ITEM NO. 16

STAFF REPORT

CITY OF OCEANSIDE

DATE: April 1, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Financial Services Department

SUBJECT: **APPROVAL OF A FIVE-YEAR TAXICAB FRANCHISE AGREEMENT WITH OCEANSIDE TRANSPORTATION SERVICES, LLC, DBA YELLOW CAB OF OCEANSIDE**

SYNOPSIS

Staff recommends that the City Council approve a five-year franchise agreement with Yellow Cab of Oceanside to provide taxicab services in the City of Oceanside with revenue to the City in the estimated amount of $10,000; and authorize the City Manager to execute the agreement. The agreement will run until June 30, 2014.

BACKGROUND

In early 2004, due to a pending change of ownership for Yellow Cab, the City Council approved a new five-year franchise agreement for thirty-two taxicabs with Yellow Cab. In June 2005 Amendment 1 to the agreement was approved by Council which increased the authorized number of taxicabs from thirty-two to sixty-five. In April 2008 Amendment 2 was approved to ensure the agreement covered a five-year period as originally intended in 2004.

During the five-year term of the franchise agreement, the company provided the required service reports which reflect the following annual statistics:

Service Standard	2004	2005	2006	2007	2008
80% of calls picked up within 20 minutes	79.23%	92.46%	91.86%	90.27%	90.84%
96% of call picked up within 35 minutes	93.98%	99.10%	99.03%	98.79%	99.02%
Number of complaints	0	2	18	13	5

Also, during the past five-year agreement the company relocated out of the downtown area pursuant to an abatement agreement. They worked with the City to establish an alternative business location off Industry Street. This move placed the company in an area more appropriate for their type of business.

Additionally, the company worked with the Parks & Recreation Division to establish a senior taxicab script program in June 12, 2006. This program allows Oceanside seniors to purchase coupons for taxicab service at a reduced price. This program is ongoing

with a financial subsidy being provided by the City of Oceanside in the amount of $60,000.

ANALYSIS

Yellow Cab has become an institution in Oceanside because of their long-term presence. Although ownership has changed, from early 2000 to July 2008 Yellow Cab had been the sole authorized taxicab company. During the past five years under the current ownership, the company provided statistics indicating that they are by far exceeding the service standards outlined in the franchise agreement. Complaints have been quickly addressed and are minimal compared to the number of rides, approximately 44,000 annually, they have provided.

The company has effectively worked with City staff to relocate operations and to establish and maintain the senior script program. These two efforts required that the company work with many different City staff members in a cooperative atmosphere. Judging by the success of both efforts, staff has found the company to be responsive and cooperative.

Although a second taxicab company was authorized in July 2008, Yellow Cab has remained the main provider of services in Oceanside. The second company, 24-7 Taxicab, only has three permitted vehicles and has submitted reports indicating no Oceanside activity. Yellow Cab, with 30 permitted vehicles, continues to dominate the market and provide service to Oceanside citizens. Failure to enter into another agreement would effectively shut down taxicab service in the City of Oceanside.

FISCAL IMPACT

During a five-year period the City will receive a $100 administration fee, $60 per permitted taxicab annually plus a one-time $500 franchise fee. With 30 permitted taxicabs for the entire five-year period, the City would receive $10,000. With the maximum of 65 taxicabs all five years, the City would receive $20,500.

INSURANCE REQUIREMENTS

The City's standard insurance requirements have been met and are in effect.

COMMISSION OR COMMITTEE REPORT

The Taxicab Committee recommends approval of a five-year franchise agreement.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve a five-year franchise agreement with Yellow Cab of Oceanside to provide taxicab services in the City of Oceanside with revenue to the City in the estimated amount of $10,000; and authorize the City Manager to execute the agreement. The agreement will run until June 30, 2014.

PREPARED BY:

Sheri Brown
Revenue Manager

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:
Michelle Skaggs Lawrence, Deputy City Manager
Teri Ferro, Financial Services Director
Frank McCoy, Police Chief

Attachments/Exhibits:

1. Franchise Agreement
2. Application Information

FRANCHISE AGREEMENT
OCEANSIDE TRANSPORTATION SERVICES, LLC

THIS AGREEMENT is entered into this _____ day of _____ 2009, by the CITY OF OCEANSIDE, a municipal corporation (hereinafter "City"), and Oceanside Transportation Services, LLC, DBA, Yellow Cab of Oceanside (hereinafter "Company").

WHEREAS, Company has filed a petition to operate a taxicab service in the City of Oceanside pursuant to the provisions of Chapter 35 of the Oceanside City Code; and

WHEREAS, the City Council held a public hearing pursuant to the Oceanside City Code, and considered all facts relevant to the granting of a franchise; and

WHEREAS, the City Council determined that public convenience and necessity require the granting of this franchise to Company,

NOW, THEREFORE, the City Council of the City of Oceanside grants to Company a franchise to operate a taxicab service in the City of Oceanside pursuant to the following rules, regulations, covenants and conditions:

1. **TERM:**

The term of this franchise shall commence on April 1, 2009 and terminate on June 30, 2014.

2. **SCOPE:**

There is hereby granted to the Company permission to operate sixty-five (65) taxicabs within the City during the period of the franchise.

The Company shall pay to the City an annual amount of $100.00 administrative fee and an annual fee per cab in the amount of $60.00 which is due and payable on or before the first day of each year of franchise operation pursuant to this agreement. There shall be no refunds or proration of these fees after payment. The Company may be granted the right to operate additional taxicabs upon convenience and necessity, pursuant to the provision of Chapter 35 of the Oceanside City Code.

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3. **FRANCHISE FEE:**

The Company shall pay to the City the sum of FIVE HUNDRED DOLLARS ($500.00) for the issuance of this franchise.

4. **INSURANCE:**

The Company shall maintain in full force and effect bodily injury and property damage insurance as required by the Oceanside City Code, Section 35.3 covering vehicle(s) owned by the Company.

5. **NOTICE OF INTENTION TO CEASE OPERATION:**

The Company shall give thirty (30) days prior written notice to the City Manager of intention to cease operation under this franchise agreement.

6. **OPERATING REGULATIONS:**

A. Possession of a franchise issued by the City pursuant to Chapter 35 of the Oceanside City Code shall be a prerequisite to obtaining a City business license.

B. All drivers for the Company shall carry the County Sheriff's taxicab driver identification card and a City of Oceanside business license.

C. Vehicles shall be in compliance with the descriptions submitted in the application. All vehicles shall be owned by the Company.

D. Passenger limits as specified in the Oceanside City Code, Section 35.41 shall be adhered to.

E. Vehicles will be subject to inspection by the Oceanside Police Department at any time pursuant to Oceanside City Code Section 35.90.

F. The safe operation and maintenance of each vehicle is the sole responsibility of the Company.

G. Vehicles must be in good operating order and free from known mechanical defects. The interiors and exterior of all vehicles must be kept in clean, neat and attractive condition. Vehicles in need of repair or maintenance of body damage, dents, broken glass, torn upholstery, bad stains, inoperable seat belts, unclean windows, unclean interior or exterior, unsafe tire tread, missing hubcaps and mechanical defects shall be taken out of service until

they are repaired.

H. No taxicab in use in the City shall exceed seven years in age. Not withstanding the age of the vehicle, it is the responsibility of the Company to maintain all vehicles in a safe operating condition. City is authorized to inspect vehicles in use in the City and remove from service vehicles that appear to be unsafe, until they have been inspected and found to be safe and in adequate condition for use as a taxicab.

I. Company shall respond to telephone calls for service by providing a vehicle for hire at the requested location within 20 minutes of receiving the call 80% of the time and within 35 minutes 96% of the time.

