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MANITOBA PUBLIC UTILITIES BOARD

RE :

APPLICATION FOR AN AIRPORT SHUTTLE SERVICE
BY AVION SERVICES CORPORATION

Before Board Panel:

Graham Lane - Board Chairman
Susan Proven - Board Member

HELD AT:

Public Utilities Board
400, 330 Portage Avenue
Winnipeg, Manitoba
July 28th, 2009

Pages 801 to 948

APPEARANCES

1
2 Walter Saranchuk) Board Counsel
3 Nicole Wray (np))
4
5 Paul Edwards) Avion Services Corp.
6
7 Sidney Soronow) Unicity Taxi Ltd. and
8) Duffy's Taxi (1996) Ltd.
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1 --- Upon commencing at 9:34 a.m.

2

3 THE CHAIRPERSON: Okay. Welcome back
4 everyone to the continuation of the Avion Application
5 Hearing.

6 Mr. Saranchuk...?

7 MR. WALTER SARANCHUK: Thank you, sir.
8 The first -- first order of business is to have marked in
9 the evidence as Exhibit PUB Number 17, the September 4th,
10 2008 letter from the Taxicab Board. Actually it's a
11 memorandum on the subject of the standard taxicab tariff
12 review, and essentially is the Taxicab Board analysis,
13 relative to the 2008 Tariff Increase Application.

14 For the record I should indicate that this
15 was submitted by Mr. Kozubal, the TCB witness in
16 confidence to the Board, on the understanding that it
17 would be kept in confidence. And it has been shared with
18 the parties on the understanding that the contents will
19 not be divulged. It will be kept in confidence except
20 that of course it will be shar -- it -- it could be
21 shared by the parties, insofar as their counsel and wit -
22 - and witnesses are concerned, so --

23 THE CHAIRPERSON: But not beyond that
24 point.

25 MR. WALTER SARANCHUK: Right. And it'll

1 -- to be filed in the Board's so called "confidential
2 file."

3 THE CHAIRPERSON: Very good, Mr.
4 Saranchuk.

5 MR. WALTER SARANCHUK: That's PUB Exhibit
6 Number 17.

7
8 --- EXHIBIT NO. PUB-17: Memorandum on the subject of
9 the standard taxicab tariff
10 review

11
12 MR. WALTER SARANCHUK: The next order of
13 business, Mr. Chairman, is relative to Undertaking Number
14 7, which appears in the third volume of the transcript at
15 page 737, where the request was made by Mr. Edwards on
16 behalf of Avion and by you, yourself, sir, to request
17 that Ms. Wilson from Unicity check her journals to
18 determine if there were any references on the subject of
19 what was raised during negotiations with the Winnipeg
20 Airport Authority, and Mr. Soronow indicated that that
21 would be done.

22 And the Undertaking as stated on page 737
23 is, quote:

24 "Check all journals and any references
25 to the subject at hand. Provide copy

1 of same." End of quote.

2 So perhaps that that can be addressed.

3 THE CHAIRPERSON: Mr. Soronow...?

4 MR. SIDNEY SORONOW: Yes, Mr. Chairman.

5 Ms. Wilson conducted a diligent search but was unable to
6 locate a -- the journal that would include the time frame
7 in question.

8 THE CHAIRPERSON: Very good, Mr. Soronow.

9 Mr. Saranchuk...?

10 MR. WALTER SARANCHUK: Yes, sir. I have
11 some questions for the Winnipeg Airport Authority
12 witness, but I believe there's a request to be made by
13 Avion counsel, Mr. Edwards at the very outset.

14 THE CHAIRPERSON: Mr. Edwards...?

15 MR. PAUL EDWARDS: Thank you, Mr. Chair.

16 Yes, at the close of proceedings last, I did indicate
17 that I had completed my questioning of Mr. Marohn,
18 subject of course to the list of questions to the WAA. I
19 do have one (1) further question, and I -- what I thought
20 I might do is give that question to you, Mr. Chair, to
21 determine if it should go to this Witness or not.

22 I recognize that I had indicated I had
23 finished so, with your leave, I would simply indicate
24 what that question is and see if the Board has an
25 interest in -- in hearing the answer.

1 THE CHAIRPERSON: Please.

2

3 AVION PANEL 3:

4 SCOTT MAROHN, Resumed

5

6 CONTINUED EXAMINATION-IN-CHIEF BY MR. PAUL EDWARDS

7 MR. PAUL EDWARDS: Thank you. The
8 question -- and I can just give -- the context arose
9 because I happened to be picking someone up at the
10 airport and happened to notice something, and I wanted to
11 ask Mr. Marohn the following question.

12 Are the average downtown cab fares posted
13 at the Winnipeg Airport and, if so what are the numbers
14 used currently and where does the airport get those
15 numbers to -- to post publicly at the airport?

16 THE CHAIRPERSON: Yes, we would be
17 interested in that.

18 MR. SCOTT MAROHN: The numbers are
19 posted. We have average rates to specific areas and
20 they're posted with the participation from the Manitoba
21 Taxicab Board. Whenever there's an increase in a tariff,
22 whether it be the taxis or the limos, we will ask the
23 Manitoba Taxicab Board to provide us with a low range and
24 a high range for each area.

25 So there are -- they conduct a -- a test

1 to try and get an average rate for us and then they give
2 us those rates and we post them.

3 THE CHAIRPERSON: Where do you post them?

4 MR. SCOTT MAROHN: We post them at the
5 curb. We have an Internet, so we post them on the
6 Internet. There's also a hotel reservation board at both
7 arrivals areas, A and B and downstairs in C, so we post
8 them where most of the public can get access to them.

9 The -- the average rate -- just so you
10 know, the average rate to downtown that's posted is
11 sixteen seventy-five (16.75) to nineteen fifty (19.50).

12 THE CHAIRPERSON: Mr. Edwards...?

13

14 CONTINUED BY MR. PAUL EDWARDS:

15 MR. PAUL EDWARDS: Just to clarify; that,
16 I believe, is inclusive of GST but -- but not of any tip,
17 obviously?

18 MR. SCOTT MAROHN: Right.

19 THE CHAIRPERSON: What about for
20 executive cars?

21 MR. SCOTT MAROHN: Yeah, they're --
22 they're posted as well. For executive cars we have
23 developed a flat-rate fee for executive cars. Now, the
24 flat-rate fee was -- is within the limits of the Manitoba
25 Taxicab Board, so what we've found was that limos were --

1 were trying to get as many fares as they could at the
2 curb, so they were trying to undercut the rates, you
3 know, to -- to get to the low range. And it was just a -
4 - a customer service nightmare on the curb where -- where
5 the -- the taxis and the limos were kind of, you know,
6 trying to low ball in order to get the fare.

7 So what we implemented was a flat-rate fee
8 at the -- at the curb so that any limo that was picking
9 up a fare had to charge a certain rate. And it was
10 agreed to in collaboration with a -- with the whole limo
11 industry. We had a meeting, we sat down, and we
12 discussed what those rates should be.

13 THE CHAIRPERSON: And what were the rates
14 for the executive cars and the limos?

15 MR. SCOTT MAROHN: To downtown?

16 THE CHAIRPERSON: Comparable to the
17 sixteen seventy-five (16.75)?

18 MR. SCOTT MAROHN: Yeah. The executive
19 car or/the limo industry, it doesn't matter if it's a
20 stretch or an executive car, is thirty dollars (\$30) to
21 downtown.

22 THE CHAIRPERSON: Thank you, sir. I must
23 admit, I've been to the airport on innumerable occasions
24 and I've never, never noticed it. It's right on the --
25 outside the door or...?

1 MR. SCOTT MAROHN: There's -- as soon as
2 you come in, if you come down the escalator at the --
3 both arrivals levels, there's a hotel reservation board,
4 there's a sign there, and if you come to the taxi and
5 limo area on the curb, there's also a sign at that
6 location too.

7 THE CHAIRPERSON: Mr. Edwards...?

8 MR. PAUL EDWARDS: Might it -- might it
9 also be of interest to the Board to see the -- the
10 geographical definition of the downtown area, that is the
11 sixteen seventy-five (16.75) to nineteen fifty (19.50).
12 And I only say that because, you know, that -- that --
13 that is a range from the airport and the area that is the
14 downtown -- that is that range, the -- the boundaries of
15 that might be of interest.

16 THE CHAIRPERSON: Yes, that's not
17 prejudicial to any party.

18 Mr. Marohn...?

19 MR. PAUL EDWARDS: Well, you can -- you
20 can --

21 MR. SCOTT MAROHN: Yeah.

22 MR. PAUL EDWARDS: -- we can provide that
23 to the Board --

24 MR. SCOTT MAROHN: I -- I don't know
25 exactly the boundaries -- what's --

1 THE CHAIRPERSON: Okay. You can provide
2 a map with it drawn.

3 MR. SCOTT MAROHN: Yes.

4 THE CHAIRPERSON: Okay. We'll take that
5 as an undertaking.

6

7 --- UNDERTAKING NO. 8: Avion to provide a
8 geographical definition of
9 the downtown area

10

11 THE CHAIRPERSON: Mr. Soronow, do you
12 have any problems with this? Do you have any follow-up
13 question related to this?

14 MR. SIDNEY SORONOW: Well, I have lots of
15 -- I have lots of cross-examination but I -- I, you know,
16 I --

17 THE CHAIRPERSON: Okay.

18 MR. SIDNEY SORONOW: -- won't segregate
19 it as it relates to this.

20 THE CHAIRPERSON: Very good. Okay, Mr.
21 Saranchuk do you want to start your cross-examination?

22 MR. WALTER SARANCHUK: Yes, Thank you,
23 sir.

24 MR. PAUL EDWARDS: I'm sorry to
25 interrupt, Mr. Chair, Mr. --

1 THE CHAIRPERSON: Yes.

2 MR. PAUL EDWARDS: -- Saranchuk, I
3 apologize. I had indicated at the end of the last
4 session that there would be a comment made with respect
5 to some of these question. I think it will help and
6 assist the Board, and -- and Mr. Saranchuk, and simply to
7 indicate, and I -- I do appreciate the indulgence of the
8 Board in just putting on the record what I think is
9 obvious, but I -- it needs, I think, to be repeated.

10 The WAA is -- is not a party to these
11 proceedings, is not represented by counsel at these
12 proceedings, and Avion does not speak for the Avi -- WAA,
13 nor do I as Avion's counsel. And -- and of course this
14 Board doesn't purport to have nor does it have any
15 authority over any aspect of the operations of WAA.

16 Mr. Marohn and Mr. O'Gorman have of course
17 testified at these proceedings at the request of Avion,
18 in response to certain issues which have arisen and which
19 Avion personnel had not direct knowledge of, therefore
20 requiring their attendance.

21 By them testifying, Avion ought not to be
22 taken to and I -- I don't suggest that it has been but
23 wish to repeat, ought not to be taken to except that the
24 issues spoken to -- to by them are relevant or ought to
25 be seen as relevant. And Avion simply recognizes -- and

1 I appreciate your comments, Mr. Chair, at the end of our
2 last session -- recognizes that the Board stated desires
3 to have certain contextual information, because of the
4 uniqueness of these proceedings, in the -- in the Board's
5 words.

6 As for the list of seventeen (17)
7 questions, I can indicate at the outset that Mr. Marohn
8 has advised me, and -- that with respect to Questions 1,
9 2, 8, and 17, he's not able to comment beyond referring
10 the Board to the already public documents, including but
11 not limited to the annual reports and the -- and the
12 financial statements.

13 With respect to the remainder of the
14 questions, as Mr. Saranchuk will take him through those,
15 he has indicated he can provide at least some information
16 and of course he's willing to do so. Thank you for the
17 opportunity to put those comments on the record.

18 THE CHAIRPERSON: Thank you, Mr. Edwards.
19 Mr. Saranchuk...?

20

21 CROSS-EXAMINATION BY MR. WALTER SARANCHUK:

22 MR. WALTER SARANCHUK: Yes, Thank you,
23 sir. I appreciate Mr. Edwards' comments and I will
24 certainly bear them in mind. But let me indicate at the
25 outset that we have eliminated a number of these

1 questions by reason of the fact that they were addressed
2 in the direct testimony by Mr. Marohn on questions by Mr.
3 Edwards.

4 So the first question I would ask, and I'm
5 not asking to elicit -- that you elaborate in any way, Mr.
6 Marohn, other than to confirm the Board's understanding,
7 on its review of the 2008 audited financial statements,
8 that the Winnipeg Airport Authority is a non-share, non-
9 taxable Corporation?

10 MR. SCOTT MAROHN: Well, I can't confirm --
11 I -- I really can't confirm that. I -- I don't have the
12 knowledge for anything higher than kind've --

13 MR. WALTER SARANCHUK: Okay.

14 MR. SCOTT MAROHN: -- my position.

15 MR. WALTER SARANCHUK: It's just my
16 understanding that's a matter of public record and I
17 thought maybe you'd be able to --

18 MR. SCOTT MAROHN: My --

19 MR. WALTER SARANCHUK: -- confirm.

20 MR. SCOTT MAROHN: Well, I -- I --

21 MR. WALTER SARANCHUK: Maybe your counsel
22 can, or maybe Mr. Edwards can.

23 MR. PAUL EDWARDS: Well, I think the
24 answer's on the record. It's -- it's -- this Witness
25 can't confirm or deny. It's a matter of public record.

1 MR. WALTER SARANCHUK: So when you say
2 it's a matter of public record then I take it you agree
3 that it is -- or it is agreed that -- that the Board is
4 correct in its understanding that the Winnipeg Airport
5 Authority is a non-share, non-taxable corporation.

6 MR. PAUL EDWARDS: We don't, nor can we,
7 nor do we have the authority to speak for WAA. The
8 public record is there, and -- insofar as it answers that
9 question obviously the Board's taken note of it. That's
10 the extent of the answer.

11 MR. WALTER SARANCHUK: Then let's put it
12 this way. Do we have an agreement that your
13 interpretation of the public record and that of the Board
14 is the same, that namely on the public record the
15 information is that it is a non -- the Winnipeg Airport
16 Authority is a non-share, non-taxable corporation?

17 MR. PAUL EDWARDS: With respect to
18 Questions 1, 2, 8, and 17 there will no further comment
19 from Avion.

20

21 CONTINUED BY MR. WALTER SARANCHUK:

22 MR. WALTER SARANCHUK: Can you confirm,
23 Mr. Marohn, that -- can you comment at all on the makeup
24 of the Winnipeg Airport Authority's Board of Directors?

25 MR. SCOTT MAROHN: No. I -- I'm sorry.

1 MR. WALTER SARANCHUK: So you don't know
2 who sits on that Board? You don't know what limitations
3 there are to become Director of the Board?

