the requirements set forth in the permit granted to Checker by the Department. At its sole discretion, Department authorized personnel may conduct random audits of Checker without warning.

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<sup>1</sup> <https://github.com/CityOfLosAngeles/mobility-data-specification>

<sup>2</sup> In consideration of this demand, Department will offer technical support to Checker to assist in their compliance with this requirement. The Department technical support will be equivalent to the support Department provided to Mobility Service Providers for the Dockless Mobility one-year permit.

4. Checker Cab shall submit to the Department a complete record of all complaints received; the name of the individual or individuals assigned to the complaint; the resolution, if any, including any penalty assessed; and the date of resolution. The company shall also provide, upon demand by the Department, a copy of all documentation, including any investigative reports.
5. Checker management, investor/shareholders, Grantees, drivers and members shall be required to undergo Customer Service Training from an accredited course approved by the Department and submit certification of each individual's attendance. Said training shall repeat on an annual basis.
6. Checker shall remove the Investor/Shareholder classification from the operation of Checker Cab and require Checker Cab and its management to be solely responsible for the operation of their taxicabs.
7. Checker shall submit to the Department a detailed and concise management business plan, including disciplinary actions for all violations of Los Angeles City rules and regulations. The approved program shall include education of the drivers regarding the rules and regulations of the Department and prevention of fraud to be approved by the Department.
8. Checker shall ensure that all taxicabs operated within the City of Los Angeles shall be registered to Checker.
9. Checker shall at no time, enter into, engage in, encourage, or condone any form of penalizing drivers for monetary penalties assessed to the company by the Department.

### **SUGGESTED OPTION #3**

1. Find that Checker failed to effect the necessary remedies associated with 14 tampering incidents, even when given ample opportunity to do so. Checker's failure necessitates the assessment of a monetary penalty of \$335,000 absent any monetary penalty assessed to the principals involved in the fraud. Checker must render full payment within 30 calendar days of the Board's decision.
2. Checker should install an independent third-party management company as new management for Checker. The Department and the Commission should interview the company, and the Department must approve the company.
3. Checker, whether under the Checker Franchise, company name, or any other means shall, no later than July 1, 2019, enable all licensed Checker vehicles to communicate with the Department in accordance with the Agency APIs defined in the LADOT Mobility Data Specification ("MDS").<sup>3</sup> Compliance with such APIs requires Checker-operated vehicles to notify the Department with temporal and geo-located information before, during, and

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after every metered trip (“MDS Data”).<sup>4</sup> The Department will compare MDS Data to the licensed meter data reported by Checker to the Department to determine whether Checker is operating in accordance with the requirements set forth in the permit granted to Checker by the Department. At its sole discretion, Department authorized personnel may conduct random audits of Checker without warning.

4. Checker Cab shall submit to the Department a complete record of all complaints received; the name of the individual or individuals assigned to the complaint; the resolution, if any, including any penalty assessed; and the date of resolution. The company shall also provide, upon demand by the Department, a copy of all documentation, including any investigative reports.
5. Require Checker to submit to the Department a detailed and concise business plan, including disciplinary actions for violations of Los Angeles City rules and regulations, programs for the education of the drivers and prevention of fraud to be approved by the Department prior to acceptance by the Department.

#### **Applicable Regulations**

Board Order 471, Rule 201 states:

“Each taxicab operator and its management, employees, lease drivers, each vehicle permittee, each driver, and each member’s lease drivers and employees are individually and jointly responsible for complying with rules and regulations of the Board; all sections of the LAMC, the Los Angeles Administrative Code and other ordinances of the City; any rule or regulation of the Department of Airports; and any section of a State Statute or Administrative Code relating to the operation of a taxicab or a vehicle for hire. Through adjudication, only one taxicab rule shall be applied for a specific infraction when Rule 201 is cited in addition to another taxicab rule for the same offense.”

Board Order 471, Rule 402 states:

“Each taxicab operator or vehicle permittee shall equip each taxicab with:

A State approved taximeter, currently certified for the specific vehicle in which it is installed and with unbroken State inspection seals affixed. All replacement meters shall be certified by a State sealer, registered with the Los Angeles County Department of Weights and Measures, and inspected by the Department within seven calendar days after the vehicle is placed into service with a new or replacement meter.”