J. Company shall provide to the City on a quarterly basis a summary of the number of calls for service each month and the average response time. The report shall also include a complaint log indicating the number of complaints received, date of the incident, the nature of the complaints and the resolutions.

K. Drivers must be dressed in a neat and clean fashion.

L. All vehicles will be painted all yellow with black lettering except the phone number which will be in red.

M. All taxicab drivers operating taxicabs in the City shall be subject to the provisions of Chapter 35 of the Oceanside City Code.

N. All operations conducted under this franchise agreement shall be in compliance with all the provisions of Chapter 35 of the Oceanside City Code.

7. **REVOCATION:**

A. This franchise shall be subject to revocation and/or suspension pursuant to Oceanside City Code Sections 35.21 and 35.22, based upon a violation of the provisions of Chapter 35 of the Oceanside City Code and/or failure of Company, its agents, employees, or drivers to comply with the conditions of this franchise agreement.

B. This franchise may be revoked only after a public hearing by the City Council held at the next regularly scheduled Council meeting following written notice to the Company. Said notice shall specify the grounds for revocation and shall be mailed to the Company at its

principal place of business.

C. The Company shall be entitled to examine all reports and evidence supporting the revocation of the franchise. The decision of the City Council shall be final and shall be communicated in writing together with findings, if requested, within ten (10) days after the close of the hearing.

8. **TAXICAB STANDS:**

The Company requests that no taxicab stands be granted at this time. However, stands may be authorized to the Company, upon request, pursuant to the provision of Chapter 35 of the Oceanside City Code.

9. **TRANSFERABILITY:**

This franchise and the taxicab permits granted hereby shall not be transferable except as provided in Chapter 35 of the Oceanside City Code. A transfer of the ownership or transfer of a majority of the stock or interest in the Company without complying with the provisions of Chapter 35 of the Oceanside Municipal Code shall be considered an impermissible attempt to transfer the franchise and the permits granted thereunder.

10. **ENTIRE AGREEMENT:**

This agreement comprises the entire integrated understanding between the City and Company concerning the work to be performed and supersedes all prior negotiations, representations, and agreements.

11. **INTERPRETATION OF THE AGREEMENT:**

The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to the City.

The Company shall be responsible for complying with all Local, State and Federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not granting such provision, and all other provisions, which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are

severable.

12. **AGREEMENT MODIFICATION:**

This agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto. The City hereby expressly reserves the right to modify, amend, alter, change or eliminate any of the provisions of this franchise at the expiration of each one-year period during the life of the same for the following purposes:

(a) To eliminate or delete from the same such conditions as prove obsolete or impractical.

(b) To impose such additional conditions upon the Company as may be just and reasonable, such conditions to be those as may be deemed necessary for the purpose of insuring adequate service to the public.

(c) To increase the fees for the operation of taxicabs under this ordinance.

13. **NOTICES:**

All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

To CITY:	To COMPANY:
Director Financial Services Department City of Oceanside 300 North Coast Highway Oceanside, CA 92054	Michael Casey, President Oceanside Transportation LLC 624 Camelot Drive Oceanside Ca 92054

Either party may change its address by notice to the other party as provided herein.

Communications shall be deemed to have been given and received on the first to occur of (i) actual receipt at the offices of the party to whom the communication is to be sent, as designated above or (ii) three working days following the deposit in the United States Mail or registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

////

14. **SIGNATURES:**

The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Company and the City.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed by setting hereunto their signatures this _____ day of _____, 2009.

DATED: _____ _____

Peter A. Weiss, City Manager
CITY OF OCEANSIDE

DATED: 3/17/09 _____

Michael Casey, President
OCEANSIDE TRANSPORTATION SERVICES, LLC

ATTEST:

APPROVED AS TO FORM
Office of the City Attorney

_____ SDCA

City Clerk City Attorney

Notary acknowledgements of Company's representative must be attached.

Yellow Cab of Oceanside Franchise Agreement

VERIFICATION FOR PETITION
FOR AMENDMENT TO FRANCHISE AGREEMENT
TO INCREASE TAXI CABS
IN THE CITY OF OCEANSIDE

I, Mike Casey, declare as follows:

1. I am the President of Oceanside Transportation Services, LLC, a California corporation. The principal place of business for Oceanside Transportation is located in the City of Oceanside at 321 North Tremont Street. The cross streets for this location are Civic Center Drive and North Tremont.

2. Oceanside Transportation Services LLC has submitted a petition/application for a five-year franchise agreement with authorization to operate a maximum of 65 taxicabs in Oceanside. The petition consists of the City of Oceanside Franchise Agreement and application documents as set by Chapter 35 of the Oceanside Municipal Code.

3. I declare under penalty of perjury under the laws of the State of California that the foregoing information provided for the petition, including the above referenced documents on file with the City of Oceanside is true and correct of my own knowledge, except for those items stated on information and belief, and as to those items, I am informed and believe them to be true.

Executed this 11 day of March, 2009 at Oceanside, California

Signature – Mike Casey, President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Diego

On March 11, 2009 (Date) before me, Sharon R. Geraty, Notary Public (Here Insert Name and Title of the Officer),
personally appeared Michael Casey (Name(s) of Signer(s)),

who proved to me on the basis of satisfactory evidence to be the person(~~s~~) whose name(~~s~~) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(~~ies~~), and that by his/her/their signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

SHARON R. GERATY
Commission # 1834923
Notary Public - California
San Diego County
My Comm. Expires Feb 17, 2013

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Sharon R. Geraty (Signature of Notary Public)

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Verification for Petition - City of Oceanside

Document Date: March 11, 2009 Number of Pages: 1

Signer(s) Other Than Named Above: Michael Casey

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____
- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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ARTICLE II. PERMIT TO OPERATE

Section 35.10

a) The name and address, with cross streets, of the petitioner, if a natural person.

Oceanside Transportation Services, dba Yellow Cab of Oceanside is the sole petitioner for permission to operate in the City of Oceanside. Yellow Cab of Oceanside is located at 624 Camelot Drive, Oceanside, CA 92054. The nearest cross street is Industry Place at Camelot.

b) Oceanside Transportation Services LLC is a California Limited Liability Company formed on October 31, 2003 and filed by the Secretary of the State of California on November 3, 2003. (Attachment A)

Currently there are three officers of the Company who serve in the capacities set forth opposite their name below:

Michael Casey	President and General Manager
David Koscielak	Chief Financial Officer, Secretary and Treasurer

ARTICLE II. PERMIT TO OPERATE

Section 35.10 a)

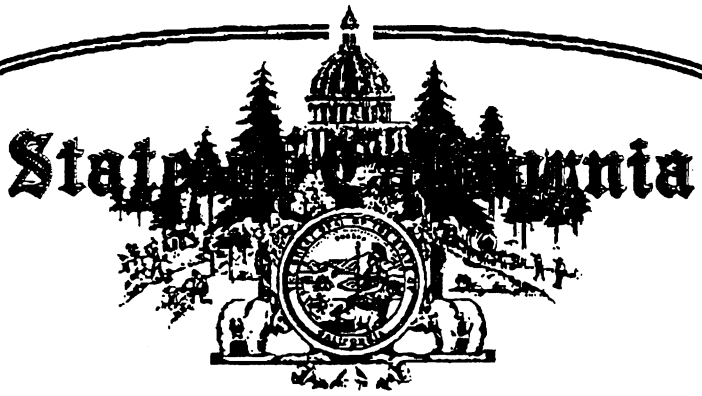
Yellow Cab of North County – Office
624 Camelot Drive
Oceanside, CA 92054
Tel: 760.722.4217
Fax: 760.722.4224
Dispatch Line: 760.444.4444 or 858.444.4444

Contact Information:

Mike Casey, President and General Manager
624 Camelot Drive
Oceanside, CA 92054
Tel: 760.722.7134
Fax: 760.722.4224