4 MR. SCOTT MAROHN: I know that some --
5 some positions are elected, some are appointed, I -- but
6 I can't confirm what encompasses the Board.

7 MR. WALTER SARANCHUK: Okay. Let me ask
8 you, with reference to the airport downtown hotel shuttle
9 service, I take it you can confirm that the Airport
10 Authority did not issue a request for a proposal or an
11 RFP seeking a supplier for that service?

12 MR. SCOTT MAROHN: That's correct.

13 MR. WALTER SARANCHUK: And can you
14 confirm the Board's understanding at least drawn from the
15 Airport Authority's 2008 audited financial statements
16 that in 2008 the Airport Authority implemented increases
17 to parking rates up to 25 percent, and landing and
18 terminal fees and the airport improvement levy per in --
19 plane passenger up to 33 1/3 percent?

20 MR. SCOTT MAROHN: I can confirm only the
21 portion that I work in, I guess. So the parking rates,
22 yes, I can confirm that there was an increase of
23 approximately 25 percent.

24 MR. WALTER SARANCHUK: And you have
25 nothing to do with the landing or terminal fees or

1 anything like that?

2 MR. SCOTT MAROHN: No.

3 MR. WALTER SARANCHUK: And nor do you
4 have anything to do with the airport improvement levy?

5 MR. SCOTT MAROHN: No, I don't.

6 MR. WALTER SARANCHUK: Can you indicate
7 if any of the fee increases were approved by anybody
8 other than the -- the Board of Directors of the Winnipeg
9 Airport Authority?

10 MR. SCOTT MAROHN: Our process for that
11 is that the -- the proposed rates come from WAA and go to
12 the Board of Directors. They approve any rate increase
13 and then we post it in the newspapers. We have a -- a
14 mandate to provide that announcement to the public in the
15 newspapers.

16 MR. WALTER SARANCHUK: Is there anybody
17 other than WAA that's involved, or this Board of
18 Directors that's involved in the setting of those fees?

19 MR. SCOTT MAROHN: No.

20 MR. WALTER SARANCHUK: Can you indicate
21 that any public review process was undertaken by the
22 Airport Authority in advance of those fee increases?

23 MR. SCOTT MAROHN: No.

24 MR. WALTER SARANCHUK: So in other words,
25 there were none?

1 MR. SCOTT MAROHN: No, there wasn't.

2 MR. WALTER SARANCHUK: And can you
3 indicate whether Mr. Rempel or Ms. Kloepfer, or both, as
4 I understand it they are directors of the -- of Avion and
5 officer -- or officers of the Airport Authority, were
6 they involved in the decision to bar limousines, or at
7 least to limit the access of limousines rather, in favour
8 of executive cars or the new agreement with Unicity Taxi?

9 MR. SCOTT MAROHN: No, they were not
10 involved.

11 MR. WALTER SARANCHUK: And I take it,
12 given that your -- the cou -- or at least the counsel for
13 Avion's comments at the outset, that you can't comment
14 about the Airport Authority's report of a \$4.5 million
15 cost related to interest rate derivative, et cetera?

16 MR. SCOTT MAROHN: No, sorry.

17 MR. WALTER SARANCHUK: Or that WAA
18 reported a liability of \$70.8 million, with respect to
19 interest rate hedges?

20 MR. SCOTT MAROHN: No, I can't.

21 MR. WALTER SARANCHUK: Can you indicate
22 the rationale for the concession fees that were sought
23 and obtained from taxis, executive cars, and limousines?

24 MR. SCOTT MAROHN: The rationale is just
25 to recover costs. That's pretty much the whole

1 rationale. I mean, we -- we negotiate with each contract
2 and we try to, obviously, recover the costs. That's the
3 rationale.

4 MR. WALTER SARANCHUK: And how close do
5 you come to accomplishing that?

6 MR. SCOTT MAROHN: Somewhere half to
7 three quarters (3/4s). I believe I mentioned that in the
8 -- in the previous...

9 MR. WALTER SARANCHUK: Right. And you
10 did mention approximately half. Are you saying now that
11 it might be a half to three quarters (3/4s)?

12 MR. SCOTT MAROHN: It's somewhere in that
13 area. It's somewhere in that range.

14 MR. WALTER SARANCHUK: Okay. Can you
15 indicate if a concession fee is obtained from City of
16 Winnipeg Transit?

17 MR. SCOTT MAROHN: No, there isn't.

18 MR. WALTER SARANCHUK: And can you
19 indicate whether the Airport Authority considers the
20 economics of taxi, executive car, and limousine services
21 when seeking concession fees?

22 MR. SCOTT MAROHN: No, we -- I mean, we
23 negotiate each contract separately, so we don't consider
24 that.

25 MR. WALTER SARANCHUK: And was it

1 considered at all in supporting your subsidiary, Avion's
2 plan for operating the Airport Downtown Shuttle Service?

3 MR. SCOTT MAROHN: No, it's the -- it's
4 the same mandate.

5 MR. WALTER SARANCHUK: And can you advise
6 as to whether there is an agency, if any, that regulates
7 the fees estab -- established by the Airport Authority?

8 MR. SCOTT MAROHN: Sorry, what number is
9 this?

10 MR. WALTER SARANCHUK: Number 16.

11 MR. SCOTT MAROHN: No, we don't have an
12 agency.

13 MR. WALTER SARANCHUK: So effectively,
14 once the Airport Authority sets its fees, that's it. It
15 doesn't have to go anywhere for approval?

16 MR. SCOTT MAROHN: That's correct.

17 MR. WALTER SARANCHUK: And you can't
18 confirm, I take it, given what your -- what Avion's
19 counsel has said, that the Airport Authority essentially
20 is a sole service provider of its type in Winnipeg.

21 MR. SCOTT MAROHN: Well, that's -- I
22 can't confirm that, no.

23 MR. WALTER SARANCHUK: Do you know of any
24 other, yourself, personally?

25 OBJ MR. PAUL EDWARDS: I'm going to object.

1 I have spoken to this already repeatedly. The witness
2 has repeated what I've said. He can't confirm or deny
3 it. That is what it is, Mr. Saranchuk.

4

5 CONTINUED BY MR. WALTER SARANCHUK:

6 MR. WALTER SARANCHUK: I would have
7 thought it was a no-brainer. But in any event, what
8 you're -- what you're suggesting is you cannot
9 personally, Mr. Marohn, indicate to this Board as to
10 whether, to your knowledge, there is any other entity
11 similar to the Airport Authority that provides a similar
12 service in Manitoba.

13 You don't know that?

14 MR. SCOTT MAROHN: Well, that's a tough
15 decision -- or, sorry -- a tough answer. I -- I -- no, I
16 can't comment on that. I don't -- where do you draw the
17 line, St. Andrew's?

18 MR. WALTER SARANCHUK: All right. I see
19 where you're coming from now. So there might be some
20 other entity along similar lines, but you're not aware of
21 just what their process is all about?

22 MR. SCOTT MAROHN: That's right. I can't
23 -- I can't comment.

24 MR. WALTER SARANCHUK: I see. Okay.
25 That's fair.

1 (BRIEF PAUSE)

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MR. WALTER SARANCHUK: Mr. Marohn, I'm not going to get into this to any great extent other than to ask you some questions on what has arisen as a contentious issue, and that is the involvement of or knowledge of the Winnipeg Airport Authority relative to Avion's intended application for operation of an airport downtown shuttle service.

So, having given you that little bit of a lead in, in your evidence -- and this is at Volume 3, pages 761 and 762 -- there is a question that Mr. Edwards asked you. Actually, it's at the bottom of page 760 and proceeds onto 761. And this dealt with this question that I have just raised as to the knowledge that you, personally, or anybody else at Avion, to your knowledge, had with respect to the negotiations with Avion, or consultations with Avion, leading up to its intention to pro -- proceed with the Airport Shuttle Service.

And the question was:

"Was there any discussion, to your recollection, of Avion at any of the negotiation meetings?"

And your answer was:

"As far as I recall, no."

1 That was your answer, to your
2 recollection?

3 MR. SCOTT MAROHN: Yes.

4 MR. WALTER SARANCHUK: Okay. And yet
5 later on at page 761 there's a question here that Mr.
6 Edwards asked:

7 "Was there any request made by anyone
8 from Unicity to have the new agreement
9 include exclusivity, not just other
10 taxicab companies but other forms of
11 ground transportation?"

12 And your answer was "No," is that correct?

13 MR. SCOTT MAROHN: Yes, sir.

14 MR. WALTER SARANCHUK: Let me just ask
15 you, sir, how did you come to first learn of Avion's
16 Application for an airport shuttle service?

17 MR. SCOTT MAROHN: I think the first time
18 I came to learn about it my boss, Michael O'Gorman, had
19 stated that Avion was in front of the PUB to try and gain
20 a -- or to -- to see if a hotel shuttle service was
21 possible. And that's the first time was through --
22 through my boss.

23 MR. WALTER SARANCHUK: I see, so it would
24 have been at about the time, to you knowledge anyway,
25 there was an application made to the Public Utilities

1 Board by Avion?

2 MR. SCOTT MAROHN: Yes, yes.

3 MR. WALTER SARANCHUK: Now, on page 761
4 of your evidence, and moving on to page 762, Mr. Edwards
5 asked you:

6 "Had someone raised Avion at the table,
7 had someone from Unicity raised it,
8 would that have been something you
9 believe you would have remembered?"

10 And you said "yes," and he asked you why
11 and you said:

12 "Because it was an important thing. I
13 knew it was in the media. I knew it
14 was there. It was evident. It was
15 eventually going to impact me
16 personally."

17 So you say --

18 THE CHAIRPERSON: Potentially, not
19 personally.

20

21 CONTINUED BY MR. WALTER SARANCHUK:

22 MR. WALTER SARANCHUK: I'm sorry,
23 "potentially," yes.

24 Now, to what extent, to your recollection,
25 was it in the media?

1 MR. SCOTT MAROHN: Just -- I -- there was
2 a reporter that was at the proceedings and I believe she
3 was reporting on it.

4 MR. WALTER SARANCHUK: Which proceedings?

5 MR. SCOTT MAROHN: It was -- hold on one
6 (1) second, I'm just trying to recall. I think it was
7 the -- the proceedings where it was in front of the City,
8 in front of the Taxicab Board; it was on TV, so we were
9 just following it to see what was happening.

10 MR. WALTER SARANCHUK: So you came to
11 learn of it at that time?

12 MR. SCOTT MAROHN: Well, yeah, I mean my
13 boss had said that the PUB was in -- or, sorry, that
14 Avion was in front of the Manitoba Taxicab Board which
15 went to the City and you know the whole proceeding. So
16 we were -- that's when he told me, so I was following it.

17 MR. WALTER SARANCHUK: All right. I
18 thought you had indicated -- just looking for
19 clarification, I thought that you had indicated that you
20 first learned of it from Mr. O'Gorman when it was coming
21 before the Public Utilities Board, which was the third
22 step if you will.

23 MR. SCOTT MAROHN: I -- I apologize.
24 Whatever the first step was -- I don't know the -- I
25 don't know the proceedings of what the steps were -- but

1 when it first came to fruition, that is when he advised
2 me and that is also when it was in -- I believe when it
3 was in the media.

4 MR. WALTER SARANCHUK: Okay, sir. Now, I
5 wanted to draw your attention to some of the evidence
6 that preceded yours and this appears at Volume I,
7 actually, at pages 292 to 294 of the evidence, where Ms.
8 Tataryn, on behalf of Avion, essentially indicated that
9 after the decision was made at Avion's board level to
10 proceed with an application for an airport shuttle
11 service that she took the idea up with the Airport
12 Authority Operations Group.

13 I take it that you and your organi -- your
14 department's part of the operations group, is it not?

15 MR. SCOTT MAROHN: I'm part of the
16 operations group, that's correct.

17 MR. WALTER SARANCHUK: And of course
18 you're the manager of parking in terminal operations,
19 right?

20 MR. SCOTT MAROHN: Yes.

21 MR. WALTER SARANCHUK: And you held that
22 position since early 2007?

23 MR. SCOTT MAROHN: Yes.

24 MR. WALTER SARANCHUK: Okay. Now, were
25 you in attendance when Ms. Tataryn approached the WAA

1 board with this particular idea and discussed it with the
2 board at WAA?

3 MR. SCOTT MAROHN: No, I wasn't.

4 MR. WALTER SARANCHUK: Did you come to
5 learn about that particular meeting at any time?

6 MR. SCOTT MAROHN: No, I didn't.

7 MR. WALTER SARANCHUK: So you can't
8 comment what the purpose of that meeting was or anything
9 like that?

10 MR. SCOTT MAROHN: No.

11 MR. WALTER SARANCHUK: And Mr. O'Gorman
12 didn't advise you about it?

13 MR. SCOTT MAROHN: No, he didn't.

14 MR. WALTER SARANCHUK: All right. Now,
15 in Volume II of the evidence, and in particular pages 572
16 to 574. I'm sure you've been made aware of this by your
17 counsel but let me ask you, sir, just for some
18 clarification, from the Board's standpoint: You'll know
19 that at page 572 through to 574, Ms. Wilson from Unicity
20 and Mr. Mangat from Unicity indicated that when they were
21 negotiating with the Airport Authority's representatives,
22 relative to this latest agreement for sole access of
23 Unicity at the airport, and I understand you were in
24 attendance at some of those meetings, is that correct?

25 MR. SCOTT MAROHN: Yes.

1 MR. WALTER SARANCHUK: And the comment,
2 or at least the evidence from Mr. Mangat, when he was
3 asked whether he raised the issue of the airport shuttle
4 service or the proposed airport shuttle service by Avion
5 when he was negotiating with the WAA representatives, he
6 said, yes, that our team did.

7 And he indicated that he was there -- this
8 is on page 573 of the evidence -- and that they had a
9 concern about Avion and they were concerned when the time
10 they were negotiating this issue came to their -- came to
11 them in the second meeting. And he was asked about
12 whether, again, this was raised and he said that Ms.
13 Wilson indicated that Avion was mentioned because Unicity
14 wanted to have a sole transport provider and they wanted
15 to get assurance from you, at WAA I mean, that that could
16 be the case.

17 Now, that is their evidence and now let me
18 ask you, what is your response to that evidence?

19 MR. SCOTT MAROHN: Well, first my
20 response is I -- I do not recall that coming up in any
21 meeting. I believe that if that response would've come
22 up that I would've remembered it because that's such an
23 open-ended question, sole provider for ground
24 transportation; where does that begin and where does that
25 end?