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<sup>4</sup> In consideration of this demand, Department will offer technical support to Checker to assist in their compliance with this requirement. The Department technical support will be equivalent to the support Department provided to Mobility Service Providers for the Dockless Mobility one-year permit.

Board Order 471, Rule 420 states:

“Each taxicab operator and vehicle permittee shall maintain the taximeter in good working condition at all times.”

Board Order 471, Rule 429 states:

“The taxicab is found to contain a rate other than authorized. The meter shall have installed only the approved rates and extra charges. All mechanisms, devices and/or electronic programs attached, installed or used in connection with the meter shall not facilitate the perpetration of fraud. No schedule of rates contained in the taximeter may be higher than those authorized for the City of Los Angeles unless authorized by the Board of Taxicab Commissioners.”

California Business and Professions Code §12510(a)(5) states:

“Any person who by himself or herself, or through or for another, does any of the following is guilty of a misdemeanor:

- (1) Sells or uses any device or instrument to be used or calculated to falsify any weight or measure.”

Franchise Ordinance #181423, Section 1.0 DEFINITIONS:

CO-OPERATIVE, ASSOCIATION or MEMBERSHIP: “An independent taxicab enterprise or organization owned and operated by its Members for the financial benefit of its Members. Each authorized taxicab fleet slot correlates to a share and/or ownership in the Membership.”

INVESTOR/SHAREHOLDER: “A Member of Grantee who does not manage or control taxicabs in Grantee.”

MEMBER: “An individual person or Subchapter S corporation, as defined in the United States Internal Revenue Code Section 1361, who owns one or more taxicabs and/or shares, but not more than the maximum number allowed by this ordinance, in Grantee. Only those individuals applying for Investor/Shareholder membership status may apply as a Subchapter S corporation.”

Franchise Ordinance #181423, Section 402 “Operations and Service – General:

- (a) “All vehicles, equipment and appurtenances used under this Franchise shall be operated and maintained in accordance with all applicable Federal and State laws, ordinances of this City and order of the Board. Grantee shall be responsible for the compliance of its Members and drivers with all such laws, ordinances, rules and orders.”
- (b) “The number of taxicabs operated pursuant to this Franchise, the manner and time of all

operations, the transportation service provided, and the rates or fares charged, shall at all times conform to such regulations as shall from time to time be fixed or prescribed by the City and/or Board,”

Franchise Ordinance #181423, Section 403 “Operations and Service – Taxicabs:

- (b) “All taxicabs used by the Grantee within the City shall be operated under and pursuant to the provisions of this Franchise and Board requirements and not otherwise. Each such taxicab shall be equipped with City decals and/or equivalent City identification as ordered by the Board by resolution. Grantee shall not allow any taxicab to be driver which is in violation of the terms of this Franchise or any Board requirements.”

Board Order 471, Rule 906 states:

“A driver or taxicab operator may appeal the decision of the Department by filing with the Department an Appeal Request Form within three working days of the Department hearing. Such Appeal Form shall present the basis for protesting the decision of the Department.”

JMM/pab

B19-008a.pab

CITY OF LOS ANGELES  
DEPARTMENT OF TRANSPORTATION

REQUEST FOR HEARING BEFORE THE BOARD OF TAXICAB COMMISSIONERS

Driver's D.O.T. Permit Number: \_\_\_\_\_ Hearing Notice No.: 064741  
Name (Print): L.A. Checker Cab Cooperative  
Street Address: 14943 Caluya Street, Van Nuys, CA 91411  
Telephone No.: 818-488-5085 E-Mail: lacheckercab@yahoo.com

As provided in Section 71.09 of the Los Angeles Municipal Code, I hereby request a hearing before the Board of Taxicab Commissioners on the matter of:

- Driver/Attendant Permit - DENIAL
- Driver/Attendant Permit - DENIAL - Falsification of Application
- Driver Permit Application - DENIAL - Cheating on Taxicab Driver Test
- Driver/Attendant Permit - CANCELLATION
- Driver/Attendant Permit - REVOCATION *see below*
- Driver/Attendant Permit - SUSPENSION
- Vehicle Permit DENIAL

Vehicle Permit SUSPENSION/revocation

Other: Action specified in 10/15/18 and 10/12/18  
Letters by Pat Barker on: 10/15/18 and 10/12/18 to revoke all 269 Taxi Cab Slots held  
Board order 471 by L.A. checker cab coop.