State of California

OFFICE OF THE SECRETARY OF STATE



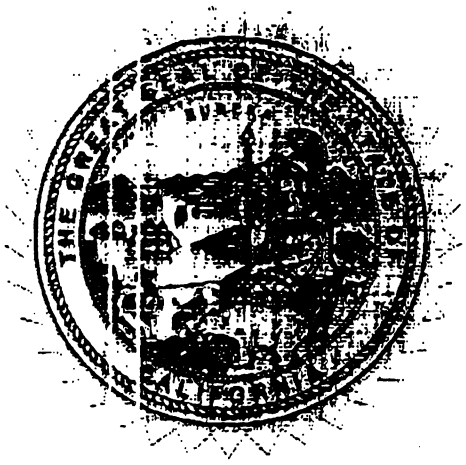
SECRETARY OF STATE

I, *Kevin Shelley*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

NOV 1 7 2003



Kevin Shelley

Secretary of State

Sec/State Form CE-107 (rev. 1/03)

ATTACHMENT A

OSP 03 H0510

State of California
Kevin Shelley
Secretary of State

File # 200330810097

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

NOV 03 2003

KEVIN SHELLEY
Secretary of State

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

A $70.00 filing fee must accompany this form.

IMPORTANT -- Read instructions before completing this form.

This Space For Filing Use Only

1. NAME OF THE LIMITED LIABILITY COMPANY (END THE NAME WITH THE WORDS "LIMITED LIABILITY COMPANY," "LTD. LIABILITY CO.," OR THE ABBREVIATIONS "LLC" OR "L.L.C.")

   OCEANSIDE TRANSPORTATION SERVICES, LLC

2. THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEA LIMITED LIABILITY COMPANY ACT.

3. CHECK THE APPROPRIATE PROVISION BELOW AND NAME THE AGENT FOR SERVICE OF PROCESS.

   [✓] AN INDIVIDUAL RESIDING IN CALIFORNIA. PROCEED TO ITEM 4.

   [ ] A CORPORATION WHICH HAS FILED A CERTIFICATE PURSUANT TO SECTION 1505. PROCEED TO ITEM 5.

   AGENT'S NAME: Mitchell S. Rouse

4. ADDRESS OF THE AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL:

   ADDRESS 2123 West Rosecrans Avenue

   CITY Gardena STATE CA ZIP CODE 90249

5. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY: (CHECK ONE)

   [✓] ONE MANAGER
   [ ] MORE THAN ONE MANAGER
   [ ] ALL LIMITED LIABILITY COMPANY MEMBER(S)

6. OTHER MATTERS TO BE INCLUDED IN THIS CERTIFICATE MAY BE SET FORTH ON SEPARATE ATTACHED PAGES AND ARE MADE A PART OF THIS CERTIFICATE. OTHER MATTERS MAY INCLUDE THE LATEST DATE ON WHICH THE LIMITED LIABILITY COMPANY IS TO DISSOLVE.

7. NUMBER OF PAGES ATTACHED, IF ANY: 0

8. TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY. (FOR INFORMATIONAL PURPOSES ONLY)

   Transportation services

9. IT IS HEREBY DECLARED THAT I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED.

   SIGNATURE OF ORGANIZER — DATE: October 31, 2003

   Theodore E. Guth
   TYPE OR PRINT NAME OF ORGANIZER

10. RETURN TO:

    NAME Antoinette Nolan
    FIRM Legal Assistant
    ADDRESS Guth|Christopher LLP
    CITY/STATE 10866 Wilshire Blvd., Suite 1250
    ZIP CODE Los Angeles, CA 90024

OFFICE OF THE SECRETARY OF STATE

ATTACHMENT A 2 of 3

WRITTEN CONSENT
OF THE SOLE MANAGER OF
OCEANSIDE TRANSPORTATION SERVICES, LLC
A California Limited Liability Company

Pursuant to the authority of Section 17154 of the Beverly-Killea Limited Liability Company Act, the undersigned, being the sole manager of Oceanside Transportation Services, LLC, a California limited liability company (the "Company"), does hereby consent to and adopt the following recitals and resolutions:

- **Appointment of Officers.**

RESOLVED, that the following persons be, and each hereby is, appointed as an officer of the Company, to serve in the capacities set forth opposite his name below from the effective date of this resolution until his successor has been duly elected and qualified or until his earlier registration or removal:

Michael Casey	President, Assistant Secretary and Assistant Treasurer
David Koscielak	Chief Financial Officer, Secretary and Treasurer

RESOLVED, that the above officers of the Company, and any of them, be, and they hereby are, authorized, empowered and directed for and on behalf of the Company and in its name to execute, deliver and cause the performance of all such further documents and to take such further actions as such officer, or any of them, may in their discretion deem necessary, appropriate or advisable; and

RESOLVED, that all actions taken and documents executed by the officers of the Company, or any person or persons designated and authorized to act by any of them, prior to the adoption of these resolutions, are hereby ratified, confirmed, approved and adopted in all respects.

This Written Consent, duly executed by the undersigned in his capacity as sole manager of the Company, shall be filed in the Minute Book of the Company and shall become a part of the records of the Company.

Dated as of March 9, 2009.

Mitchell S. Rouse

d) The trade name or style, if any, under which the applicant proposes to, operate;

Oceanside Transportation Services, LLC, does business as Yellow Cab of Oceanside and Yellow Cab of North County. The entire Yellow Cab fleet has one color scheme which is our trademark yellow with black lettering with the exception of the telephone number which is red.
(Attachment B)

PLEASE PRINT/TYPE INFORMATION AND RETURN ENTIRE FORM

SEE BACK OF FORM FOR INSTRUCTIONS

GREGORY J. SMITH
RECORDER/COUNTY CLERK
COUNTY OF SAN DIEGO
1600 PACIFIC HIGHWAY, RM. 260
P.O. BOX 121750 SAN DIEGO, CA 92112-1750
(619) 237-0502

$ 17.00- FOR FIRST BUSINESS NAME ON STATEMENT
$ 3 .00- FOR EACH ADDITIONAL BUSINESS NAME FILED ON SAME STATEMENT AND DOING BUSINESS AT THE SAME LOCATION
$ 3 .00- FOR EACH ADDITIONAL OWNER IN EXCESS OF ONE OWNER

2005-017514

MAY-17-2005

FILED
GREGORY J. SMITH
SAN DIEGO COUNTY CLERK
FEES: 36.00
EXPIRES: MAY-17-2010
DEPUTY: COUNT001

FICTITIOUS BUSINESS NAME STATEMENT

(1) FICTITIOUS BUSINESS NAME(S): ☐ Renewal Notification is an additional $5.00 fee

a. Encinitas - Del Mar Yellow Cab c. Yellow Cab North County

b. Yellow Cab of Oceanside d. Yellow Cab San Marcos e. Yellow Cab Vista

(2) LOCATED AT: 3473 Kurtz Street, San Diego, CA 92110
(Must have Street Address of Business including City, State, and Zip-- - P.O. Box not acceptable)

Mailing Address: 3473 Kurtz Street, San Diego, CA 92110
(Optional)

(3) THIS BUSINESS IS CONDUCTED BY:

A. ☐ An Individual
B. ☐ Husband and Wife
C. ☐ A General Partnership
D. ☐ A Limited Partnership
E. ☐ Joint Venture
F. ☐ A Corporation
G. ☐ A Business Trust
H. ☐ Co-Partners
I. ☒ A Limited Liability Company
J. ☐ An Unincorporated Association-Other than a Partnership
K. ☐ Other (Please Specify)

(4) THE FIRST DAY OF BUSINESS WAS: 01 / 26 / 04 **OR IF NOT YET STARTED, CHECK HERE** ☐

(5) THIS BUSINESS IS HEREBY REGISTERED BY THE FOLLOWING:

#1 Oceanside Transportation Services, LLC
Owner's Name or Corporation Name if incorporated

California
Residence Address or give STATE if incorporated

City State Zip

#2
Owner's Name or Corporation Name if incorporated

Residence Address or give STATE if incorporated

City State Zip

#3
Owner's Name or Corporation Name if incorporated

Residence Address or give STATE if incorporated

City State Zip

#4
Owner's Name or Corporation Name if incorporated

Residence Address or give STATE if incorporated

City State Zip

I declare that all information in this statement is true and correct. (A registrant who declares as true information which he or she knows to be false is guilty of a crime.)