1 That would've been a lengthy conversation
2 from my end, in terms of well is that all hotels'
3 shuttles, is that, you know, where -- where does sole --
4 sole -- a -- ground transportation provider begin and
5 end. And we never had a conversation for any length of
6 time on anything like that.

7 MR. WALTER SARANCHUK: Okay. And -- and
8 I appreciate you say that that is as far as you recall.
9 Given that answer, could it have happened, and you just
10 might not recall?

11 MR. SCOTT MAROHN: Yes.

12 MR. WALTER SARANCHUK: Okay, thank you.
13 Now, at pages 575 to 576 of the evidence, pages 575 to
14 576 of the evidence, there was mention of Mr. -- by Mr.
15 Mangat and the answer to questions posed by me, that at
16 the so-called second meeting there were a couple of
17 people from Airport Authority in attendance, namely, you
18 and Mr. O'Gorman, and the question was about whether or
19 not there was a response given to the indication by Ms.
20 Wilson addressing the shuttle service.

21 And the answer, as I understand it from
22 Mr. Mangat, is that you indicated that the Application by
23 Avion was not going anywhere, that the Application is not
24 going anywhere now and you don't have to worry about this
25 one.

1 What have you to say to that testimony,
2 sir?

3 MR. SCOTT MAROHN: I don't recall that
4 conversation at all.

5 MR. WALTER SARANCHUK: All right. And
6 again, given your answer that you don't recall, I take it
7 it could have happened but you might've forgotten?

8 MR. SCOTT MAROHN: This conversation was
9 two (2) years ago so, yes, it -- it could very well have
10 happened.

11 MR. WALTER SARANCHUK: Yes, okay. Thank
12 you.

13 And then finally, sir, on pages 577 to
14 579, there is a comment, or at least testimony by Ms.
15 Wilson, that once this question of further pursuit of the
16 Application to the Public Utilities Board was being taken
17 by Avion -- it was on the back burner, then it was
18 resurrected, so to speak -- once that was pursued further
19 there was a meeting involving a Mr. Gill and Mr.
20 Rhandhawa, R-H-A-N-D-H-A-W-A, a meeting that they had
21 with you that they were two (2) representatives from
22 Unicity and they had a meeting with you in January of
23 this year that was relative to a question as to how
24 Unicity's cars were going to be lining up at the airport.

25

1 Do you remember that meeting, sir?

2 MR. SCOTT MAROHN: Yes.

3 MR. WALTER SARANCHUK: Where did it
4 occur?

5 MR. SCOTT MAROHN: It occurred at -- at
6 WAA.

7 MR. WALTER SARANCHUK: And who called
8 that meeting?

9 MR. SCOTT MAROHN: I don't recall. I'm
10 not too sure.

11 MR. WALTER SARANCHUK: Okay. And who --
12 was anybody else from the Airport Authority in attendance
13 with you?

14 MR. SCOTT MAROHN: I don't believe so. I
15 think it was just me.

16 MR. WALTER SARANCHUK: Along with those
17 two (2) gentlemen that I mentioned.

18 MR. SCOTT MAROHN: Yes --

19 MR. WALTER SARANCHUK: Okay.

20 MR. SCOTT MAROHN: -- I believe so. And
21 -- and I can't recall if Joan was there or not.

22 MR. WALTER SARANCHUK: All right. And
23 the evidence by Ms. Wilson relative to that is that they
24 enquired of -- of Scott, that's you, regarding the
25 Application for Avion and that he told you that he was

1 not aware that Avi -- that you had told them that you
2 were not aware that Avion had gone back to the PUB or
3 that it had sort of revived and was going -- was ongoing
4 again.

5 Do you recall the discussion, first of
6 all, regarding the Avion Application?

7 MR. SCOTT MAROHN: I don't recall the
8 discussion, no.

9 MR. WALTER SARANCHUK: All right. But,
10 given that answer, it may have taken place.

11 MR. SCOTT MAROHN: Yes.

12 MR. WALTER SARANCHUK: Okay. And so that,
13 essentially I guess we can conclude by saying that to the
14 best of your recollection, these events didn't occur, but
15 they may have.

16 MR. SCOTT MAROHN: Correct.

17 MR. WALTER SARANCHUK: Those are all the
18 questions that I have of this Witness, Mr. Chairman, and
19 I believe My Learned Friend, Mr. Soronow, will have some
20 questions now.

21 THE CHAIRPERSON: Mr. Soronow, do you
22 have any questions for this Witness?

23 MR. SIDNEY SORONOW: More than one (1).
24 I just want to ask my client about one (1) item, and I'll
25 just take a second.

1 (BRIEF PAUSE)

2

3 CROSS-EXAMINATION BY MR. SIDNEY SORONOW:

4 MR. SIDNEY SORONOW: Mr. Marohn, so,
5 while you answered to Mr. Saranchuk initially that your
6 knowledge of the Avion situation originated with a
7 comment by Mr. O'Gorman at the time the Avion Application
8 was before the Public Utilities Board -- that was your
9 initial response -- you subsequently altered that, that
10 the conversation with Mr. O'Gorman was at the time of the
11 proceedings before the city of Winnipeg.

12 Is that correct?

13 MR. SCOTT MAROHN: The -- the first time
14 I became aware of the Avion proceedings was when it was
15 first sent in -- in process with the Application. I
16 don't know -- I -- I apologize if I said it was in front
17 of the PUB. I don't know what the stages were. Again,
18 it was two (2) years ago and I don't recall, but whatever
19 the first stage was when it became public knowledge,
20 that's when he advised me.

21 MR. SIDNEY SORONOW: Okay. When you say
22 "it became public knowledge," in another one of your
23 answers you referenced the publicity surrounding this
24 matter.

25 Which publicity were you referencing on

1 that occasion?

2 MR. SCOTT MAROHN: The publicity was --
3 was the media portion, was -- was the fact that it was in
4 the -- it was -- there were reporters there, it was in
5 the newspaper, it -- it became a hot topic at the airport
6 because there was a lot of discussion about how the
7 airport operates. So that's when it became knowledgeable
8 to me.

9 MR. SIDNEY SORONOW: So you're saying --
10 I just want to understand -- are you saying it became a
11 hot topic, but for some reason you didn't notice that and
12 then Mr. O'Gorman brought it to your attention that this
13 was arising, or did you know of it before Mr. O'Gorman
14 said something to you?

15 MR. SCOTT MAROHN: I didn't know before
16 Mr. O'Gorman said something.

17 MR. SIDNEY SORONOW: Okay.

18 MR. SCOTT MAROHN: He -- he advi -- it
19 was pretty much the same day that it went into the media
20 when -- when -- I don't know what the first process was.
21 But when Avion brought the Application forward, Mike and
22 I had a meeting, and that's when I became aware of it.

23 MR. SIDNEY SORONOW: Okay. What else did
24 O'Gorman tell you about the Avion situation over and
25 above the fact that it was now garnering significant

1 publicity?

2 MR. SCOTT MAROHN: Just that they wanted
3 to operate a shuttle to downtown airports -- or, sorry,
4 to downtown hotels.

5 MR. SIDNEY SORONOW: Okay. And at the
6 time in question, what was your position and
7 responsibilities with WAA?

8 MR. SCOTT MAROHN: My position at the
9 time was Manager, Parking and Ground Transportation.

10 MR. SIDNEY SORONOW: I'm trying to figure
11 out how WAA operates, and maybe you can assist myself and
12 this Board. If you're the manager of ground
13 transportation, clearly if the shuttle is authorized,
14 it's going to impact on you, correct?

15 MR. SCOTT MAROHN: Yes.

16 MR. SIDNEY SORONOW: And how is it that
17 the shuttle could get to the stage where it's being
18 pursued before a tribunal or a -- a governmental body,
19 and you don't know anything about it?

20 MR. SCOTT MAROHN: Mr. Soronow, there's
21 lots of things that don't come to me. They go above me
22 before they get to me. They're not the only ones.

23 You should see the car rental companies.
24 They don't come to me first, they go above me. Just to
25 discuss things, to -- to...

1 MR. SIDNEY SORONOW: Discussion. But
2 you're telling this Board and asking this Board to -- to
3 assume, from your answer, that the person who would have
4 primary responsibility for the logistics, the mechanics
5 of this operation, didn't know anything and had to learn
6 of it either (a) from the media or (b) on the same day as
7 it was in the media from his superior, Mr. O'Gorman.

8 Is that the impression you want this Board
9 to have?

10 MR. SCOTT MAROHN: That's absolutely
11 correct.

12 MR. SIDNEY SORONOW: Okay. When it
13 became a matter in the public domain, by virtue of the
14 publicity to which you referred and Mr. O'Gorman
15 mentioned it to you, what comments did you make to Mr.
16 O'Gorman about it, if any?

17 MR. SCOTT MAROHN: Well I -- I can't
18 recall the exact comments that were made. I know that my
19 first reaction -- my first reaction, I don't know if they
20 were made to Mike, but I can tell you my first reaction
21 is, a hotel shuttle in Winnipeg, great; another --
22 another service to the customers. That's my first
23 reaction.

24 MR. SIDNEY SORONOW: Wouldn't your first
25 reaction be, I would think human nature would be, I'm the

1 person who's director or manager of ground
2 transportation; how come I'm hearing about this from the
3 media?

4 How come no one has ever said anything to
5 me, solicited my opinion? I'm going to be the guy
6 charged with the responsibility of the logistics in many
7 aspects of this implementation. And I probably know the
8 ground transportation the best of all, because I deal
9 with it on a day-by-day basis.

10 Wouldn't you have said to yourself, Gee,
11 how come I'm hearing about it in this fashion?

12 That never occurred to you?

13 MR. SCOTT MAROHN: I had been there for
14 one (1) year, and I didn't have the most knowledge. Mr.
15 O'Gorman was in my position before he moved up. So when
16 I heard about it, that was just a norm for me, was -- was
17 not to hear it the first time.

18 I -- I was completely fine with it. I'm
19 not -- I'm not offended by it or anything. I mean, a lot
20 of things flow -- flowed from the top down in my -- in my
21 position.

22 MR. SIDNEY SORONOW: And -- and flow with
23 no input from the frontline person, being yourself?

24 MR. SCOTT MAROHN: Many times.

25 MR. SIDNEY SORONOW: Oh, I see. Okay.

1 Well, I -- it's very interesting. So your reaction was,
2 Gee, well that's great you know, another option.

3 That's what you said a moment ago?

4 MR. SCOTT MAROHN: Yep.

5 MR. SIDNEY SORONOW: Now, did you pause
6 for a second to say, Well, wait a second, what impact
7 might that have on other service providers?

8 That didn't occur to you at the time did
9 it?

10 MR. SCOTT MAROHN: My first reaction was,
11 I'd like to see the -- I can't wait to see a business
12 case for this one. That was my first -- my first
13 reaction.

14 MR. SIDNEY SORONOW: Oh, you can't --
15 okay, I thought your first reaction was, Great, another
16 option for the consumer.

17 MR. SCOTT MAROHN: I apologize. Yes, my
18 second reaction was, I can't wait for the business case.

19 MR. SIDNEY SORONOW: You can't wait for
20 the business case?

21 MR. SCOTT MAROHN: Yes.

22 MR. SIDNEY SORONOW: Where did you expect
23 to get the business case from?

24 MR. SCOTT MAROHN: Well, not a -- an
25 application, a letter from Avion or from whoever, to say,

1 We'd like to provide a service.

2 MR. SIDNEY SORONOW: A letter. Well,
3 wouldn't you assume that such a letter already exists?
4 After all, they're before a City of Winnipeg. They're
5 already running with this thing.

6 What kind of letter are you expecting them
7 to generate to your hands?

8 MR. SCOTT MAROHN: I hadn't -- I hadn't
9 been approached. If someone wants to run an operation,
10 hopefully, at some point in time, I'll be aware of it.
11 And they'll approach me and say, We'd like a contract for
12 this type of service. And, obviously, if -- if they've
13 done a business case, they -- they have a -- you know,
14 they've determined a need.

15 Obviously, if it's a customer service
16 implication, it'll come to me. And if there is a
17 different type of service that can satisfy customers and
18 someone's provided that need to me and -- and shown
19 evidence of it, then, yeah, we'll sign a contract.

20 MR. SIDNEY SORONOW: Oh, okay. So your
21 expectation when you heard about it was that Avion must
22 have done a complete research study of this subject
23 matter to build a business case.

24 That was your presumption?

25 MR. SCOTT MAROHN: I would expect that if

1 they're taking it forward, that they would have done
2 that.

3 MR. SIDNEY SORONOW: I see, okay. And is
4 that still your view, that as of today, that they -- they
5 must have done that?

6 MR. SCOTT MAROHN: I presume that they
7 did, yes.

8 MR. SIDNEY SORONOW: Okay. Okay. Did it
9 ever come to your attention that the -- that Avion had,
10 prior to proceeding to the City of Winnipeg, made an
11 application to the Manitoba Taxicab Board for the
12 initiation or licensing of this service and had been
13 denied on that application?

14 Did that come to your attention?

15 MR. SCOTT MAROHN: I can't recall if that
16 was the first of the proceedings. If that was the first
17 of the proceedings, then, yes, I was aware of it whenever
18 it -- whenever it was reported in the media. When --
19 when -- I -- I believe there was a report that came from
20 the Taxicab Board that stated that -- that, I guess,
21 Avion was in front of the Manitoba Taxicab Board looking
22 for this type of service.

23 MR. SIDNEY SORONOW: Yes.

24 MR. SCOTT MAROHN: And they were denied.

25 MR. SIDNEY SORONOW: Okay. And as

1 someone involved as a responsible official of Winnipeg
2 Airports Authority, who deals on a daily basis with the
3 ground transportation, did it cause you any concern that
4 a tribunal such as the Taxicab Board, who deals in local
5 transportation, had denied the application, but yet it
6 was still kicking around?

7 Were you concerned with the fact that it
8 seemed still to be a live issue, even though the Taxicab
9 Board had turned it down?

10 MR. SCOTT MAROHN: I had -- no, I didn't,
11 no.

12 MR. SIDNEY SORONOW: Okay. And it's fair
13 to say that your concern was never directed towards, and
14 has never been directed towards, what impact this service
15 might have on other service providers - being taxis,
16 limos, executive cars, hotels that have shuttles.

17 That was outside of your area of concern?

18 MR. SCOTT MAROHN: That's correct.

19 MR. SIDNEY SORONOW: Okay. And is it
20 fair to say -- you mentioned that there was a fair bit of
21 publicity, and you're now believing that most likely the
22 publicity that you first encountered surrounded the
23 proceedings before the City of Winnipeg.