For the following violation(s)/reason(s): Alleged violations Rules 429 and B+P12510  
All disputed. No administrative (CA) (S)  
Hearing was held on 8/23/18 (CA) (S)

I protest the Department's action because:  
There is no evidence or legal basis to revoke all  
269 Taxi Cab Slots as set forth in the letter of  
Neri Evans sent on 10/11/18 and incorporated by  
reference herein.

I understand that:

1. I will be informed of the date, time and place of the hearing at the address I have given above. YS
2. My failure to appear for the hearing is a waiver of my rights to a hearing and action may be taken without my being present. YS
3. I may have an attorney present at the hearing at my own expense. YS
4. It is my responsibility to submit to the Department any letters of Commendation, Rehabilitation, awards, and/or letters attesting to my Good Character. I further understand that it is not the responsibility of the Department to solicit these documents on my behalf. I also understand That I may present witnesses to testify before the Board in support of my cause. YS

I understand that it is my responsibility to submit to the Department, upon demand, any fees that may be charged by outside agencies for copies of Arrest reports and/or other legal documents relevant to this appeal. I further understand that this appeal can not be processed until such payment has been submitted to this Department for forwarding to the outside agency. YS

ATTACHMENT 1

Signed: [Signature] Date: 10/15/18

INFORMATION ABOUT YOUR HEARING

PLEASE READ. INITIAL EACH BOX AND SIGN AND DATE AT THE BOTTOM

<p>YS Initial</p>	<p>1. Approximately 7-10 days before the date of your hearing, the Commission Executive Assistant will mail a packet to your address of record. The packet will contain a copy of your appeal and a notice advising you of the exact date, time and location where your appeal will be conducted. <b>YOU MUST BE ON TIME.</b> You must be present in order to present your appeal. <b>FAILURE TO APPEAR AT THE TIME AND DATE SCHEDULED WAIVES YOUR RIGHT TO BE HEARD BEFORE THE BOARD. THE BOARD HAS A RIGHT TO TAKE ACTION ON YOUR APPEAL EVEN IF YOU ARE NOT PRESENT.</b> LAMC Section 71.09(d)</p>
<p>YS Initial</p>	<p>2. Once you arrive in the hearing room, you will notice an "ON AIR" sign on the wall. Commission meetings are conducted live over radio air waves. While this sign is on, all business before the Commission can be heard by persons listening over the radio. <b>BECAUSE APPEALS ARE CONSIDERED TO BE CONFIDENTIAL IN NATURE, NO APPEAL WILL BE HEARD WHILE THE "ON AIR" SIGN IS ON.</b> Please conduct yourself and your conversations with others in a respectful manner.</p>
<p>YS Initial  YS</p>	<p>3. Appeals are heard after all other Commission business has been conducted and the Commission goes into "Executive Session." <b>Appeals involving DMV records or criminal history are only heard in "Executive Session."</b> Once the meeting is declared to be in "Executive Session" the "ON AIR" sign is turned off. Excluding the Commission members, the Commission Executive Assistant, the City Attorney, and the Senior Investigator presenting your appeal all others <u>not</u> associated with your appeal will be excused from the room and asked to wait in the hallway, including all other appellants. If you are asked to exit until it is time to hear your appeal, please exit the door BUT do not leave the immediate area. You will be called back in when it is time to hear your appeal.</p>
<p>YS Initial</p>	<p>4. You are encouraged to bring with you any persons who can attest to your good character. Letters of recommendation will also be accepted at the time your appeal is actually before the Board. If your supporters wish to be heard, each will be given time to address the Board. With very few exceptions, the time they may speak will be limited to 2:00 minutes. This ensures that all who wish to be heard may speak.</p>
<p>YS Initial</p>	<p>5. <b>The Board has the final say regarding your appeal and all decisions are final.</b> The Board is in no way obligated to decide in your favor. If the Board decides against you, do not attempt to argue back or go over the issues again. In extreme cases, where additional extenuating evidence is discovered after a hearing is held the Board <u>may</u> rehear your appeal. However, such cases are very rare, and it is at the complete discretion of the Board whether or not to rehear your appeal. Requests to rehear an appeal must be made in writing and filed with the Executive Commission Assistant. Please understand that the Board has no legal obligation to rehear your case if it decides that your request has no merit. LAMC Section 71.09.1</p>
<p>YS Initial</p>	<p>6. <b>If the Board finds in your favor and grants your appeal,</b> the Department will process and issue you a new permit at no charge. The Commission Executive Assistant will send you a letter confirming that your appeal was granted. Do not attempt to submit your application before receiving this letter. <u>You must be employed by a company permitted to operate in the City of Los Angeles BEFORE submitting your new application.</u> Once you receive the letter, you will be required to file a new application and submit all new required documentation.</p>