(6) [signature]
(Signature of Registrant)

David Koscielak, CFO, Secretary
(Print name of person signing and, if Corporate Officer, also state title)

THIS STATEMENT WAS FILED WITH GREGORY J. SMITH, RECORDER/COUNTY CLERK OF SAN DIEGO COUNTY AS INDICATED BY FILE STAMP ABOVE.
NOTICE – THIS FICTITIOUS NAME STATEMENT EXPIRES FIVE (5) YEARS FROM THE DATE IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK. A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THAT TIME.
THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE).
IT IS THE RESPONSIBILITY OF THE REGISTRANT TO DETERMINE THAT THE FICTITIOUS BUSINESS NAME SELECTED WILL NOT VIOLATE ANOTHER'S RIGHTS ESTABLISHED UNDER LAW.

REGISTRANT

e) The extent, character and quality of operations, which shall include, but not be limited to:

1) Description of how the operation works, number of years in business;

Yellow Cab has been serving the citizens of Oceanside and the entire North County for over 80 years. Oceanside Transportation Services LLC took over ownership of Yellow Cab operations on May 6, 2004, and since then the company has relocated to 624 Camelot Drive in a commercially zoned area of Oceanside.

In addition to fiscal stability, Yellow Cab has one of the most respected and experienced management teams in the United States. With a strong presence in national and regional groups and organizations, the current ownership/management team has over 75 years combined experience in the taxicab/paratransit industry.

Yellow Cab operates twenty-four hours a day, seven days per week, and 365 days per year. Although Yellow Cab is authorized to have a fleet of 65 vehicles, there are currently only 30 vehicles licensed in Oceanside. This situation is predicated by what the market can bear and the weakened economy and the deployment of our armed services.

Dispatch

Yellow Cab of Oceanside contracts their dispatch services to Yellow Radio Service, a modern dispatching and call center facility, considered among the most efficient and comprehensive of computerized facilities in the county. In addition to the utilization of the transportation industries' de facto standard dispatch software, TaxiTrack™, from Digital Dispatch Systems (DDS), of Richmond, Canada; Yellow Radio Service uses Televantage, a software-based telephone switch.

When a customer calls in for a trip, the call enters the Televantage call center queue where it is automatically routed to the first available Customer Service Agent (CSA). Customer Service Agents enter and confirm all passenger information and the trip information at the time of the initial call. The order is then electronically offered to a taxi driver who is in the zone of the pick-up location. The driver has the option to accept or decline the trip offer. If he declines the offer the trip is immediately offered by the dispatch computer to the next available driver in the zone. When the passenger boards the vehicle, a time stamp is sent to the Dispatch computer when the meter is turned on by the driver.

The other sources of potential fares are when a customer flags or waves down a taxicab on the street or in front of a commercial establishment; and at taxi stands, or areas designated specifically for taxicab pickups usually in front of restaurants or hotel. Another source of fares is what is commonly referred to as "personals." Drivers operate as independent contractors and are free to establish their own clientele. Often, when customers become comfortable with certain drivers they will contact the driver directly

for their transportation needs. While these calls are not dispatched through the communications center trip data is still collected by the dispatch system.

2) The area to be covered;

Although Yellow Cab of North County services the entire county north of Solana Beach, Yellow Cab of Oceanside primarily services the City of Oceanside and Camp Pendleton.

3) Kind and extent of service, other areas of service;

Per City of Oceanside franchise requirements, the minimum service level for Dispatch Response Time Standards is as follows:

- Service response for immediate and advance reservation telephone calls is within 20 minutes 80% of the time and within 35 minutes 96% of the time.
- A minimum of 90% of requested trips will be serviced.

Yellow Cab of Oceanside and North County are proud to offer four amenities to our customers. In addition to the convenience of offering booklets of taxi vouchers that we call Scrip, we offer the added convenience of a TaxiCard. TaxiCards are a prepaid, reusable debit type card with an electronic swipe. Any dollar amount can be applied to the card up front and the balance can be conveniently increased with a simple phone call or through our online interface. The cards work just like money without the hassle of finding the right amount of cash or getting change. Now, customers can check their balances online and also increase their balances from the comfort of their homes or offices. Yellow Cab offers a 10% discount to our senior community on the purchase of any prepaid TaxiCard or Scrip.

Another amenity, exclusive to Yellow Cab, is the ability to text for a cab on any cell phone with texting capabilities. This new feature allows for fast ordering for those customers who are on the move. Now instead of calling for a cab and verbally giving their information to the agent, a customer simply texts their pickup address to 777-222, and a taxi will be dispatched to them.

Within the past year, Yellow Cab acquired a new easily recognizable phone number to call into Yellow Cab dispatch. Now, from any of the three area codes within San Diego County, a customer simply has to remember to dial 444-4444.

The newest customer amenity will launch at the end of February. This particular amenity will initially be for our corporate clients, and is an application for use on a Blackberry or iPhone that allows the customer to find a cab and pay for the ride from their phone. The system is in the works in 40 cities and will go live in San Diego at the end of February.

4) Declaration of rates;

Yellow Cab of Oceanside Rates of Fare:

$2.40 flag drop
$2.60 per mile
$20.00 per hour waiting time

All vehicles will be equipped with taximeters that have been sealed by the Sealer of the County of San Diego. All taximeters will be placed in a fashion that allows a clear view by the passenger and at no time will the passenger be asked or be required to pay more than is reflected on the official meter.

5) Proof of Insurance

Yellow Cab has A+ rated insurance coverage with John Burnham Insurance Company as our local broker who can validate our insurance history. Please refer to the following document for Proof of Insurance (Attachment C). Yellow Cab of Oceanside shall maintain in full force and effect bodily injury and property damage insurance naming the City as additionally insured as required by the Oceanside City code, Section 35.3.

Client#: 8422 SDYCHOL

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY) 03/07/08

PRODUCER
UnionBanc Insurance Svcs, Inc.
750 B Street, Suite 2400
San Diego, CA 92101
800 421-6744

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED
Oceanside Transportation Services, LLC
dba: Yellow Cab of Oceanside
3473 Kurtz Street
San Diego, CA 92110

INSURER A: Mercury Casualty Co.
INSURER B: By Authority of Mercury Ins Group
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				EACH OCCURRENCE	$
	COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	$
	CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
					PERSONAL & ADV INJURY	$
					GENERAL AGGREGATE	$
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
A	AUTOMOBILE LIABILITY	AC11080067	03/21/08	03/21/09	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	ANY AUTO				BODILY INJURY (Per person)	$
	ALL OWNED AUTOS					
	X SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
	HIRED AUTOS					
	NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident)	$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
	ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
					AGG	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	OCCUR / CLAIMS MADE				AGGREGATE	$
						$
	DEDUCTIBLE					$
	RETENTION $					$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS / OTHER	
					E.L. EACH ACCIDENT	$
					E.L. DISEASE - EA EMPLOYEE	$
					E.L. DISEASE - POLICY LIMIT	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
Certificate holder is named as additional insured as their interest may appear.