24 And through that publicity, is it fair to
25 say that you understood that Unicity Taxi, and other taxi

1 and limo providers, were extremely concerned and were
2 against the Avion shuttle --

3 MR. SCOTT MAROHN: That's correct.

4 MR. SIDNEY SORONOW: Okay. Were you
5 aware, at some point, that Avion had applied to the
6 Public Utilities Board?

7 MR. SCOTT MAROHN: I don't understand the
8 question --

9 MR. SIDNEY SORONOW: Okay.

10 MR. SCOTT MAROHN: -- that -- that --

11 MR. SIDNEY SORONOW: Were -- did you --
12 were you at some point aware -- did you become aware that
13 Avion had made an application to the Public Utilities
14 Board, relative to, you know, we'll call it permission to
15 operate this service?

16 MR. SCOTT MAROHN: Well, I don't und -- I
17 don't exactly understand the process. But can -- can we
18 -- can we go over the quick process of what happened,
19 like, where it went first and second and --

20 MR. SIDNEY SORONOW: Well --

21 MR. SCOTT MAROHN: -- third?

22 MR. SIDNEY SORONOW: -- I'm only asking
23 you whether you became -- I mean, the PUB, for -- in your
24 terms -- I'll assist you -- they made an application to
25 the Taxicab Board, they were denied, there was

1 subsequently proceedings before the city of Winnipeg and
2 based on those proceedings there was an application to
3 the Public Utilities Board.

4 And I'm simply asking you whether you
5 became aware that an application had been made to the
6 Public Utilities Board?

7 OBJ MR. PAUL EDWARDS: I'm -- I'm just going
8 to object at this point. The Witness has indicated that
9 he doesn't understand the particulars of the -- the
10 licensing system. It's not for this Board or Mr. Soronow
11 or anyone to educate him on that. The reality is he
12 knows what he knows and he can give that evidence.

13 So I think -- I don't have any particular
14 objection to -- to this question and it being answered
15 but I do caution, and I ask the Board to take note of the
16 fact that this should not be pursued that we're going to
17 tell this Witness something factual. He's here to tell
18 us what he knows.

19 MR. SIDNEY SORONOW: And indeed I was
20 trying to ask him what he did know.

21 MR. PAUL EDWARDS: He's given you the
22 answer.

23 MR. SIDNEY SORONOW: I -- I don't know
24 the answer that he's given.

25

1 CONTINUED BY MR. SIDNEY SORONOW:

2 MR. SIDNEY SORONOW: Did you become aware
3 that there was an application made to the Public
4 Utilities Board by Avion? Either you did or you didn't
5 or whatever the case may be.

6 MR. SCOTT MAROHN: I -- I don't -- I
7 don't understand where the process started and ended, so
8 to your -- to your question, no.

9 MR. SIDNEY SORONOW: Okay.
10 And you told us that, and I'm quoting from
11 your evidence, you -- you --

12 MR. PAUL EDWARDS: What page?
13

14 CONTINUED BY MR. SIDNEY SORONOW:

15 MR. SIDNEY SORONOW: -- ref -- referenced
16 -- I'm sorry, I don't have the page -- but just that you
17 told us that you speak to Joan, quote, "pretty much on a
18 daily basis."

19 You remember that evidence?

20 MR. SCOTT MAROHN: Yes.

21 MR. SIDNEY SORONOW: Yeah. And -- and
22 you've been dealing with Joan Wilson for at least a
23 couple of years?

24 MR. SCOTT MAROHN: Since I started at the
25 Winnipeg Airports Authority.

1 MR. SIDNEY SORONOW: Have a good working
2 relationship?

3 MR. SCOTT MAROHN: Yes.

4 MR. SIDNEY SORONOW: Find her to be
5 honest and straightforward?

6 MR. SCOTT MAROHN: Yes.

7 MR. SIDNEY SORONOW: Reference was made
8 by Mr. Saranchuk to, you know, various meetings that were
9 -- that occurred as part of the negotiation with Unicity
10 Taxi and my question to you is: Was Mr. Rodyniuk, you --
11 you know who that gentleman is?

12 MR. SCOTT MAROHN: Yes.

13 MR. SIDNEY SORONOW: Okay. And he is a
14 vice president, I believe?

15 MR. SCOTT MAROHN: Senior Vice President.

16 MR. SIDNEY SORONOW: Senior Vice
17 President. Did he attend any of those meetings?

18 MR. SCOTT MAROHN: Yes, I believe he
19 attended the first one.

20 MR. SIDNEY SORONOW: The first one.
21 Okay. And Mr. Rodyniuk, you were asked by Mr. Edwards,
22 about a letter that had been written by Mr. Rodyniuk
23 concerning -- or to Avion, concerning their proposed
24 service and that there would be a, you know, a commercial
25 rate applied towards what they might pay.

1 And you indicated in response, if I
2 understood it, that you were not even aware of that
3 letter from Mr. Rodyniuk, correct?

4 MR. SCOTT MAROHN: That's correct.

5 MR. SIDNEY SORONOW: Okay. And if -- if
6 as and when there is -- there were to be a negotiation
7 with Avion, touching on their service, the rate
8 structure, I mean all the things that might be canvassed
9 in the context of a service provider, it would be your
10 expectation that you would be involved in those, just as
11 you were with Unicity, correct?

12 MR. SCOTT MAROHN: Correct.

13 MR. SIDNEY SORONOW: And having regard to
14 the expectation of your involvement -- or let me back up.
15 Since you didn't know about the letter that was written
16 by Mr. Rodyniuk, would it be fair to say that he didn't
17 discuss it with you prior to issuing it?

18 MR. SCOTT MAROHN: Yes, that's correct.

19 MR. SIDNEY SORONOW: Indeed, have you
20 ever had any discussions with Mr. Rodyniuk on Avion
21 Shuttle?

22 MR. SCOTT MAROHN: No.

23 MR. SIDNEY SORONOW: Do you find that at
24 all strange that the Avion Shuttle would be at the stage
25 where parties have invested enormous resources in a

1 Hearing before this Public Utilities Board and Mr.
2 Rodyniuk writes a letter that's used in these proceedings
3 and doesn't even tell you, doesn't copy you, you don't
4 find that strange at all? Or do you? Maybe you do.

5 MR. SCOTT MAROHN: No, it's -- it's not
6 strange to me at all. It...

7 MR. SIDNEY SORONOW: Okay. So what
8 you're saying is lots of things transpire above you, that
9 is on that corporate hierarchy, that aren't shared with
10 you even though you may be the person ultimately who, you
11 know, has to address them on the front line?

12 MR. SCOTT MAROHN: That's correct.

13 MR. SIDNEY SORONOW: Okay.

14

15 (BRIEF PAUSE)

16

17 MR. SIDNEY SORONOW: In your -- I'm
18 sorry.

19 Okay. In your evidence, and I'm referring
20 now to page 762 of the evidence book, Mr. Edwards asked
21 you:

22 "Had Avion been raised, can you say
23 what your response would have been if
24 it had been raised?"

25 Answer:

1 "My response is always the same. I'd
2 had it raised at other meetings with
3 other providers and the response is I
4 won't speak about it because it doesn't
5 have anything to do with me. I don't
6 make that decision."

7 Do you recall that question and that
8 answer? Can you affirm the answer you then gave? That
9 was a correct answer, okay.

10 MR. SCOTT MAROHN: Yes.

11 MR. SIDNEY SORONOW: Can you explain to
12 me, you say it was raised in other meetings with other
13 providers, which other providers then are you referencing
14 as having raised the Avion issue with you? The --

15 OBJ MR. PAUL EDWARDS: Objection. I think in
16 fairness to the Witness, the question -- the quote he was
17 given has to be put in context and he should be allowed
18 to read the next question which is exactly the one My
19 Friend has just asked here.

20 So I think he should be allowed to review
21 the transcript in the context --

22 MR. SIDNEY SORONOW: I don't have a
23 problem with that at all.

24 THE CHAIRPERSON: That's fair. We'll
25 take a short five (5) minute break.

1 MR. SIDNEY SORONOW: Could we make it ten
2 (10) minutes, Mr. Chairman?

3 THE CHAIRPERSON: We could.

4 MR. SIDNEY SORONOW: Thank you.

5

6 --- Upon recessing at 10:28 a.m.

7 --- Upon resuming at 10:38 a.m.

8

9 THE CHAIRPERSON: Okay, folks, returning
10 to this matter.

11 Mr. Soronow, I believe Mr. Marohn's had an
12 opportunity now to put things in context, Mr. Edwards?
13 Mr. Soronow...?

14 MR. SIDNEY SORONOW: If I might, Mr.
15 Chairman, just wait one (1) moment. Ms. Wilson, I'm
16 assuming, has just gone to the washroom and if we could
17 just wait for her return?

18

19 (BRIEF PAUSE)

20

21 MR. SIDNEY SORONOW: Thank you, Mr.
22 Chairman. I'll continue now that the Witness has had an
23 opportunity to review the sections of the transcript that
24 are referenced.

25

1 CONTINUED BY MR. SIDNEY SORONOW:

2 So back to the question I was asking you,
3 the other providers are whom?

4 MR. SCOTT MAROHN: Well, there's multiple
5 providers. Limousine operators are the -- are the key
6 one.

7 MR. SIDNEY SORONOW: Okay, and -- and
8 were they one of the parties who raised the Avion issue
9 with you?

10 MR. SCOTT MAROHN: Yes.

11 MR. SIDNEY SORONOW: Okay. And when you
12 responded by saying -- and I'm looking at the answer in
13 the middle of page 762:

14 "My response is always the same. I've
15 had it raised in other meetings with
16 other providers. And the response is,
17 I won't speak about it, because it
18 doesn't have anything to do with me. I
19 don't make that decision."

20 What do you mean by, "it doesn't have
21 anything to do with me"? What -- what do those words
22 mean?

23 MR. SCOTT MAROHN: What I meant by that
24 was that the -- the -- a hotel shuttle being available at
25 the airport, it has to get -- apparently it has to get

1 approved prior to coming to the airport.

2 So I don't have any -- I'm not involved
3 with whether they are allowed to come to the airport or
4 not.

5 MR. SIDNEY SORONOW: No, but are you --
6 so are you also -- let's focus now about Avion.

7 Avion is a subsidiary corporation of WAA,
8 correct?

9 MR. SCOTT MAROHN: Yes.

10 MR. SIDNEY SORONOW: Okay. And without
11 any public -- without any request for tenders or
12 proposals, they -- they were going forward.

13 You -- you answered before, you were aware
14 there was no request for proposals or no tender of this
15 service, correct?

16 MR. SCOTT MAROHN: Correct.

17 MR. SIDNEY SORONOW: Okay. So when you
18 say, It has nothing -- "because it doesn't have anything
19 to do with me," aren't the logistics and surround -- and
20 mechanics surrounding that service, they are going to
21 have something to do with you?

22 MR. SCOTT MAROHN: Eventually. The
23 process doesn't have anything to do with me. But
24 eventually somebody, whether it's Avion or ABC Hotel
25 Shuttle Company, comes and says, I want to operate a

1 shuttle, okay.

2 MR. SIDNEY SORONOW: You mean, so your
3 reaction would be, for -- if Avion had never initiated
4 this service, from your perspective, if ABC Hotel Shuttle
5 Service, Inc., had come along to you, Scott, and said, We
6 would like to have a shuttle service -- scheduled shuttle
7 service -- from the airport to downtown hotels and back,
8 you'd say, Sure?

9 MR. SCOTT MAROHN: My process would be if
10 someone came to me and said that they would like to
11 provide a hotel shuttle service to hotels downtown, I'd
12 be -- my first -- my first reaction would be, great,
13 another service -- customer service idea, concept, for
14 the customer. And my next thing would be to go to Mike
15 and say, How do we -- how -- what's the process to make
16 this happen?

17 MR. SIDNEY SORONOW: Okay, and -- and
18 your conclusion of, "Great," and going to Mr. O'Gorman
19 and saying, How do we make this happen, would not --
20 would not involve a consideration of what impact that
21 would have on your existing service providers?

22 MR. SCOTT MAROHN: If some -- no. That's
23 --

24 MR. SIDNEY SORONOW: Yeah.

25 MR. SCOTT MAROHN: -- that's exactly

1 right, yes.

2 MR. SIDNEY SORONOW: Okay. And in the
3 last part of your answer, you said, just to put it in
4 context:

5 "I won't speak about it, because it
6 doesn't have anything to do with me. I
7 don't make that decision."

8 What decision?

9 MR. SCOTT MAROHN: The decision on
10 whether they're allowed to operate at the airport.

11 MR. SIDNEY SORONOW: Okay.

12 MR. SCOTT MAROHN: Like -- and -- and
13 when I say that, I mean in terms of the process to -- to
14 get an airport shuttle approved.

15 MR. SIDNEY SORONOW: Yes, but you're
16 right, in a regulatory sense, someone else may have
17 authority -- Taxicab Board or whomever, this Board,
18 whatever.

19 But is it the -- is it not the case that
20 WAA -- WAA owns and operates the airport property,
21 correct?

22 MR. SCOTT MAROHN: Correct.

23 MR. SIDNEY SORONOW: So whether --

24 MR. SCOTT MAROHN: No, I -- I apologize.
25 I can't -- I -- I don't know that for sure, whether we

1 own it.

2 MR. SIDNEY SORONOW: Okay.

3 MR. SCOTT MAROHN: Logistics, I

4 apologize.

5 MR. SIDNEY SORONOW: You operate it?

6 MR. SCOTT MAROHN: Yeah, we operate it,

7 yes.

8 MR. SIDNEY SORONOW: Okay. So whether
9 someone can operate at the airport as a commercial
10 service is up to WAA to either deny or say, Yes, you can.
11 Right?

12 MR. SCOTT MAROHN: Yes.

13 MR. SIDNEY SORONOW: So you can't say
14 that it has nothing to do with you or nothing to do with
15 WAA, because at first, somebody at WAA has to authorize
16 the existence of such a service to operate on the hotel
17 propert -- on the airport property, correct?

18 MR. SCOTT MAROHN: You're -- you're
19 taking it out of context. When I -- when I said that it
20 has nothing to do with me, if it got approved and -- and
21 came -- then came forward to me and said, We have, you
22 know, we have got this approved through whatever faci --
23 you know, whatever avenue they need to get it approved
24 for, would you consider this? Yes, then it has something
25 to do with me.

1 But at the time when they asked me about
2 the shuttle, it had nothing to do with me.

3 MR. SIDNEY SORONOW: Okay.

4 THE CHAIRPERSON: Mr. Soronow, I don't
5 know that it helps, but our impression of this to date is
6 that the Witness is indicating that, from his
7 perspective, his major objective is providing the widest
8 possible form of customer choice, if you like, and that
9 he, himself, is in favour of increased customer choice,
10 but he doesn't make the decisions as to what services may
11 be allowed on the airport's premises.