  
Name

10/15/18  
Date

CITY OF LOS ANGELES  
CALIFORNIA

Seleta J. Reynolds  
GENERAL MANAGER



ERIC GARCETTI  
MAYOR

DEPARTMENT OF TRANSPORTATION  
100 South Main Street, 10<sup>th</sup> Floor  
Los Angeles, California 90012  
(213) 972-8470  
FAX (213) 972-8410

TAXICAB & FRANCHISE REGULATIONS  
(213)928-9600  
FAX (866)316-8169

October 5, 2018

REGULAR MAIL AND FAX

L. A. Checker Cab Cooperative, Inc  
14943 Califa St  
Van Nuys, CA 91411

**SUBJECT: ASSESSMENT OF HEARING INVESTIGATION FOR VIOLATION OF BOARD ORDER 471, RULE 429 AND §12510 (A) (5) B & P REGARDING HEARING NOTICE 064741**

On August 23, 2018, the Department conducted an administrative hearing regarding the potential revocation of the L. A. Checker Cab Cooperative, Inc. (L. A. Checker) franchise for violation of Board Order 471, Rule 429 (meter tampering by use of a pulse device) and Business & Professions Code §12510(a)(5). Additional investigation was done.

It has been determined that the following violations did, in fact, occur and there has been insufficient proof submitted to satisfy the Department that adequate procedures have been implemented to prevent a repetition.

Board Order 471, Rule 429 states:

"Subject to right to appeal as provided in Section 900 herein, for Rules 427 through 432, each taxicab operator and vehicle permittee shall, upon request, take the taxicab immediately out of service and make the taxicab immediately available to the Department and the Department shall remove the City Decals when:

429. The taximeter is found to contain a rate other than authorized. The meter shall have installed only the approved rates and extra charges. All mechanisms, devices and/or electronic programs attached, installed or used in connection with the meter shall not facilitate the perpetration of fraud. No schedule of rates contained in the taximeter may be higher than those authorized for the City of Los Angeles unless authorized by the Board of Taxicab Commissioners."

§12510(A) (5) of the California Business and Professions Code states:

- (a) Any person, who by himself or herself, or through or for another, does any of the following is guilty of a misdemeanor:
- (5) Sells or uses any device or instrument to be used or calculated to falsify any weight or measure.

It is the determination of the administrative hearing officer that the recommendation of the Department to instruct the Board of Taxicab Commissioners to revoke all two hundred sixty nine taxicab slots held by L. A. Checker Cab Cooperative, Inc.

ATTACHMENT 2



AN EQUAL EMPLOYMENT OPPORTUNITY - AFFIRMATIVE ACTION EMPLOYER



L. A. Checker Cab Cooperative, Inc.

Page 2

October 5, 2018

You may appeal this assessment to the Board of Transportation Commissioners by filing an Appeal Request form with the Department within three working days of your receipt of this notification. **Address your remittance to: Department of Transportation, Franchise Regulation Division, 100 S. Main Street, Room 01-080, Los Angeles, California 90012, Attention: Patricia A. Barker, Senior Transportation Investigator.**

If you have any questions, you may contact me at [Pat.Barker@lacity.org](mailto:Pat.Barker@lacity.org).

Sincerely,

A handwritten signature in black ink that reads "Patricia A. Barker". The signature is written in a cursive style with a large, looping initial "P".