CERTIFICATE HOLDER | ADDITIONAL INSURED; INSURER LETTER: ____

City of Oceanside
Attn: Jackie Bickford
300 North Coast Highway
Oceanside, CA 92054

CANCELLATION Ten Day Notice for Non-Payment of Premium

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

DARAM © ACORD CORPORATION 1988

ATTACHMENT C

POLICY NUMBER: AC11080067

COMMERCIAL AUTO
CBA 50 10 03 03

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
COMMERCIAL TRANSPORTATION AUTO
POLICY GARAGE COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement identifies person(s) or organization(s) who are added as "insureds" under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

Endorsement Effective:	Countersigned By:
3/21/08	
Named Insured: Oceanside Transportation Services, LLC DBA: Yellow Cab of Oceanside	(Authorized Representative)

SCHEDULE

Name of Person(s) or Organization(s):	
CITY OF OCEANSIDE 300 NORTH COAST HIGHWAY OCEANSIDE, CA 92054	1. NO LIABILITY IS ASSUMED BY THAT PERSON OR ORGANIZATION FOR THE PAYMENT OF ANY PREMIUMS STATED IN THE POLICY OR EARNED UNDER THE POLICY. 2. IF WE CANCEL OR NON-RENEW THE POLICY, A COPY OF THE WRITTEN NOTICE OF CANCELLATION MAY BE MAILED BY US TO THE PERSON OR ORGANIZATION.

(if no entry appears above, information required to complete this endorsement will be shown in the declarations or above Schedule as applicable to the endorsement.)

Each person or organization indicated above is an "insured" for Liability Coverage on a primary basis, but only in respect to the Named Insured's livery, limousine or taxicab operations.

The inclusion of any additional person(s) or organization(s) shall not operate to increase the limits of the Company's liability.

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6) Copies of any lease or subcontract arrangements for operation for file information.

The following lease agreement (Attachment D) is used between the lessee (self employed businessperson) and lessor (Oceanside Transportation Services, LLC) and is signed for a term agreed to by both parties.

TAXICAB LEASE AGREEMENT
(Oceanside Transportation Services, LLC)

THIS AGREEMENT is made and entered into at Oceanside, California, this _____ day of _____, 20__, by and between Oceanside Transportation Services, LLC, a California limited liability company ("VEHICLE OWNER"), and _____, the leasing party ("YOU"), residing at _____ _____, with respect to the following facts:

a. Certain municipalities have given the VEHICLE OWNER the right to operate taxicabs within their jurisdictions; and

b. YOU represent to the VEHICLE OWNER that YOU possess a safe place to garage the leased taxicab when not in use, and that YOU are a careful and qualified driver, are a licensed driver by the State of California and are licensed as a taxicab driver by the municipality in which you intend to operate the leased taxicab. YOU, after inspecting the taxicab and considering the rental fee therefor, desire to lease the taxicab and other services from the VEHICLE OWNER, under the terms and conditions set forth herein.

In consideration of the mutual promises and covenants of the parties contained herein, the parties have agreed as follows:

1. Term. The VEHICLE OWNER agrees to lease the taxicab to YOU as a self-employed businessperson for the term agreed to by both parties pursuant to Schedule A, attached hereto and made a part of this Agreement. The lease shall be renewed automatically for the same term agreed to in Schedule A by YOUR acceptance of a taxicab and the delivery by the VEHICLE OWNER. The charges and other terms on Schedule A are subject to change at renewal of each lease period. The period of time during which this Agreement is in force is the "TERM."

2. Change of Vehicle or Owner. This Agreement shall continue in full force and effect for as long as YOU lease a taxicab from VEHICLE OWNER, including in the event that (a) YOU lease a different taxicab from VEHICLE OWNER, (b) the VEHICLE OWNER replaces the leased taxicab, or (c) the VEHICLE OWNER sells or transfers the leased taxicab.

3. Car and Equipment. The VEHICLE OWNER agrees to furnish YOU with a taxicab in good working order and equipped with a taximeter, radio and any other equipment as required by any state, county or local ordinance regulating taxicabs. The taxicab will be delivered to YOU with a full tank of gas at the inception of the lease TERM.

4. Services. The VEHICLE OWNER shall make available to YOU the use of its computerized dispatching and telephone order service in the event that YOU desire to receive referrals from said service. YOU are not required to participate in the computerized dispatch system, and YOU warrant and represent that any decision to use or not use the computerized dispatch system is a business decision that YOU make at YOUR own risk. The VEHICLE OWNER agrees to furnish daily trip sheet forms as required by local ordinances, and, if YOU accept authorized scrip or credit vouchers from passengers, the VEHICLE OWNER agrees to redeem such scrip and credit vouchers for cash at face value less a handling fee as established from time to time.

5. Rental Fee. YOU shall pay the VEHICLE OWNER in advance the rental and other charges set forth in Schedule A. YOU agree to pay late charges as specified in Schedule A in the event the rental fee is not paid on time.

6. Daily Inspection of Taxicab by YOU. YOU agree that, upon receipt of the leased taxicab and thereafter at the beginning of each day, YOU will inspect the condition of the leased taxicab, including the brakes, headlights, taillights, turn signals, all other equipment and fluids, including oil level. YOU shall immediately report any defects or other objections to the VEHICLE OWNER.

7. YOUR Return of Taxicab. YOU agree to return the taxicab to the VEHICLE OWNER upon the expiration of YOUR lease with a full tank of gasoline and in the same condition as when delivered to YOU, except for reasonable wear and tear. Time is of the essence.

8. YOUR Responsibility for Damage to Vehicle. Except for reasonable wear and tear, YOU agree to compensate the VEHICLE OWNER for any theft or damage to the taxicab or its equipment regardless of fault up to a maximum of $3,000.00. YOU grant the VEHICLE OWNER the right to wholly or partially recoup any amounts owed by YOU to the VEHICLE OWNER from YOUR security deposit or by other methods of collection, including by resort to legal process.

9. Services Related to Vehicle. The VEHICLE OWNER will furnish, without cost to YOU, routine repair and maintenance services, tires, and anti-freeze necessary for the continued operation of the leased taxicab. As used herein, "routine" services does NOT include repairs caused by your neglect of the vehicle or your failure to have the vehicle serviced in accordance with the manufacturer's specifications. The VEHICLE OWNER shall provide towing service at no cost to YOU, unless towing is made necessary by YOUR fault, in which case YOU shall pay for the towing expense. In the event of mechanical or other problems during the lease TERM, YOU may not recover any lost profits or other consequential damages from the VEHICLE OWNER, except as provided for in paragraph 12 of this Agreement.

10. YOU Pay for Gasoline and Oil. YOU shall be responsible for purchasing all gasoline used while YOU have possession of the leased taxicab. YOU shall also be responsible for maintaining at YOUR own expense the correct amount of oil in the engine while YOU have possession of the taxicab.

11. Insurance. The VEHICLE OWNER is furnishing only third party liability insurance with regard to the taxicab in a sum not less than is required by law. YOU acknowledge and agree that the VEHICLE OWNER is neither responsible for, nor liable for, any injury to YOU resulting from the use or operation of the taxicab, or for third party liability in excess of the limits of coverage required by law, which excess is YOUR responsibility. YOU may, at YOUR option, purchase insurance coverage to protect YOU from liability in excess of the limits of coverage on the policy provided by the VEHICLE OWNER. YOU must give immediate notice to the dispatcher of any accident, loss or incident in which YOU or the taxicab is involved, and give notice of same as soon as possible to the VEHICLE OWNER'S insurance company or adjusting facility. The VEHICLE OWNER will cooperate in giving this notice.