12 I don't know if that helps you with your
13 line of questioning.

14

15 CONTINUED BY MR. SIDNEY SORONOW:

16 MR. SIDNEY SORONOW: Well, is it -- and -
17 - and following up on the Chairman's comment, are you
18 saying the decision as to what services should operate on
19 the airport property is a decision made at a level higher
20 up than you?

21 Is that what you're trying to say?

22 MR. SCOTT MAROHN: No. I'm trying to say
23 that the decision on what is to operate is -- is a
24 decision based on, I guess, what is allowed within, you
25 know, the rights of the ground lease with Winnipeg

1 Airports Authority and what authorizations are required.
2 So...

3 MR. SIDNEY SORONOW: But -- but I'm not
4 talking now about the authorizations that might be
5 required by public tribunals. I'm talking about the
6 authorization -- ultimately, WAA decides what can be on
7 its property.

8 MR. SCOTT MAROHN: Okay, I apologize.
9 Yes. Yes, of course. I mean if there's a customer -- if
10 someone has demonstrated customers need customer service
11 -- then, yes, I agree that we would be the decision
12 maker.

13 MR. SIDNEY SORONOW: So you would say the
14 test is showing the customer need.

15 MR. SCOTT MAROHN: Yes. If -- if the
16 customer -- if -- if there is proof that -- that the
17 customers would be in favour of -- of this type of
18 business, then, yes, we most definitely take a good look
19 at it.

20 MR. SIDNEY SORONOW: Okay. In the
21 context of the discussions that you had with Unicity
22 dealing and leading to their contract, was -- do you
23 recall that there was some discussion and concern raised
24 by Unicity concerning limousine drivers and their methods
25 of solicitation at the curb?

1 MR. SCOTT MAROHN: Yes, that was brought
2 up in the negotiations. In fact, they had adamantly said
3 that they did not want soliciting on the curb.

4 MR. SIDNEY SORONOW: Okay. So when you -
5 - when you said, in response to a question from Mr.
6 Edwards:

7 "We would never discuss anything
8 outside of a taxi contract."

9 The fact is at these negotiations, you do
10 discuss things that are outside of the Unicity Taxi
11 contract, because that issue raised dealt with, really,
12 the limo operators.

13 MR. SCOTT MAROHN: The operate on exactly
14 the same curb with exactly the same customers walking up
15 to exactly the same location. So it does impact the taxi
16 drivers, and they also solicit.

17 MR. SIDNEY SORONOW: Right. But -- but
18 the -- the comment or discussion that you've affirmed
19 that took place was a concern as to how the limo
20 operators were conducting themselves.

21 And that was addressed in that
22 negotiation, correct?

23 MR. SCOTT MAROHN: Their -- their comment
24 was that the limousine drivers solicit more than they do.

25 MR. SIDNEY SORONOW: Yes. So it was

1 discussed?

2 MR. SCOTT MAROHN: Yes.

3 MR. SIDNEY SORONOW: Okay. I want to talk
4 for a moment, so I don't forget. In your evidence this
5 morning you talked about a posting on the curb, where it
6 references a taxicab rate as sixteen seventy-five (16.75)
7 to nineteen fifty (19.50).

8 That is -- how long has that posting been
9 there?

10 MR. SCOTT MAROHN: I believe since
11 October of '08.

12 MR. SIDNEY SORONOW: Okay. It's fairly
13 recent. I -- I don't need specific, but it's fairly
14 recent then?

15 MR. SCOTT MAROHN: Yes.

16 MR. SIDNEY SORONOW: Okay. And that is
17 not posted by Unicity, is it?

18 MR. SCOTT MAROHN: No.

19 MR. SIDNEY SORONOW: No. And the
20 information, I think you said, came through the Taxicab
21 Board.

22 MR. SCOTT MAROHN: Yeah, it's posted on
23 the recommendation of the Taxicab Board.

24 MR. SIDNEY SORONOW: Okay. And -- and
25 would it be fair to say that you would not be aware of

1 the fact that Unicity has queried the Taxicab Board that
2 the rate structure shown is not accurate?

3 MR. SCOTT MAROHN: That's correct. I --
4 I wouldn't know that.

5 MR. SIDNEY SORONOW: Okay. You...

6
7 (BRIEF PAUSE)

8
9 MR. SIDNEY SORONOW: With Mr. Edwards'
10 assistance, perhaps you could turn to page 766 of the
11 tran -- excuse me, of the transcript.

12 And I'm talking now about your first
13 answer at the top, where you affirmed to the Board that
14 you've given MTEC about sixty thousand dollars (\$60,000)
15 the last two (2) years to cover the cost of the of
16 training.

17 Do you recall that answer?

18 MR. SCOTT MAROHN: Yes.

19 MR. SIDNEY SORONOW: And that
20 information, is that truthful?

21 MR. SCOTT MAROHN: Actually it's -- it's
22 sixty thousand dollars (\$60,000) in each of the last two
23 (2) years.

24 MR. SIDNEY SORONOW: Sixty thousand
25 dollars (\$60,000) in each. So a hundred and twenty

1 thousand dollars (\$120,000)?

2 MR. SCOTT MAROHN: Yes.

3 MR. SIDNEY SORONOW: Okay.

4 MR. SCOTT MAROHN: Including this year.

5 Including up to the end of this year.

6 MR. SIDNEY SORONOW: Okay, over a two (2)
7 year time frame?

8 MR. SCOTT MAROHN: That's right.

9 MR. SIDNEY SORONOW: And that answer is
10 correct and honest?

11 MR. SCOTT MAROHN: Yes.

12 MR. SIDNEY SORONOW: Okay. And if -- and
13 that's the total sum that was given to MTEC to apply
14 towards this training?

15 MR. SCOTT MAROHN: That's the total sum
16 of our portion.

17 MR. SIDNEY SORONOW: Your portion?

18 MR. SCOTT MAROHN: Yes. We've -- we've --
19 - WAA has put in sixty thousand dollars (\$60,000) each
20 year on top of the quarter that we submit to MTEC as
21 well. So there's a quarter per trip that comes from --
22 from the Unicity trips, that goes to MTEC and then on top
23 of that we contribute sixty thousand dollars (\$60,000)
24 per year as well.

25 MR. SIDNEY SORONOW: Okay. Got you. I'd

1 like to talk a bit about -- and I know it's been
2 canvassed before, but not with me -- about a decision
3 that was made to have executive cars instead of limos.

4 And where was -- who made that decision?

5 MR. SCOTT MAROHN: That decision came
6 from the operations department. It came from Mike,
7 myself, pretty much the ground -- or Shirley Larocque.
8 It came from the operations core.

9 MR. SIDNEY SORONOW: Okay. And are you
10 in a position to produce to this tribunal any official
11 studies, data, or research that were relied on or
12 utilized to make that decision?

13 MR. SCOTT MAROHN: No.

14 MR. SIDNEY SORONOW: Now, you said in
15 your evidence that when that change was being
16 implemented, you, quote, "had a lot of push-back from
17 some of the limousine drivers, the ones who only owned
18 stretches," and continued by indicating that according to
19 them you were throwing them out of the market.

20 Do you recall that evidence?

21 MR. SCOTT MAROHN: Yes. It was an
22 interesting meeting.

23 MR. SIDNEY SORONOW: Okay. Now, my
24 understanding, I've spent some time trying to understand
25 what actually happened at that time, and it's my

1 understanding that the original decision was not to have
2 any stretch limousines at the airport but that the
3 operators marshalled media attention and pressure on WAA
4 to the point where you decided to have a location on the
5 elbow for one (1) stretch, isn't that the case?

6 MR. SCOTT MAROHN: Yes, if I can
7 elaborate?

8 MR. SIDNEY SORONOW: Well...

9 MR. PAUL EDWARDS: I think the --

10 MR. SIDNEY SORONOW: Okay.

11 MR. PAUL EDWARDS: -- Witness is just
12 asking you to elaborate. He can certainly do that.

13 MR. SIDNEY SORONOW: Yeah, okay.

14 MR. PAUL EDWARDS: He doesn't need your
15 permission.

16

17 CONTINUED BY MR. SIDNEY SORONOW:

18 MR. SIDNEY SORONOW: Sure

19 MR. SCOTT MAROHN: The -- hold on, just
20 let me grab my thoughts here for a second.

21 The -- the limousine drivers, the stretch
22 -- the -- the owners of the stretch limousines had -- had
23 said that, you know, this wasn't a -- a good customer
24 service for them. And we looked at some of the comments
25 that were coming through and we indicated that most,

1 actually almost all of the other airports, the major
2 airports, do not provide a stretch service at the curb
3 and they encourage pre-arranged service.

4 So if someone comes through knowing that
5 they have six (6) customers with multiple bags, that they
6 are to be advised that they need to pre-arrange those
7 levels of service. So we looked at that and when that --
8 we thought that that was a good level of customer service
9 for the customer.

10 And then after the -- the decision was
11 made and we had the -- the -- the large push-back from
12 the stretch providers, we decided to allow a space on the
13 curb.

14 MR. SIDNEY SORONOW: And that was the
15 space at the elbow that you were --

16 MR. SCOTT MAROHN: That's correct.

17 MR. SIDNEY SORONOW: Okay. And but for
18 that push-back and the media attention and the -- the
19 pressure that was exerted on WAA, probable to say that
20 there wouldn't even have been a stretch at the elbow.

21 Fair to say?

22 MR. SCOTT MAROHN: Fair to say.

23 MR. SIDNEY SORONOW: Okay. Now, so when
24 that decision was made -- and I'm talking about the
25 original decision, not the revised decision after the

1 push-back -- when that decision was made, wasn't the
2 effect of that decision to eliminate a curbside
3 alternative for the customers, for the people exiting --
4 the people arriving in Winnipeg?

5 MR. SCOTT MAROHN: Originally the
6 decision was made to advise all customers that they need
7 to prearrange that service.

8 MR. SIDNEY SORONOW: Yeah. So the -- the
9 -- but the service that had been there historically, a
10 choice that had been there historically, was no longer
11 going to be there?

12 MR. SCOTT MAROHN: That's correct.

13 MR. SIDNEY SORONOW: Okay. And my
14 understanding is that what you referenced as the elbow is
15 an area around a curve?

16 MR. SCOTT MAROHN: No.

17 MR. SIDNEY SORONOW: Or on the curve?

18 MR. SCOTT MAROHN: It's -- it's actually
19 in the curb.

20 MR. SIDNEY SORONOW: Oh, in the curb?

21 MR. SCOTT MAROHN: Yeah.

22 MR. SIDNEY SORONOW: Okay.

23 MR. SCOTT MAROHN: And it's right --
24 right across from the taxis.

25 MR. SIDNEY SORONOW: And is it the case

1 that when you say "across from the taxis" -- just hang
2 on, are there not two (2) situations here:

3 1. A situation that previously existed,
4 that is where the stretch sat at the elbow, and;

5 2. A change that occurred because the
6 elbow was reduced down to one (1) lane, resulting in your
7 putting the -- the one (1) limo in what's called the
8 fourth lane?

9 MR. SCOTT MAROHN: It's not in the fourth
10 lane.

11 MR. SIDNEY SORONOW: What lane?

12 MR. SCOTT MAROHN: It's -- it's -- it's
13 not in a lane. There's -- there's an opening on the curb
14 --

15 MR. SIDNEY SORONOW: Okay.

16 MR. SCOTT MAROHN: -- and it sits in that
17 opening right beside the fourth lane and the third lane.
18 It's in the middle.

19 MR. SIDNEY SORONOW: It's between the
20 fourth and the third lane --

21 MR. SCOTT MAROHN: That's correct.

22 MR. SIDNEY SORONOW: -- is what you're
23 saying? But that was a change -- that was not what
24 originally happened; that was the change that occurred
25 because of the construction and the -- and the fact that

1 there was now only one (1) lane of entry to the airport
2 terminal building.

3 MR. SCOTT MAROHN: The -- the front of
4 our curb was reduced substantially --

5 MR. SIDNEY SORONOW: Yeah.

6 MR. SCOTT MAROHN: -- because of
7 construction for the new terminal.

8 MR. SIDNEY SORONOW: Okay. I'd like to
9 refer you to page 770 of your evidence. Well, maybe to
10 pick it up you'd probably have to pick it up from seven
11 sixty-nine (769).

12 MR. SCOTT MAROHN: No, I -- yeah -- no, I
13 -- I got it.

14 MR. SIDNEY SORONOW: You got it?

15 MR. SCOTT MAROHN: Yeah.

16 MR. SIDNEY SORONOW: Okay. So your
17 answer here:

18 "Yes, that's true because we had a lot
19 of limousine drivers coming to us
20 saying they wanted to go and apply for
21 executive cars. We want to continue to
22 operate at the airport."

23 Just stopping there, I take it their
24 concern was they were -- essentially the stretch
25 limousine operators who didn't have executive cars were

1 taking the position essentially you're throwing us off
2 the airport.

3 That was their position?

4 MR. SCOTT MAROHN: Yes, but it wasn't
5 only stretch operators that didn't have the vehicle.
6 There could have been -- like some stretch operators
7 already had executive cars --

8 MR. SIDNEY SORONOW: Yeah.

9 MR. SCOTT MAROHN: -- so they were going
10 to apply for more.

11 MR. SIDNEY SORONOW: Yeah, okay.

12 "And so we said we'll support you
13 because we don't want to throw you out
14 of the market. We understood that
15 stretches were probably going to lose a
16 lot of fairs within the city.
17 I have to point this out. Every time a
18 limousine operator came to me and
19 requested this letter I always stated
20 to -- to them and in every meeting I've
21 stated, do not put your eggs on the --
22 on the limousine contract at the
23 airport, okay, because I don't like
24 people placing all their money in one
25 (1) contract, so I always told them

1 that."

2 Is that -- is what you were trying to say
3 there is, look, we're -- you know, we'll support you to
4 have -- to get a licensed executive car, but you know, be
5 careful. We're -- we're not guaranteeing that you will
6 forever be able to service the airport?

7 Is that the essence of what you are trying
8 to say when you say don't put all your eggs in one (1)
9 basket?

10 MR. SCOTT MAROHN: The limo contract is
11 an open contract today at the airport. The taxi contract
12 is a closed contract.

13 MR. SIDNEY SORONOW: Yeah. So is it the
14 case that you were in effect saying to them, look, we'll
15 support you, but you know, we -- we aren't guar -- by
16 supporting you we're not guaranteeing you that you will,
17 you know, continue to have the rights to service the
18 airport?