Patricia A. Barker, Senior Transportation Investigator  
Taxicab and Regulation  
Enforcement and Inspection Division

c: LADOT, Jarvis Murray

LE18-063.pab



Pat Barker <pat.barker@lacity.org>

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**RESPONSE TO 10/5/18 LETTER ASSESSMENT OF HEARING INVESTIGATION**

message

Neil Evans <evanstnt@aol.com>

Thu, Oct 11, 2018 at 10:36 PM

To: pat.barker@lacity.org, Jarvis.murray@lacity.org

PLEASE SEE ATTACHED LETTER RESPONSE TO YOUR NOTICE OF ASSESSMENT DATED 10/5/18. THIS IS A TIME SENSITIVE MATTER. NEIL EVANS

Neil C. Evans Law Offices of Neil C. Evans Telephone: (818) 802-8333 Facsimile: (213) 406-1231 Email: evanstnt@aol.com Skype: evanstnt This email message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.

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 **RESPONSE BY L.A. CHECKER CAB COOPERATIVE^J INC. TO LETTER OF ASSESSMENT.pdf**  
125K

ATTACHMENT 3

NEIL C. EVANS  
ATTORNEY AT LAW  
13351 D RIVERSIDE DRIVE, STE. 612  
SHERMAN OAKS, CA 91423  
(818) 802-8333  
[evanstnt@aol.com](mailto:evanstnt@aol.com)

VIA EMAIL – OCTOBER 11, 2018  
PATRICIA A. BARKER, SENIOR  
TRANSPORTATION INVESTIGATOR  
TAXICAB AND REGULATION  
ENFORCEMENT AND INSPECTION DIVISION  
100 SOUTH MAIN STREET, 10<sup>TH</sup> FLOOR  
LOS ANGELES, CALIFORNIA 90012

Re: ASSESSMENT OF HEARING INVESTIGATION FOR VIOLATION OF  
BOARD ORDER 471, RULE 429 AND Section 12510(a)(5) B & P REGARDING HEARING  
NOTICE 064741 – LETTER DATED 10/5/18  
**NOTICE OF APPEAL OF 10/5/18 ASSESSMENT AND ACTION**

Dear Ms. Barker:

My client, L.A. Checker Cab Cooperative, Inc., received your letter of **10/5/18** via regular mail, postmarked **10/9/18, today, 10/11/18**. My client did not receive a fax of this letter. The letter on its face is inaccurate in terms of the date of mailing and the absence of a fax. This is not a new practice on your part, and makes the notice and notice periods in your letter ambiguous to say the least.

My client also disputes that there was an administrative hearing on 8/23/18. You merely

FILE NO. \_\_\_\_\_  
**2018 OCT 12 AM 8:18**  
DEPT OF TRANSPORTATION  
FRANCHISE REGULATION DIV.

asked my client questions and received answers at a meeting on 8/23/18. That was not an administrative hearing.

That was an interview and fact finding session for you, and was not a hearing for my client. The administrative hearing process has not been conducted or exhausted.

Furthermore, your letter contains numerous inaccuracies legally and factually.

While the Rules cited authorize an "out of service" and "removal of seals" if a taximeter is found to contain a rate other than as authorized, there were no more than 2-3 taxis inspected under circumstances which were materially flawed, which the Department contended met the "out of service" and "removal of seals" standard, which is disputed. There is no evidence that any other taxis had alleged defective meters or devices.

There is absolutely no factual or legal basis for the proposed action to "revoke" ALL 269 seals where there were no issues with meters in any other taxicabs. In short, 266 of the 269 taxis did not have any alleged defective meters or devices. There is no basis to "revoke" any of the other 266 seals under these Rules.

Further, the Board of Taxicab Commissioners does not have the authority to revoke the Franchise of L.A. Checker Cab Cooperative, which is what you are proposing (since there were only 2-3 taxicabs with alleged questioned meters, not all 269 taxis). This determination or recommendation is illegal and should not be the subject of any action against my client, or require any appeal or action by my client. We should not be required to appeal an action which is not authorized by law, rule or regulation.

Finally, your letter of October 5, 2018, refers to an appeal to the

"Board of Transportation Commissioners" which is incorrect, and presumably should have referred to the "Board of Taxicab Commissioners."

For all of the reasons stated above, the Assessment and action in your letter of 10/5/18, MUST BE WITHDRAWN, AND/OR A NEW ASSESSMENT AND ACTION SHOULD BE ISSUED.