At YOUR option, YOU may instead provide liability insurance in compliance with local regulations against claims made by third parties arising from YOUR use of the cab in an amount and with an insurance carrier(s) satisfactory to the VEHICLE OWNER and naming the VEHICLE OWNER as an additionally insured party. If YOU choose this option, YOU agree to submit to VEHICLE OWNER a certificate of said insurance and providing that said insurance cannot be canceled without thirty (30) days' prior written notice to VEHICLE OWNER. The rental fee set forth in Schedule A shall be renegotiated to a lesser amount if YOU provide the liability insurance.

12. Early Cancellation of Lease. The VEHICLE OWNER and YOU agree that this Agreement shall not be cancelled prior to the end of the lease TERM or subsequent renewal TERM as set forth in paragraph 1 of this Agreement. However, notwithstanding any other paragraph of this Agreement, either party may cancel this Agreement (or any subsequent renewal thereof) at any time, without advance notice, in the event that the other party defaults on or breaches any provision of this Agreement.

YOU understand and acknowledge that a breach of this Agreement shall include, but not be limited to, any of the following conduct:

(a) YOU drive the leased taxicab while under the influence of any alcoholic beverage or illegal drug;
(b) YOUR California driver's license or municipal taxicab driver's license is suspended or revoked, or expires;
(c) YOUR driving record becomes an unacceptable insurance risk to the insurance carrier providing coverage on the VEHICLE OWNER's vehicles;
(d) YOU engage in reckless or dangerous driving or YOU otherwise jeopardize the safety of a passenger, pedestrian or the driver of another motor vehicle;
(e) YOU are involved in an automobile accident which, in the sole determination of the VEHICLE OWNER's insurance representatives, was caused either in whole or in part by YOUR fault or negligence;
(f) YOU use the leased taxicab in connection with unlawful activity; or
(g) YOU violate any municipal taxicab regulation or ordinance with authority over the leased taxicab.

13. Remedy for Breach. In the event of a breach by the VEHICLE OWNER of this Agreement, YOUR sole remedy shall be a recovery of damages in the amount of fifty dollars ($50.00) from the VEHICLE OWNER for each day remaining in the

lease TERM. YOU understand and acknowledge that, in the event that the VEHICLE OWNER elects to cancel this Agreement due to a breach by YOU, YOU will be liable for all lease fees for the entire TERM of the lease pursuant to Schedule A attached, and YOU are not entitled to any prorated credit for the remainder of the lease TERM. YOUR initials at the end of this paragraph indicate that YOU have read and understand the meaning of this paragraph and that YOU are making a commitment for the entire lease TERM. _____ **(YOUR Initials)**

14. Security Deposit. In addition to the rental payment, YOU will pay to VEHICLE OWNER a security deposit of not less than Ten Dollars ($10.00) per day until the aggregate amount deposited reaches Four Hundred Ninety Dollars ($490.00). The purpose of this deposit is to ensure your compliance with the terms of this Agreement, including the return of the taxicab in the same condition as accepted by YOU. The deposit shall be returned to YOU not later than thirty (30) days after the termination of this Agreement.

15. No Warranties. YOU agree that no representations or warranties have been made by the VEHICLE OWNER or its agents with respect to said taxicab or this Agreement, unless specifically expressed herein in writing.

16. YOUR Status as a Self-Employed Businessperson. By this Agreement, YOU and the VEHICLE OWNER acknowledge and agree that there does not exist between the parties the relationship of employer-employee, principle-agent, or master-servant, either expressed or implied, but the relationship of the parties is strictly that of lessor-lessee, YOU being a self-employed businessperson free from interference or control on the part of the VEHICLE OWNER in the manner or means of operation of the taxicab or the business that YOU conduct with the taxicab. Once the VEHICLE OWNER conveys possession of the leased taxicab to YOU, YOU shall exercise complete discretion in its lawful operation and YOU shall determine the methods, details and means of performing any and all taxicab services YOU may decide to perform for members of the public in YOUR taxicab business, as follows:
    (a) YOUR earnings, if any, from operating the taxicab are YOURS alone. YOU shall not share YOUR fares with the VEHICLE OWNER, and YOU shall not account to the VEHICLE OWNER for the amount of fares, if any, YOU collect from YOUR passengers.
    (b) YOU shall not be restricted in any manner as to the area in which YOU may operate said leased taxicab, nor shall YOU be required to remain at any specified place or assigned to any fixed hours.
    (c) YOU shall not be required to answer calls or report the location or whereabouts of said taxicab at any time during the agreed period. Any right to control exists solely with the passenger who is hiring the taxicab at YOUR discretion, and the VEHICLE OWNER shall do no more than make available to YOU referrals of prospective passengers received through telephone call service or radio service.
    (d) YOU may use the leased taxicab for any lawful purpose.
    (e) YOU shall be free to decide if and when to work, if and when to take breaks for sleep, meals or otherwise.
    (f) YOU may drive a taxicab at another company and may have any jobs or occupations YOU wish to have.
    (g) YOU agree to market YOUR services independent of the VEHICLE OWNER and advertise YOUR services to the public in YOUR own name. YOU are encouraged to use a cellular telephone, a pager, personal business cards and other items necessary to promote and procure business independently. YOU may, if YOU desire, modify the leased vehicle including the installation of a cellular phone and other marketing devices so long as they are in compliance with municipal regulations and subject to paragraph 7 of this Agreement. In addition, VEHICLE OWNER will relay to YOU orders received by telephone to the dispatch center from customers specifically requesting YOUR services.

YOU acknowledge and agree that, as a self-employed businessperson, free from authority and control of the VEHICLE OWNER, YOU will not be treated as an employee for purposes of worker's compensation coverage, State Disability Insurance, the Federal Insurance Contributions Act (FICA), the Social Security Act, and State and Federal income tax withholding at the source. The VEHICLE OWNER will not withhold FICA or state or federal income taxes on any payments YOU may receive. YOU understand and agree that YOU are fully and solely responsible for paying any and all federal and state income taxes and self-employment taxes which may be determined to be due as a result of any payments or earnings YOU may receive. Furthermore, because YOU are a self-employed businessperson, it is YOUR responsibility to acquire a business license for the area(s) in which YOU intend to operate your taxicab.

17. Compliance with Laws. Notwithstanding YOUR status as a self-employed businessperson, YOU acknowledge that the taxicab is subject to a permit or license issued by one or more local city or county authorities upon condition that the permit holder shall comply with all local ordinances regulating taxicabs and taxicab drivers. YOU understand and acknowledge that the VEHICLE OWNER has no right to direct YOU or exercise control over YOU in order to protect against suspension or revocation of any permit for said taxicab, and YOU therefore assume full responsibility for same. YOU agree that YOU will comply with all applicable federal, state and municipal laws, rules, regulations and ordinances in operating the leased taxicab and that YOU will be solely responsible for any fines, penalties or forfeitures resulting from any violations. YOU shall notify VEHICLE OWNER of any claim, accusation or finding that YOU have violated any provision of the local ordinance regulating taxicabs. YOU agree to indemnify and hold the VEHICLE OWNER harmless from any and all damages, fines, interest, penalties and costs resulting from YOUR conduct, including but not limited to conduct causing suspension or revocation of any permit for said taxicab. YOU agree to be responsible for parking or traffic violations, citations or fines incurred during the TERM of this lease. YOU will at all times maintain a good and safe driving record in compliance with regulatory and insurance requirements.

18. Assignment - Sublease. The rights to use the leased taxicab are personal to YOU, based on YOUR personal skills and qualifications. YOU may assign this Lease Agreement or sublease said taxicab only upon written approval of the VEHICLE OWNER. Such approval shall not be unreasonably withheld. In the event that YOU assign this Agreement, YOUR obligations under this Agreement will not be affected in any way.