19 MR. SCOTT MAROHN: That's correct.

20 MR. SIDNEY SORONOW: Okay. And is that
21 the reason that you told Ms. Wilson that what you want --
22 what you really want is to have actually just one (1)
23 operator for all the executive cars rather than thirty
24 (30) different operators?

25 MR. SCOTT MAROHN: As -- as far as

1 working with the industry, that would be -- that would be
2 great for me. My -- my ability to go to one (1) person
3 like I do with Unicity and a closed contract is -- is an
4 easy way of satisfying customer service levels. So I --
5 I look at the closed contract versus an open contract and
6 the closed contract works; the open contract has its
7 flaws, but it continues to work.

8 MR. SIDNEY SORONOW: But -- but the fact
9 is at present time there is no such one (1) operator,
10 isn't that correct?

11 MR. SCOTT MAROHN: No.

12 MR. SIDNEY SORONOW: Okay. There would
13 be I guess if Avion decided to go into the executive car
14 business and acquire thirty (30) executive cars?

15 MR. SCOTT MAROHN: If anybody did.

16 MR. SIDNEY SORONOW: Okay. Now, Mr.
17 Chairman, I would like to put something to the Witness...

18

19 (BRIEF PAUSE)

20

21 MR. SIDNEY SORONOW: I was going to put
22 this to the Witness and I do have additional copies for
23 the Board.

24 I'd like you, sir, to take a look at this
25 and -- yeah, no, you can take that. We have taken the

1 opportunity over the last couple of days to have a
2 graphic artist prepare -- what's that -- prepare a
3 facsimile or appearance of what, you know, sort of the
4 lanes and -- and the configuration looks like. We
5 thought it would be of assistance to this Board because
6 there's all kinds of discussions on first lane, second
7 lane, et cetera.

8 And so, having looked at that, would you
9 say -- would you agree this is a -- a fair
10 representation?

11 MR. SCOTT MAROHN: Yes, it's -- it's a
12 fair representation, but I need to understand better the
13 -- the drawing, because I -- I'm -- if I understand
14 correctly, the front portion where you have all of the --
15 the squares is a roadway, but the middle portion is the
16 curb.

17 Like, is that -- is that where the limo --
18 stretch limo and executive car -- because they both look
19 like roadways to me. They look like they merge and yet
20 that's a curb?

21 MR. SIDNEY SORONOW: Oh, I'm sorry.
22 Yeah, that is a -- a curb. Are you referring to this?

23 MR. SCOTT MAROHN: Yeah, it looks like --
24 it looks like it merges to the roadway on the left side.

25 MR. SIDNEY SORONOW: I think it's a curb.

1 MR. SCOTT MAROHN: Okay.

2 MR. SIDNEY SORONOW: Yeah. And then
3 there's the no-curb area identified where the limo and
4 executive cars sit.

5 MR. SCOTT MAROHN: Yes.

6 MR. SIDNEY SORONOW: Okay. And -- and in
7 front of the airport there are various lanes, as I
8 understand it, and two (2) -- there's where the taxis sit
9 four (4) in two (2) set -- four (4) side by side.

10 MR. SCOTT MAROHN: Yes.

11 MR. SIDNEY SORONOW: Okay. And -- and
12 then there's executive cars, two (2) of them.

13 MR. SCOTT MAROHN: That's correct.

14 MR. SIDNEY SORONOW: Okay. So, would you
15 agree with me so that we can reference this diagram, that
16 it's a reasonable facsimile of -- of what the appearance
17 is?

18 OBJ MR. PAUL EDWARDS: I'm just going to
19 object. I'd like to review this with my client. I don't
20 think it is an accurate representation, so I'd like to
21 just have a brief moment, if I might.

22 THE CHAIRPERSON: That's fine, Mr.
23 Edwards.

24 MR. PAUL EDWARDS: Thanks.

25

1 (BRIEF PAUSE)

2

3 THE CHAIRPERSON: If it turns out it is
4 reasonably accurate, what exhibit number is it?

5 MR. WALTER SARANCHUK: Unicity/Duffy's
6 Number 7.

7 THE CHAIRPERSON: Thank you.

8

9 --- EXHIBIT NO. U/D-7: Mr. Soronow's drawing of
10 airport

11

12 CONTINUED BY MR. SIDNEY SORONOW:

13 MR. SIDNEY SORONOW: Having looked at it,
14 just for clarification, the area where it says, we'll
15 call it customer drop-off, you know, all of that line
16 here would constitute Lane 1, is that correct?

17 MR. PAUL EDWARDS: Can I just interrupt,
18 Mr. Chair? Jut -- and -- and it struck me and -- and
19 it's been confirmed by my client, this is a very
20 deficient drawing.

21 If -- if My Friend and the Board would
22 like a proper drawing, we can certainly provide that.
23 This isn't close. This -- there -- there are in fact
24 three (3) lanes between the front of the main terminal
25 and what you see there as the -- the barrier or the --

1 the what -- you know, the centre curb, then there's
2 another two (2) lanes, then there's a pull-in area for
3 the hotel, then there's another road which goes between
4 the hotel and the -- the air traffic control, the
5 administration building.

6 It doesn't show that there's in fact --
7 there's three (3) lanes coming off of this going -- going
8 east then merges to two (2).

9 I mean, this really is a misleading
10 drawing. I don't know who they got to draw it but it's
11 not accurate at all.

12 THE CHAIRPERSON: Well, perhaps your
13 client could undertake to provide a more accurate
14 drawing.

15 MR. PAUL EDWARDS: I was just going to
16 suggest that and -- and I think that's certainly
17 appropriate.

18 THE CHAIRPERSON: As an undertaking --
19 and perhaps, Mr. Soronow, your questions, perhaps you can
20 -- we don't know what your questions are, so maybe you
21 can work with what you have right now.

22 MR. SIDNEY SORONOW: Yes, yes, and I will
23 do that.

24 THE CHAIRPERSON: And we'll await the
25 better drawing.

1 --- UNDERTAKING NO. 9: Avion to provide a drawing of
2 airport
3

4 MR. PAUL EDWARDS: And the only other
5 thing I just would point out, mine says page 1 of 2, I'm
6 wondering is there another page we're supposed to be
7 looking at?

8 MR. SIDNEY SORONOW: No, there was only
9 one (1) page, a diagram, information for me on the second
10 page.

11 THE CHAIRPERSON: Okay. So you're going
12 to work off this one and we'll --

13 MR. SIDNEY SORONOW: Yeah, I'll work off
14 it for -- for assistance of -- of questioning.

15 THE CHAIRPERSON: Are you -- Mr. Soronow,
16 are your clients prepared to accept that this drawing
17 which we -- since your questions are going to be based on
18 it, would be Unicity/Duffy's Number 7, but has
19 deficiencies with its detail.

20 MR. SIDNEY SORONOW: What I would say is
21 it was -- it is not as detailed as they're talking about,
22 but what I was going to get the Witness to confirm was
23 that in fact there are two (2) more lanes aft -- from --
24 there's a -- this is Lane 1, 2, 3 and then -- then that
25 curb interruption, if I could call it that.

1 THE CHAIRPERSON: That's somewhat of what
2 they were saying, but I'm just saying if we just --

3 MR. SIDNEY SORONOW: Yeah, I just want to
4 make sure that's correct because it'll help my -- my
5 discussion with the Witness.

6 Is that correct?

7 MR. SCOTT MAROHN: Let's call it an
8 inside curb and an outside curb. There's three (3) lanes
9 on the inside curb and two (2) lanes on the outside curb.
10

11 CONTINUED BY MR. SIDNEY SORONOW:

12 MR. SIDNEY SORONOW: Okay. So the inside
13 curb means north --

14 MR. SCOTT MAROHN: Closest to the
15 terminal.

16 MR. SIDNEY SORONOW: -- we'll call this
17 north -- yeah, and south is two (2). Okay, that's fine.

18 Okay. Now tell me something, who operates
19 the valet service?

20 MR. SCOTT MAROHN: Impark.

21 MR. SIDNEY SORONOW: Okay. And from whom
22 are they authorized or licensed to do that?

23 MR. SCOTT MAROHN: From WAA.

24 MR. SIDNEY SORONOW: Okay. And I note --
25 am I correct that there's a part of the day that -- or

1 let me ask you: Is the valet location, you know, for --
2 for ease of convenience if we do call this north, whether
3 it really is or not, south --

4 MR. SCOTT MAROHN: It's west.

5 MR. SIDNEY SORONOW: West, okay, well but
6 --

7 MR. SCOTT MAROHN: Let's call it west.

8 MR. SIDNEY SORONOW: Okay, call it west -
9 - to the left -- is that valet position to the left of
10 the exec -- executive cars, is that correct?

11 MR. SCOTT MAROHN: Yes, yes.

12 MR. SIDNEY SORONOW: Okay. And what
13 exactly -- can you explain to us, what is valet parking?

14 MR. SCOTT MAROHN: What is valet?

15 MR. SIDNEY SORONOW: Yeah.

16 MR. SCOTT MAROHN: You drop off your
17 vehicle at the front of the curb, a valet attendant
18 attends to your vehicle, you come inside, you have the
19 ability to park and grab other services, like dry
20 cleaning, carwash, oil changes, and then the vehicle is
21 taken away and parked until such time that that person
22 comes back. And then the vehicle's brought back up to
23 the curb for the person.

24 MR. SIDNEY SORONOW: And WAA receives a
25 fee, commissions, a revenue for enabling Impark to

1 conduct this service?

2 MR. SCOTT MAROHN: Correct, yes.

3 MR. SIDNEY SORONOW: And when you talked
4 about the fact that you try to recover the cost and we'll
5 come to what you said the cost was, have you included in
6 that recovery what you get from Impark?

7 MR. SCOTT MAROHN: No.

8 MR. SIDNEY SORONOW: No. Okay. So
9 that's revenue over and above the recovery you were
10 referencing?

11 MR. SCOTT MAROHN: It's not a ground
12 transportation component. It's a parking component.
13 It's different.

14 MR. SIDNEY SORONOW: Well, they're using
15 the roadways, are they not?

16 MR. SCOTT MAROHN: Oh, that's correct,
17 yes.

18 MR. SIDNEY SORONOW: Yeah.

19 MR. SCOTT MAROHN: Yes.

20 MR. SIDNEY SORONOW: But for purposes of
21 gauging recovery, that is revenue outside of recovery in
22 your mind?

23 MR. SCOTT MAROHN: Yes.

24 MR. SIDNEY SORONOW: Okay. And now, I'd
25 like to clarify. My understanding is that previously

1 Unicity had space at the Air Canada exit, isn't that
2 correct - at the Air Canada doors?

3 MR. SCOTT MAROHN: At Door 6, correct.

4 MR. SIDNEY SORONOW: Okay. Which they no
5 longer have?

6 MR. SCOTT MAROHN: That's correct.

7 MR. SIDNEY SORONOW: Okay. And is it not
8 the case that previously...

9

10 (BRIEF PAUSE)

11

12 MR. SIDNEY SORONOW: And is it not the
13 case that previously, Unicity had the ability to line up
14 six (6) vehicles in a row to the right of the WestJet
15 exit?

16 MR. SCOTT MAROHN: That's correct.

17 MR. SIDNEY SORONOW: Okay. So
18 previously, they had space allocation which allowed them
19 to line up by the WestJet exit and the Air Canada jet --
20 exit.

21 And -- and now they are in the middle of
22 those two (2), so to speak?

23 MR. SCOTT MAROHN: That's correct.

24 MR. SIDNEY SORONOW: And would it be fair
25 to say that customers exiting the Air Canada exit, that

1 the first vehicles, if you will, they would see, perhaps,
2 is the valet activity.

3 But beyond the valet activity, the first
4 vehicles they would see are the executive cars, correct,
5 the way you have allocated space?

6 MR. SCOTT MAROHN: If they were to walk
7 out -- if they were to walk onto the curb first, yes.
8 However, we have signage in the terminal directing them
9 to the doors near the executive cars and the -- and the
10 taxis.

11 MR. SIDNEY SORONOW: Right. But if they
12 exit that Air Canada exit, the first vehicles they would
13 see, aside from the valet activity, is the executive
14 cars, correct?

15 MR. SCOTT MAROHN: On the curb, correct.

16 MR. SIDNEY SORONOW: This diagram
17 identifies to the right of the WestJet exit, Avion. Is
18 there space in that general location?

19 MR. SCOTT MAROHN: No, there isn't space.

20 MR. SIDNEY SORONOW: Okay.

21 MR. SCOTT MAROHN: There's -- this --
22 this document or this drawing is very -- it's not to
23 scale. The drawing does not show where the lane goes
24 down to -- or where the lanes go down to one (1) lane.
25 There's actually no space to the right of the WestJet

1 doors for public, for anyone. We actually have cones
2 there right now that -- that limit anyone going in there.

3 MR. SIDNEY SORONOW: Was there a time
4 before that construction moved to that -- this stage that
5 Avion had a place to mark -- park its own vehicles?

6 MR. SCOTT MAROHN: Well, I have a -- I
7 have a question to the question. What type of Avion
8 veals are -- vehicles are you --

9 MR. SIDNEY SORONOW: I'm not talking
10 about shuttle. I'm talking about Avion. I don't know
11 all the vehicular items that Avion has - trucks or that
12 kind of thing.

13 But was there -- before this construction
14 change, was there a space for Avion there?

15 MR. SCOTT MAROHN: If I can show you a
16 diagram of this, like I -- I can't with this diagram.
17 But if I can show you a picture of where the pylons go,
18 we have a space just to the right of WestJet that we
19 can't utilize for public or for ground transportation.

20 And what we do is we utilize it for
21 security purposes. We have a Winnipeg police vehicle at
22 times in there. We have Avion security vehicle at times
23 in there and they pull -- they pull up and back into that
24 location.

25 MR. SIDNEY SORONOW: Okay. Now, changing

1 subjects to talk a little bit more about shuttles, you
2 mentioned two (2) -- in your previous evidence, two (2)
3 locations -- I think you called them a north and a south
4 location -- for shuttles. I'm talking about, like, hotel
5 shuttles.

6 MR. SCOTT MAROHN: Yes.

7 MR. SIDNEY SORONOW: And I appreciate
8 that this diagram may not be to scale, as you've pointed
9 out, but it does seem to indicate shuttle over here and
10 shuttle to the left.

11 Is that the approximate locations you were
12 referencing?

13 MR. SCOTT MAROHN: If -- yeah, if you
14 take -- if you take this drawing for what it's worth,
15 then, yes.

16 MR. SIDNEY SORONOW: Okay. And you had
17 mentioned that there are names -- that there's signage at
18 the location where the shuttles can pull up?