IF IT THE ASSESSMENT AND ACTION IS NOT IMMEDIATELY WITHDRAWN, THEN L.A. CHECKER CAB COOPERATIVE, INC. HAS NO CHOICE BUT TO APPEAL THIS ACTION. PLEASE PROVIDE ME VIA EMAIL WITH THE FORM OF APPEAL WHICH IS REQUIRED, AND IT WILL BE SUBMITTED IMMEDIATELY. **BECAUSE WE DO NOT HAVE THAT FORM NOW, I AM HEREBY ASSERTING AN APPEAL ON BEHALF OF L.A. CHECKER CAB COOPERATIVE, INC. BY THIS LETTER, FOR ALL OF THE REASONS STATED HEREIN.**

PLEASE ALSO BE ADVISED THAT L.A. CHECKER CAB COOPERATIVE, INC. RESERVES THE RIGHT TO SEEK AN IMMEDIATE RESTRAINING ORDER IN SUPERIOR COURT TO BLOCK THE EFFECTIVENESS OF YOUR LETTER/ASSESSMENT OF 10/5/18, BASED UPON THE REASONS STATED ABOVE.

RESPECTFULLY

/S/ NEIL C. EVANS

NEIL C. EVANS

cc: Jarvis Murray, LADOT

CITY OF LOS ANGELES  
CALIFORNIA

Seleta J. Reynolds  
GENERAL MANAGER



ERIC GARCETTI  
MAYOR

CORRECTED COPY

DEPARTMENT OF TRANSPORTATION  
100 South Main Street, 10<sup>th</sup> Floor  
Los Angeles, California 90012  
(213) 972-8470  
FAX (213) 972-8410

TAXICAB & FRANCHISE REGULATIONS  
(213)928-9600  
FAX (866)316-8169

October 12, 2018

REGULAR MAIL AND FAX

L. A. Checker Cab Cooperative, Inc  
14943 Califa St  
Van Nuys, CA 91411

**SUBJECT: ASSESSMENT OF HEARING INVESTIGATION FOR VIOLATION OF BOARD ORDER 471,  
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Board Order 471, Rule 429 states:

“Subject to right to appeal as provided in Section 900 herein, for Rules 427 through 432, each taxicab operator and vehicle permittee shall, upon request, take the taxicab immediately out of service and make the taxicab immediately available to the Department and the Department shall remove the City Decals when:

429. The taximeter is found to contain a rate other than authorized. The meter shall have installed only the approved rates and extra charges. All mechanisms, devices and/or electronic programs attached, installed or used in connection with the meter shall not facilitate the perpetration of fraud. No schedule of rates contained in the taximeter may be higher than those authorized for the City of Los Angeles unless authorized by the Board of Taxicab Commissioners.”

§12510(A) (5) of the California Business and Professions Code states:

- (a) Any person, who by himself or herself, or through or for another, does any of the following is guilty of a misdemeanor:
- (5) Sells or uses any device or instrument to be used or calculated to falsify any weight or measure.

It is the determination of the administrative hearing officer that the recommendation of the Department to instruct the Board of Taxicab Commissioners to revoke all two hundred sixty nine taxicab slots held by L. A. Checker Cab Cooperative, Inc. stand.

ATTACHMENT 4



L. A. Checker Cab Cooperative, Inc.  
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You may appeal this assessment to the Board of Taxicab Commissioners by filing an Appeal Request form with the Department within three working days of your receipt of this notification. **Address your remittance to: Department of Transportation, Franchise Regulation Division, 100 S. Main Street, Room 01-080, Los Angeles, California 90012, Attention: Patricia A. Barker, Senior Transportation Investigator.**

If you have any questions, you may contact me at [Pat.Barker@lacity.org](mailto:Pat.Barker@lacity.org).

Sincerely,



Patricia A. Barker, Senior Transportation Investigator  
Taxicab and Regulation  
Enforcement and Inspection Division

c: LADOT, Jarvis Murray

LE18-063a.pab

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Fax Log for  
City of Los Angeles LADOT  
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Oct 12 2018 11:09AM

Last Transaction

Date	Time	Type	Station ID	Duration	Pages	Result
Digital Fax						
Oct 12,	11:08AM	Fax Sent	918189330927	1:14 N/A	4	OK