19. Cooperation. In the event that legal proceedings arise in connection with YOUR lease of the taxicab, YOU and the VEHICLE OWNER agree to cooperate with each other's agents and attorneys when asked, and will assist each other as reasonably requested in a) making settlements, b) securing and giving evidence, c) attending hearings and trials, d) answering questions under oath when asked by anyone, and e) signing pleadings. Except voluntarily and at YOUR own cost and expense, YOU agree that YOU will not in relation to any claim or incident, a) make any payment or assume any obligations to others, or b) incur any expense.

20. Non-Encumbrance. YOUR rights shall not be subject to encumbrance or subject to the claims of YOUR creditors.

21. Final and Binding Arbitration of All Disputes Relating to the Cancellation, Termination or Non-Renewal of this Agreement; Waiver of Court or Jury Trial.
   (a) YOU and the VEHICLE OWNER agree that in the event that this Agreement is canceled, terminated or not renewed (by either YOU or the VEHICLE OWNER), any controversy, claim or dispute that may arise relating to, or arising out of, such cancellation, termination or non-renewal (including, without limitation, any claim(s) based on common law, any Federal or State statute, the Federal or State constitution and/or any public policy) and any dispute concerning the scope of this paragraph 21 shall be determined by neutral arbitration and not by a lawsuit or resort to court process. Neutral arbitration shall be the exclusive forum for the resolution of any controversy, claim or dispute between YOU and the VEHICLE OWNER relating to, or arising out of, such cancellation, termination or non-renewal.
   (b) WAIVER OF JURY OR COURT TRIAL: AS TO ANY CONTROVERSY, CLAIM OR DISPUTE RELATING TO, OR ARISING OUT OF, THE CANCELLATION, TERMINATION OR NON-RENEWAL OF THIS AGREEMENT, YOU AND THE VEHICLE OWNER GIVE UP (I.E., WAIVE) ANY CONSTITUTIONAL OR STATUTORY RIGHT TO HAVE ANY SUCH DISPUTE DECIDED IN A COURT OF LAW AND/OR BY A JURY IN A COURT PROCEEDING.
   (c) If YOU and the VEHICLE OWNER are unable to resolve any controversy, claim or dispute relating to the cancellation, termination or non-renewal of this Agreement, either YOU or the VEHICLE OWNER may initiate arbitration by giving to the other party a timely written demand for arbitration. A written demand for arbitration may be informal and need not be typed.
   (d) One-year time limit for making a demand for arbitration: A demand for arbitration by YOU must be given to the VEHICLE OWNER's Operations Manager or its designated representative within one (1) year after the date of the cancellation, termination or non-renewal of this Agreement. Otherwise, any claim YOU may have against the VEHICLE OWNER shall be given up and lost (i.e., waived). A demand for arbitration by the VEHICLE OWNER must be given to YOU within one (1) year after the date of the cancellation, termination or non-renewal of this

Agreement. Otherwise, any claim the VEHICLE OWNER may have against YOU shall be given up and lost (i.e., waived).

(e) After a demand for arbitration has been made, YOU and the VEHICLE OWNER shall contact the San Diego office of the American Arbitration Association ("AAA") to request a list with the names of seven (7) skilled arbitrators who are attorneys authorized to practice law in the State of California. YOU and the VEHICLE OWNER shall alternately strike the name of one arbitrator (the first strike shall be determined by lot) until one name remains on the list. That person shall be selected as the neutral arbitrator to hear the dispute.

(f) Payment of initial fees and costs of arbitration: The party demanding arbitration shall pay to the AAA 50% of the AAA's initial administrative fee. The other party shall promptly pay to the AAA the remainder of the AAA's initial administrative fee.

(g) The arbitrator shall have the same scope of authority as would a California state court and/or a federal district court hearing the same type of claim(s) as are brought before the arbitrator, including the authority to order such discovery as the arbitrator may deem appropriate.

(h) The arbitrator shall not have the authority to add to, delete from, change or modify this Agreement.

(i) The arbitrator shall give full effect to the integration clause (paragraph 25) of this Agreement and shall not admit into evidence or consider any parole evidence which would conflict with, or diminish the effect of, paragraph 25.

(j) The arbitrator shall apply the law of the State of California and/or federal law, as applicable. At the conclusion of the arbitration, the arbitrator shall issue a written decision on the merits. The arbitrator's decision shall be final and binding on YOU and the VEHICLE OWNER.

(k) All fees and expenses of the arbitration shall be borne by the parties equally. However, each party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of proofs.

(l) The binding arbitration provisions of this paragraph 20 shall be construed to ensure their enforceability, and shall be construed and enforced pursuant to the Federal Arbitration Act, 9 U.S.C. § 1, et seq., if applicable, and/or Title 9 of Part III of the California Code of Civil Procedure, commencing at § 1280, et seq. Furthermore, the provisions of this paragraph 21 shall survive the cancellation, termination or non-renewal of this Agreement and shall remain in full force and effect thereafter.

22. Group Lease Agreement; Joint and Several Obligations and Rights. If this is a group lease agreement with two or more individuals named as YOU, the leasing party, on page 1 of this Agreement, the obligations of the named individuals to perform YOUR obligations under the Agreement are joint and several, and the rights of the named individuals under this Agreement are joint and several.

23. Application of California Commercial Code. This Agreement shall be construed and enforced pursuant to Division 10 of the California Commercial Code, § 10101, et seq. ("Personal Property Leases").

24. Savings Clause. If any part of this Agreement is declared by any court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall not be affected.

25. Execution Of Lease. This Agreement is not binding until signed by each individual leasing party named herein and by an authorized representative of the VEHICLE OWNER.

26. Final, Complete And Entire Agreement; Integration Clause: This Agreement constitutes the final, complete, and entire agreement between YOU and the VEHICLE OWNER; and each paragraph of this Agreement constitutes the final, complete and entire agreement between YOU and the VEHICLE OWNER as to the matters referred to in the paragraph in question. There are no other representations, conditions, warranties, guaranties or collateral agreements, expressed or implied, between YOU and the VEHICLE OWNER. Any other prior agreements, arrangements or understandings, oral or written, are merged into and superseded by the terms of this Agreement. None of the parties shall be bound by any conditions, definitions, warranties, understandings or representations other than as expressly provided herein. This Agreement may not be added to, or changed in any way, except by an express written agreement signed by YOU and an authorized representative of the VEHICLE OWNER.

NOTICE: BY SIGNING THIS AGREEMENT, YOU VERIFY THAT YOU HAVE HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR ADVISOR BEFORE SIGNING THIS AGREEMENT, AND THAT YOU HAVE CAREFULLY READ, UNDERSTAND AND AGREE WITH THE CONDITIONS SET FORTH HEREIN.

NOTICE: BY SIGNING THIS AGREEMENT, YOU AGREE TO HAVE ANY DISPUTE RELATING TO THE CANCELLATION, TERMINATION OR NON-RENEWAL OF THIS AGREEMENT DECIDED BY NEUTRAL ARBITRATION AND YOU ARE GIVING UP YOUR RIGHT TO A JURY OR COURT TRIAL. SEE PARAGRAPH 21 OF THIS AGREEMENT.

Please acknowledge your status as a self-employed businessperson by writing the following statement in your own handwriting:

"While I am leasing a taxicab, I am self-employed for all purposes, including workers compensation and unemployment. I am not an employee of either the taxicab company or the taxicab owner."

_____

_____

_____

_____

_____

_____

_____

_____

_____

Signature: _____ Date: _____

Witness: _____

I have been advised by Oceanside Transportation Services, LLC that it is my responsibility as a self-employed businessperson to acquire a business license for the area(s) in which I intend to operate, file all necessary tax returns, and pay all federal and state income taxes and self-employment taxes.