19 MR. SCOTT MAROHN: That's correct.

20 MR. SIDNEY SORONOW: And -- and you said
21 that there were names on that signage, correct?

22 MR. SCOTT MAROHN: Mm-hm.

23 MR. SIDNEY SORONOW: And, for example,
24 would a name on there be Charterhouse Hotel?

25 MR. SCOTT MAROHN: Yes.

1 MR. SIDNEY SORONOW: Canad Inns Polo
2 Park, would that be one of the names on there?

3 MR. SCOTT MAROHN: I -- I can't confirm,
4 but, yeah, generally, those types of hotels would go on
5 there.

6 MR. SIDNEY SORONOW: Hilton Hotel, do you
7 recall?

8 MR. SCOTT MAROHN: I believe so.

9 MR. SIDNEY SORONOW: Holiday Inn?

10 MR. SCOTT MAROHN: I can't confirm the
11 names of them.

12 MR. SIDNEY SORONOW: Okay.

13 MR. SCOTT MAROHN: There's a lot.

14 MR. SIDNEY SORONOW: There's a lot. So
15 these would be hotels that kind of run a regular shuttle
16 service?

17 MR. SCOTT MAROHN: They have a contract
18 with us.

19 MR. SIDNEY SORONOW: They have a contract
20 with you. Okay. What -- what is the character -- what
21 is -- what kind of contract do they have with WAA?

22 What does that mean, that they have a
23 contract?

24 MR. SCOTT MAROHN: It's a courtesy
25 contract. It's a -- it's a contract for shuttles that

1 want to provide a -- a service to their customer to pick
2 up and -- pick up customers from the airport.

3 MR. SIDNEY SORONOW: Okay. And do they
4 pay something to WAA for the opportunity to operate their
5 shuttle at the airport?

6 MR. SCOTT MAROHN: Yes, they do.

7 MR. SIDNEY SORONOW: They do. And are
8 you at liberty to tell us -- would it be -- let me ask
9 you this.

10 Would it be the same for each of those
11 hotels? There may be a variance in what they each pay?

12 MR. SCOTT MAROHN: I -- I'm not at
13 liberty to discuss the other contracts.

14 MR. SIDNEY SORONOW: Okay. When you say
15 you're not at liberty, without asking you for amounts,
16 you're saying, though, that there would be a variance
17 between hotels.

18 They -- they each pay their own negotiated
19 amount?

20 MR. SCOTT MAROHN: Yes.

21 MR. SIDNEY SORONOW: Okay. And the
22 revenue thereby derived, is that included in that
23 recovery that you were talking about, or that's like the
24 valet parking, outside of the recovery?

25 MR. SCOTT MAROHN: That's included.

1 That's ground transportation.

2 MR. SIDNEY SORONOW: That's ground
3 transportation. So whatever contribution those folks
4 make through their agreement goes towards the recovery of
5 the costs you had referred to in your earlier evidence?

6 MR. SCOTT MAROHN: That's correct.

7 MR. SIDNEY SORONOW: And -- and you
8 referenced the fact that it's -- I'll call it, "open
9 space" as opposed to "designated space," meaning whoever
10 gets there first gets to use the space?

11 MR. SCOTT MAROHN: That's correct.

12 MR. SIDNEY SORONOW: Okay. And you told
13 us that if -- if somebody pulls up and the space is full,
14 they wouldn't be able to park?

15 MR. SCOTT MAROHN: Yes.

16 MR. SIDNEY SORONOW: Okay. And you also
17 told us that the -- at the moment, it would be
18 contemplated that Avion would just use that same location
19 that those hotel shuttles are using?

20 MR. SCOTT MAROHN: That's correct.

21 MR. SIDNEY SORONOW: Has Avion approached
22 WAA for a dedicated shuttle location?

23 MR. SCOTT MAROHN: No.

24 MR. SIDNEY SORONOW: You talked about
25 something called "park and ride," and which I understood

1 from your evidence, was a reference to a service provider
2 who has a physical facility, where people intending to go
3 to the airport or to take a plane would leave their car,
4 then get some kind of shuttle vehicle from -- from the
5 "garage," I'll call it, to the airport?

6 MR. SCOTT MAROHN: Correct.

7 MR. SIDNEY SORONOW: Okay. And you
8 referenced the fact that they do, if you had to guess,
9 your best guess was about five thousand (5,000) trips per
10 month?

11 MR. SCOTT MAROHN: Yeah, if I had to
12 guess.

13 MR. SIDNEY SORONOW: If you had to guess.

14 MR. SCOTT MAROHN: Yep.

15 MR. SIDNEY SORONOW: And -- and a park
16 and Ride, do -- do you know who owns that?

17 MR. SCOTT MAROHN: I -- Air Park is the
18 company that owns the park-and-ride service.

19 MR. SIDNEY SORONOW: Oh. And to be able
20 to provide that service, I take it they have to enter
21 into some -- just like the hotel shuttles you mentioned --
22 - some kind of agreement with WAA?

23 MR. SCOTT MAROHN: That's correct.

24 MR. SIDNEY SORONOW: Okay. And is that a
25 croun -- ground transportation activity that falls within

1 your department?

2 MR. SCOTT MAROHN: Yes.

3 MR. SIDNEY SORONOW: Okay. So -- and --
4 and by the way, where do they, on these five thousand
5 (5,000) trips, where do they drop off? At those same
6 shuttle locations we were just talking about?

7 MR. SCOTT MAROHN: Yes, down the fourth
8 lane.

9 MR. SIDNEY SORONOW: Okay. And I'm
10 sorry, this contract from -- with park-and-ride that the
11 airport has, park-and-ride pays something for the ability
12 to conduct that service at the airport?

13 MR. SCOTT MAROHN: Yes, we have a
14 contract with Air Park.

15 MR. SIDNEY SORONOW: Okay. And generates
16 revenue to WAA?

17 MR. SCOTT MAROHN: Correct.

18 MR. SIDNEY SORONOW: Okay. Is that
19 revenue part of the of revenue that goes to the costs
20 recovery?

21 MR. SCOTT MAROHN: Yes.

22 MR. SIDNEY SORONOW: Okay.

23

24 (BRIEF PAUSE)

25

1 MR. SIDNEY SORONOW: During the course of
2 your evidence, you referenced the fact that you -- you
3 get complaints about everything. And the everything for
4 the moment, we're not talking now about taxis but a whole
5 -- other activities that go on on -- on the airport
6 property.

7 What -- what kind of other activities
8 generate complaints?

9 MR. SCOTT MAROHN: Generate complaints?

10 MR. SIDNEY SORONOW: Yeah.

11 MR. SCOTT MAROHN: Well, it -- you name
12 it. Dogs in the terminal.

13 MR. SIDNEY SORONOW: Yeah.

14 MR. SCOTT MAROHN: That's a huge one
15 right now; you wouldn't believe it.

16 MR. SIDNEY SORONOW: How --

17 MR. SCOTT MAROHN: Valet --

18 MR. SIDNEY SORONOW: Which?

19 MR. SCOTT MAROHN: Valet.

20 MR. SIDNEY SORONOW: Valet. What, damage
21 to vehicles, for example?

22 MR. SCOTT MAROHN: Yeah, I mean -- well,
23 anything, My -- my vehicle wasn't up at the curb at the
24 time.

25 MR. SIDNEY SORONOW: Okay.

1 MR. SCOTT MAROHN: But it has nothing to
2 do with me, but I get the complaint. Pretty much
3 anything on the curb.

4 MR. SIDNEY SORONOW: Yeah. But -- but it
5 -- it -- it, as you say, it could be dogs in the airport.
6 It's all kinds of subject matters?

7 MR. SCOTT MAROHN: Anything.

8 MR. SIDNEY SORONOW: If there's an
9 activity, somebody will complain about it?

10 MR. SCOTT MAROHN: If someone doesn't
11 like it, they'll let me know.

12 MR. SIDNEY SORONOW: Okay. Just to be
13 clear, you were asked some questions by Mr. Edwards,
14 touching upon not -- not specific numbers, but the fact
15 that there would be a contemplation to charge Avion some
16 kind of fee, correct?

17 MR. SCOTT MAROHN: Correct.

18 MR. SIDNEY SORONOW: Okay. And -- and if
19 I gathered, you said, depending upon what that fee is,
20 WAA may lose revenue, because if taxi trips are diverted
21 to Avion, depending on the rate structure, WAA may
22 actually lose money from that activity of Avion being
23 there?

24 MR. SCOTT MAROHN: Correct.

25 MR. SIDNEY SORONOW: Okay. And is it

1 fair to say that WAA, as the party who would authorize
2 activity by Avion on the airport, did not undertake any
3 research studies to determine the impact that the Avion
4 shuttle would have on taxis, limos, hotel shuttles?

5 That's fair, isn't it?

6 MR. SCOTT MAROHN: Yes.

7 MR. SIDNEY SORONOW: Okay. By the way,
8 when the decision was made concerning -- I'll try to use
9 a neutral word -- change or elimination on -- on limos,
10 were you aware of the fact that the Taxicab Board had
11 authorized a shared ride, special fare of nine dollars
12 and seventy-five (\$9.75) to downtown?

13 MR. SCOTT MAROHN: Yes.

14 MR. SIDNEY SORONOW: You were? Okay.

15

16 (BRIEF PAUSE)

17

18 MR. SIDNEY SORONOW: My understanding is
19 that at present, Unicity pays to WAA approximately three
20 hundred and twenty-five thousand (325,000) per annum?

21 MR. SCOTT MAROHN: I can't comment on the
22 number. I know that there was about two hundred and
23 forty-and (240,000) trips, something like that, last
24 year.

25 MR. SIDNEY SORONOW: Okay.

1 MR. SCOTT MAROHN: And a dollar sixty
2 (\$1.60), so whatever that math is.

3 MR. SIDNEY SORONOW: Just one second.

4

5 (BRIEF PAUSE)

6

7 MR. SIDNEY SORONOW: Sorry, that
8 actually, if you multiply it out, that's three hundred
9 and eighty-four thousand (384,000).

10 MR. SCOTT MAROHN: Okay.

11 MR. SIDNEY SORONOW: Yeah. Okay. And on
12 page 792 of the transcript, if you want to turn to page
13 792?

14

15 (BRIEF PAUSE)

16

17 MR. SIDNEY SORONOW: I'll just find it
18 myself. I'm just trying to find -- there was -- there
19 was a reference -- I might have the wrong page number
20 noted. Oh, no, it is on 792.

21 Approximately five hundred thousand
22 dollars (\$500,000) per year is the annual cost, and then
23 you were asked by Mr. Edwards to describe what it
24 includes. And you said this would be a portion of the
25 roads that are allocated to the ground transportation

1 vehicles, that would be the GTMS system, which I think
2 you also alternately called the AVI system?

3 MR. SCOTT MAROHN: Yes.

4 MR. SIDNEY SORONOW: Okay. The ground
5 transit -- that the ground transportation of vehicles
6 uses anything that's related to the grounds site and
7 maintenance of the roads. You have snow removal,
8 everything.

9 So -- and then later on, on page 794, you
10 were asked what your recovery was. And you said or Mr. -
11 - can you -- I'm looking at question at line 3:

12 "Can you say -- do you recover -- are
13 you recovering half your costs?"

14 Answer:

15 "Yes, yes, approximately half, more
16 than -- just a little bit more than
17 half."

18 I'm curious about that answer, because
19 half of five hundred thousand (500,000), I could do it on
20 my calculator, but I think it's two hundred and fifty
21 thousand dollars (\$250,000). Unicity alone is providing
22 more than half of that cost recovery.

23 I'm trying to figure out what these other
24 people who are using the -- the roadways are
25 contributing.

1 MR. SCOTT MAROHN: If I --

2 MR. SIDNEY SORONOW: Just back up. The

3 contributors to that cost are Unicity, correct?

4 MR. SCOTT MAROHN: Yes.

5 MR. SIDNEY SORONOW: Limos?

6 MR. SCOTT MAROHN: Yes.

7 MR. SIDNEY SORONOW: Hotel shuttles?

8 MR. SCOTT MAROHN: Yes.

9 MR. SIDNEY SORONOW: Park and ride?

10 MR. SCOTT MAROHN: Yes.

11 MR. SIDNEY SORONOW: I think you said not

12 the valet?

13 MR. SCOTT MAROHN: Not the valet.

14 MR. SIDNEY SORONOW: Not the valet? Have

15 I missed some of those fee payers who contribute to that

16 recovery?

17 MR. SCOTT MAROHN: That's --

18 MR. SIDNEY SORONOW: Did I miss any?

19 MR. SCOTT MAROHN: No, that's -- that's

20 pretty much everybody. There's a couple --

21 MR. SIDNEY SORONOW: Is --

22 MR. SCOTT MAROHN: -- there's a couple

23 bus shuttles.

24 MR. SIDNEY SORONOW: A couple of bus

25 shuttles?

1 MR. SCOTT MAROHN: Greyhound.

2 MR. SIDNEY SORONOW: Okay, that are also
3 contributing?

4 MR. SCOTT MAROHN: Mm-hm.

5 MR. SIDNEY SORONOW: Okay. So I'm -- I'm
6 just trying to reconcile your answer, where you said,
7 "Just a little bit more than half," and yet Unicity -- it
8 seems as if, if I assume your answer was correct that you
9 gave at page 794, I'd have to assume that these other
10 contributors are contributing next to nothing?

11 MR. SCOTT MAROHN: If I can -- if I can
12 look at the number that Unicity pays us, it's a dollar
13 sixty (\$1.60). You can't include a dollar sixty (\$1.60)
14 in every trip, because we take a quarter right off the
15 top and give it to MTEC, plus our sixty thousand dollars
16 (\$60,000) which also isn't included in that because that
17 doesn't go to the recovery of ground transportation.
18 That goes to the recovery of MTEC for training for
19 Unicity.

20 So those two (2) factors shouldn't even be
21 started with -- with doing the math of the transactions
22 that go towards recovering costs for GTMS out
23 specifically or for the ground transportation
24 specifically.

25 MR. SIDNEY SORONOW: Well, even if you

1 make that adjustment, Unicity's still contributing half
2 or more.

3 What -- don't these other people pay a --
4 you know, how much do limos pay?

5 MR. SCOTT MAROHN: I don't know that I'm
6 at liberty to say, to discuss here. I -- I could say it,
7 but I'm not too sure. We have -- we have separate
8 contracts with every limo company.