Signature: _____ Date: _____

I have been advised by Oceanside Transportation Services, LLC that, as a self-employed businessperson, no medical insurance, benefits, or worker's compensation insurance is being provided to me.

Signature: _____ Date: _____

ACKNOWLEDGMENT OF AWARENESS OF POTENTIAL RISKS OF CAB DRIVING AND AVAILABILITY OF SHIELD-EQUIPPED CABS

The undersigned acknowledges that the operation of a taxicab may expose a driver to the risk of serious bodily injury or death as a result of assault, robbery or other criminal activity. It is the policy of Oceanside Transportation Services, LLC to encourage drivers to utilize vehicles with safety shields. The undersigned has been advised that Oceanside Transportation Services, LLC will provide to the undersigned at no additional cost or charge a cab equipped with a safety shield if one is requested.

_____ I REQUEST A CAB WITH A SAFETY SHIELD.

_____ I DECLINE A CAB WITH A SAFETY SHIELD.

Signature: _____ Date: _____

EXECUTED in duplicate this _____ day of _____, 20__, in Oceanside, San Diego County, State of California.

Oceanside Transportation Services, LLC

By: _____
Authorized Agent

_____
YOU (Leasing Party)

Print Name: _____

f) The number, type, model, capacity and condition of the vehicles proposed to be operated;

Yellow Cab of Oceanside is authorized to have a fleet of 65 vehicles operating within the City of Oceanside. Currently, as reflected in the following chart (Attachment E), there are only 30 vehicles actually operating in Oceanside proper. Economic and competitive factors have dictated the amount of cabs management has decided to place on the road in Oceanside.

All vehicles in the Oceanside fleet are Ford Crown Victoria with no vehicle exceeding seven years of age. All vehicles shall be operated safely and the maintenance shall be the sole responsibility of Oceanside Transportations LLC. All vehicles will be kept in good operating order and the interiors and exteriors will be kept clean, neat and in attractive condition. Any vehicle in need of repair or maintenance of body damage, dents, broken glass, torn upholstery, bad stains, etc., will be taken out of service until repaired.

Yellow Cab of Oceanside will meet all vehicle standards as set forth by the City of Oceanside and pursuant to the California Vehicle Code.

Oceanside Transportation Services, LLC

CAB#	YEAR	MAKE	LICENSE#	VEHICLE I.D.#
Yellow Cab of Oceanside				
516	2005	FORD	8T20681	2FAHP71W15X144679
517	2004	FORD	8R99196	2FAHP71W14X165062
519	2002	FORD	8J01361	2FAFP71W72X155110
520	2003	CHEV	8K57468	1GNDM19X13B138125
521	2002	FORD	7R85732	2FAFP71W82X141359
522	2003	CHEV	8K57469	1GNDM19X73B145337
525	2003	CHEV	8K57497	1GNDM19X93B150300
527	2002	FORD	7T98489	2FAFP71W92X141726
529	2004	FORD	8S28282	2FAFP71WX4X101352
530	2004	GMC	8K57826	1GKDM19X24B504351
531	2004	FORD	8S27984	2FAHP71W24X118493
532	2002	FORD	7R85731	2FAFP71W52X141562
533	2003	FORD	6W63782	2FAFP72W73X105470
534	2004	FORD	8L55589	2FAHP71W24X164907
536	2004	FORD	8J01271	2FAFP71W94X104677
537	2004	CHEV	8L12946	1GNDM19X94B101731
539	2003	FORD	8L55050	2FAFP71W73X171261
540	2004	FORD	8R99195	2FAHP71W54X165064
541	2004	FORD	8J01270	2FAFP71W74X104709
542	2004	FORD	8R99194	2FAHP71W04X165179
545	2005	FORD	8R99199	2FAHP71W15X153267
546	2005	FORD	8S74130	2FAFP71W95X111534
547	2002	FORD	8M14257	2FAFP71W22X133080
548	2002	FORD	8J01303	2FAFP71W52X153257
549	2002	FORD	8P67848	2FAFP71W72X141403
550	2005	FORD	8T20953	2FAFP71W35X121542
551	2005	CHEV	8S74129	1GNDM19X95B119132
555	2005	FORD	8R99197	2FAHP71W45X153408
560	2005	FORD	8R99198	2FAHP71W65X153815
561	2002	FORD	7W43248	2FAFP71W12X141414
30				

ATTACHMENT E

g) A full statement of the petitioner's assets and liabilities;

Assets

The assets of Oceanside Transportation Services, LLC ("the company") include the vehicles in the company's taxi fleet, office and computer equipment, cash accounts, prepaid amounts, deposits, intercompany receivables, and acquisition costs.

The office and computer equipment includes all of the computer hardware located at the company's office on 624 Camelot Drive. The prepaid amounts include but are not limited to vehicle insurance premiums paid in advance, rent payments made in advance, and taxi permit fees paid in advance. The deposits include a security deposit paid to the landlord of the company's office on 624 Camelot Drive.

Liabilities

The liabilities of Oceanside Transportation Services, LLC include accrued wages, accrued vacation, other accrued expenses, deposits, and intercompany payables.

The company's other accrued expenses include but are not limited to current-month accounts payable invoices paid in the subsequent month. The deposits include but are not limited to security deposits paid by two other businesses that sublease office space from the company.

Pending Litigation

Currently, there is no litigation that either impacts or has any bearing on our ability to perform the functions of this franchise agreement. The Company, certain operators of Yellow Cab in San Diego, and certain affiliated persons has been named as defendants in an action in San Diego County Superior Court entitled Musse v. Yellow Cab, et al. The plaintiffs allege that the drivers of the taxicabs are employees rather than independent contractors and are thereby entitled to various benefits and penalties. Although brought by only a few drivers, the plaintiffs have indicated that they intend to seek certification for a class action. The Company had made no provision related of this matter as of December 31, 2008.

h) A statement establishing the existence of public convenience and necessity. No permit shall be issued unless there has been an affirmative showing of the existence of such public convenience and necessity by applicant.

Yellow Cab of Oceanside has had a long standing, successful relationship with the City of Oceanside for decades. There is a list of long standing clients and corporate accounts rely on Yellow Cab drivers for consistent servicing of their transportation needs. Among the reasons they prefer Yellow Cab of Oceanside is because the amenities we provide, that are unavailable elsewhere, facilitate their business practices and provide the services they demand. If this service were no longer available, it would cause a great disruption in their business pattern.

Past arguments have suggested the need for competitive business in the City of Oceanside and we agree. If Yellow Cab of Oceanside is not permitted to operate in the City of Oceanside, then that argument would persist as would the reasoning behind the argument such as the need to respect a customer's right to choose in the free marketplace.

Section 35.17. Scope

a) **A permit shall be for a specified number of vehicles, each bearing a consecutive number. The size and location of the number(s) will be determined by the chief of police. The number of vehicles shall only be increased by authority of the council pursuant to the procedure provided in subsection (b).**

Yellow Cab of Oceanside is authorized to have a fleet of 65 vehicles operating within the City of Oceanside. Currently, as reflected in the previously attached chart (Attachment E), there are only 30 vehicles actually operating in Oceanside proper. At no time will Yellow Cab of Oceanside verifies that the number of vehicles being requested will remain at the current authorized level of 65.

MEMORANDUM

From the

Office of the Chief of Police

TO: Honorable Mayor and City Council Members

VIA: Peter Weiss, City Manager

FROM: Frank S. McCoy, Chief of Police

SUBJECT: Taxicab Operation PC&N

DATE: March 25, 2009

Having attended the Taxicab Committee meetings, staff finds that Public Convenience and Necessity exists to allow Yellow Cab to operate a taxicab service within the City of Oceanside.

The Oceanside Police Department has no concerns regarding establishing a franchise agreement with Yellow Cab.