9 MR. SIDNEY SORONOW: Oh, okay. Would it
10 be somewhere in the two fifty (2.50) range?

11 OBJ MR. PAUL EDWARDS: Objection.

12 THE CHAIRPERSON: I don't think it's
13 directly relevant to this Application.

14 MR. SIDNEY SORONOW: Okay, that's fine.

15

16 CONTINUED BY MR. SIDNEY SORONOW:

17 MR. SIDNEY SORONOW: Tell me something,
18 sir. On this diagram is reference to a bus depot.

19 Is that the Greyhound facility that's
20 currently being constructed?

21 MR. SCOTT MAROHN: I'm not sure what the
22 drawing --

23 MR. SIDNEY SORONOW: Okay. Okay. Is
24 there a Greyhound --

25 MR. SCOTT MAROHN: There will be a

1 Greyhound facility in that area.

2 MR. SIDNEY SORONOW: Okay. And that's
3 the Greyhound bus company that we're all familiar with?

4 MR. SCOTT MAROHN: Yes.

5 MR. SIDNEY SORONOW: And that will -- and
6 -- and as best you understand, that will be -- I'll call
7 it a depot, where people will leave on Greyhound buses
8 from that location and arrive in Winnipeg at that
9 location?

10 MR. SCOTT MAROHN: That's correct.

11 MR. SIDNEY SORONOW: And does Greyhound -
12 - is that -- do they pay WAA for the right to be there at
13 the airport?

14 MR. SCOTT MAROHN: I -- I'm -- it has
15 nothing to do with me. I -- I presume they do. It's
16 under the real estate contract, so I -- I'm not too sure.

17 MR. SIDNEY SORONOW: Okay. But are you
18 aware that Greyhound plans to run a free shuttle from the
19 airport to downtown in peak times?

20 You are aware of that?

21 MR. SCOTT MAROHN: Yes, I am aware of
22 that.

23 MR. SIDNEY SORONOW: And will the WAA
24 collect revenue from Greyhound for running that shuttle?

25 MR. SCOTT MAROHN: I can't comment on

1 that, because I don't know exactly where that shuttle
2 will be -- where -- where it's located, where it will be
3 sitting.

4 MR. SIDNEY SORONOW: You mean on what
5 roadway?

6 MR. SCOTT MAROHN: Yeah.

7 MR. SIDNEY SORONOW: Well, let's assume
8 for a moment if it were sitting out in front of the bus
9 depot.

10 MR. SCOTT MAROHN: In their property?

11 MR. SIDNEY SORONOW: I see. What you're
12 saying is you don't know the dimensions, if you will, of
13 the property they're leasing through the real estate
14 department and consequently whether the bus depot --
15 sorry, the shuttle bus would be sitting on their prop --
16 their leased property or airport property.

17 That's the problem?

18 MR. SCOTT MAROHN: That's -- that's
19 correct.

20 MR. SIDNEY SORONOW: But they would be
21 using the roadways either way you look at it?

22 MR. SCOTT MAROHN: Yes.

23 MR. SIDNEY SORONOW: Okay. And so at
24 this moment you don't know whether that shuttle service
25 will or will not be paying a stipend to the WAA?

1 MR. SCOTT MAROHN: I don't know.

2 MR. SIDNEY SORONOW: Okay. Did you share
3 with Avion the information that Greyhound will be
4 operating this free shuttle?

5 MR. SCOTT MAROHN: No.

6 MR. SIDNEY SORONOW: Okay.

7

8 (BRIEF PAUSE)

9

10 MR. SIDNEY SORONOW: One -- one thing, if
11 I might ask you, and I don't know what you have privy to,
12 but I did notice that very recently in the Free Press,
13 they operate -- they reported, I should say, that the
14 Winnipeg Airport Authority experienced a 9 percent
15 increase in profit for the second quarter of 2009,
16 notwithstanding declining passenger vol -- volumes.

17 Are you aware of that?

18 MR. SCOTT MAROHN: Yes.

19 MR. SIDNEY SORONOW: And as best you
20 know, that information in the Free Press is correct?

21 MR. SCOTT MAROHN: From what I know,
22 yeah.

23 MR. SIDNEY SORONOW: Mr. Chairman, that
24 may conclude my cross-examination. But I'd like, if I
25 might, ten (10) minutes to review that with the client

1 and review my notes and that will expedite the process.

2 THE CHAIRPERSON: Okay, Mr. Soronow.

3

4 --- Upon recessing at 11:39 a.m.

5 --- Upon resuming at 11:52 a.m.

6

7 THE CHAIRPERSON: Well, Mr. Soronow?

8 MR. SIDNEY SORONOW: Just a couple more
9 questions, Mr. Chairman, and then I'll be finished.

10

11 CONTINUED BY MR. SIDNEY SORONOW:

12 MR. SIDNEY SORONOW: If there were to be
13 a fee paid by ground -- for Greyhound -- by Greyhound to
14 WAA in respect of the shuttle service that they're
15 planning, you would be involved in that, if there's to be
16 a fee?

17 I understand you're indicating you're now
18 aware there is a fee.

19 MR. SCOTT MAROHN: If -- if their -- if
20 their shuttle impacted anything outside of their area,
21 then I would likely be involved with that.

22 MR. SIDNEY SORONOW: Okay. Is it fair to
23 say, as far as you're aware, no fee currently has been
24 negotiated?

25 MR. SCOTT MAROHN: I -- I'm not too sure.

1 As far -- as far as I know --

2 MR. SIDNEY SORONOW: And, in fact, there
3 may never be a fee, correct?

4 MR. PAUL EDWARDS: I -- I think the
5 Witness has indicated he doesn't know.

6

7 CONTINUED BY MR. SIDNEY SORONOW:

8 MR. SIDNEY SORONOW: Okay. Are you also
9 aware that Greyhound has entered into a concession
10 agreement with Duffy's for Duffy's taxis to line up in
11 front of the Greyhound building?

12 MR. SCOTT MAROHN: Yes, I'm aware of
13 that.

14 MR. SIDNEY SORONOW: Okay. And that will
15 not give rise to any revenue to WAA.

16 Isn't that correct?

17 MR. SCOTT MAROHN: That's correct?

18 MR. PAUL EDWARDS: Can we get a copy of
19 that agreement?

20 MR. SIDNEY SORONOW: No, it's a private
21 document.

22 MR. PAUL EDWARDS: Yeah.

23

24 CONTINUED BY MR. SIDNEY SORONOW:

25 MR. SIDNEY SORONOW: And you've been with

1 WAA since 2005.

2 Is that correct? Of --

3 MR. SCOTT MAROHN: Yes.

4 MR. SIDNEY SORONOW: Okay.

5 MR. SCOTT MAROHN: The end of 2005.

6 MR. SIDNEY SORONOW: The end of 2005.

7 Okay. And when you joined WAA, would it be fair to say
8 that WAA had never come up with a plan or idea for a
9 shuttle service of the character Avion is proposing?

10 You're not aware of any such plan.

11 MR. SCOTT MAROHN: I'm -- I'm not aware.

12 MR. SIDNEY SORONOW: Okay. Prior to
13 appearing here today, did you discuss the evidence you
14 gave last day with Mr. Edwards or anyone else?

15 MR. SCOTT MAROHN: Not -- not the
16 evidence that I gave. No, I reviewed it myself.

17 MR. SIDNEY SORONOW: You --

18 MR. SCOTT MAROHN: I reviewed it.

19 MR. SIDNEY SORONOW: Reviewed it. I see,
20 okay, got this -- those are my questions, Mr. Chairman.

21 THE CHAIRPERSON: Thank you, Mr. Soronow.

22 Mr. Edwards, do you have any redirect?

23 MR. PAUL EDWARDS: Just one (1).

24

25 RE-DIRECT EXAMINATION BY MR. PAUL EDWARDS:

1 MR. PAUL EDWARDS: In response to a
2 question from Mr. Soronow about the limousine decision --
3 what I'll call "the limousine decision" -- the question
4 was put to you, Mr. Marohn, as to whether or not the WAA
5 had any studies before it at the time, research and -- or
6 -- or studies.

7 Do -- do you recall? And your answer to
8 that was "no." Do you recall that answer?

9 MR. SCOTT MAROHN: Correct.

10 MR. PAUL EDWARDS: My question,
11 therefore, for -- for clarification is: In terms of that
12 decision and making that decision, what basis was it made
13 on? What -- what were you or -- or the others -- Mr.
14 O'Gorman, Mr. Rodyniuk -- what were you looking at in
15 making that decision?

16 MR. SCOTT MAROHN: We were looking at the
17 customer service level on the curb and the -- the choice
18 from the customer and the impacts that are made when the
19 stretches and the executives are in one (1) lane and we
20 don't have the method to separate them.

21 MR. PAUL EDWARDS: Okay. What evidence
22 do you have or how do you or -- or, to your knowledge, the
23 others, determine customer service need? How do you --
24 how do you determine what that is?

25 MR. SCOTT MAROHN: Feedback, customer

1 comments, people that approach us, that phone us, that --
2 that, you know, approach anybody in the terminal, the --
3 the Goldwings -- the Goldwings are the people that
4 volunteer in the -- in the terminal, feedback from
5 numerous locations.

6 MR. PAUL EDWARDS: Okay. And my final
7 question: Is that the same criteria, to your knowledge,
8 or do you know, that -- that was used by WAA in agreeing
9 to move ahead and allow Avion, subject to this process,
10 to start up a hotel shuttle service?

11 MR. SCOTT MAROHN: I'm -- yeah, I'm not
12 aware.

13 MR. PAUL EDWARDS: I'm sorry, just
14 following that be -- Mr. Rodyniuk made the decision and
15 you didn't, is that why you're not aware, or can you --
16 I'm -- I'm confused.

17 MR. SCOTT MAROHN: That's right.

18 MR. PAUL EDWARDS: Okay. Those are my
19 questions, Mr. Chair. Thank you.

20 THE CHAIRPERSON: Thank you. I may
21 provide you another re-direct because something has come
22 up in my mind out of one of the questions you asked.

23 Mr. Marohn, just to get it clear in our
24 heads, you now have approximately, as we understand it,
25 there's fifty (50) Unicity taxis devoted to the airport,

1 and with the increase in executive cars, approximately,
2 you know, forty-six (46) executive cars.

3 Is that correct?

4 MR. SCOTT MAROHN: We don't -- there's no
5 Unicity cars devoted to the airport. They don't have any
6 vehicles devoted to the airport, as far as I understand.
7 I don't think there's -- there -- there might be air --
8 taxis, and my opinion only, there might be taxis that
9 only operate at the airport but that's their decision.
10 They're not devoted to it.

11 THE CHAIRPERSON: Okay. I think our
12 understanding was that there was approximately fifty (50)
13 Unicity cabs that were servicing the airport. And what I
14 was coming to, actually, was that with the thirty (30)
15 extra executive cars, when the -- the executive cars and
16 the taxis, are they all in the same corral?

17 MR. SCOTT MAROHN: Yes, they're held in
18 the same corral.

19 THE CHAIRPERSON: Okay. That diagram
20 that Mr. Soronow, even with its deficiencies, suggests
21 that there are six (6) Unicity cabs pulled up at the
22 front there, and --

23 MR. SCOTT MAROHN: Actually there's eight
24 (8).

25 THE CHAIRPERSON: There's eight (8).

1 MR. SCOTT MAROHN: Yeah.

2 THE CHAIRPERSON: Okay, sorry. And a
3 couple of executive cars?

4 MR. SCOTT MAROHN: Mm-hm.

5 THE CHAIRPERSON: But if there's -- how
6 do they flow out of the corral so that you end up with
7 two (2) executive cars and eight (8) Unicity taxis?

8 MR. SCOTT MAROHN: I'm sorry. That's the
9 -- the GTMS system that we currently have in place. It's
10 an automated system, so what we can do is we can set the
11 -- the demand levels and the supply levels that we have
12 on the curb. So if we decide -- if we choose to have
13 eight (8) -- this is -- this is the norm right now is to
14 have eight (8) Unicity vehicles at the curb and two (2)
15 limos -- sorry, three (3) limos; we have one (1) on the
16 elbow that you can see, or in that little portion between
17 third and fourth and fifth lane.

18 The -- we -- we set those standards so
19 that as a vehicle leaves the front of the terminal, it --
20 it let's the people in the coral know that we need
21 another one at the front and it -- it comes up. So it --
22 it's an automated dispatch system.

23 THE CHAIRPERSON: Okay, I understand. So
24 when you say three (3) limos, again, you are talking
25 about two (2) executive cars and the one (1) --

1 MR. SCOTT MAROHN: No, I'm talking three
2 (3) executive cars. Through the system there's two (2)
3 that are -- that are stationed right at the curb and one
4 (1) sits in that -- in that open area. And -- and then
5 we also have room there for a stretch as they -- as they
6 so choose to come into the -- system, but we don't track
7 them.

8 THE CHAIRPERSON: Okay. Does that bring
9 anything else to your mind, Mr. Edwards? Okay. Thank
10 you, sir.

11 Thank you, Mr. Marohn. Thank you for your
12 evidence, we appreciate it. Thank you very much.

13 MR. PAUL EDWARDS: And -- and -- and just
14 for clarification, in terms of the diagram, would it be
15 useful to have it be big enough to include the corral
16 area?

17 THE CHAIRPERSON: Yes. Yes, I think
18 that --

19 MR. SCOTT MAROHN: I'm going to need two
20 (2) -- I'll -- I'll separate it in two (2) different
21 diagrams, one (1) showing the front of the ter --
22 terminal, and then another one showing the -- the overall
23 layout because it's too far in one diagram. So I'll
24 bring two (2). I'll --

25 THE CHAIRPERSON: The undertakings we

1 understand to be: One (1) is going to be a map of the
2 downtown area that you consider to be the downtown, to
3 provide it's geographic limits; and the second one is
4 over -- about the airport, which is meant to be an
5 improvement over Mr. Soronow's drawing?

6 MR. SCOTT MAROHN: Sure. I'll -- I'll
7 forward three (3).

8

9 (WITNESS STANDS DOWN)

10

11 THE CHAIRPERSON: Mr. Saranchuk...?

12 MR. WALTER SARANCHUK: Yes, yes, Mr.
13 Chairman.

14 MR. WALTER SARANCHUK: I have a few
15 questions, relative to Avion's operations and I want to
16 pose them -- direct them to Ms. Tataryn.

17

18 AVION PANEL 1 RECALLED:

19 SHELLEY TATARYN, Recalled

20

21 RE-CROSS-EXAMINATION BY MR. WALTER SARANCHUK:

22 MR. WALTER SARANCHUK: These are questions
23 of which both counsel opposite have been made aware and
24 the first one is, Ms. Tataryn, is whether you confirm
25 that -- that the date of the last filing with the

1 company's branch, two (2) directors, or the directors of
2 Avion were Mr. Barry (phonetic) Rempel and a Catherine
3 Kloepner, K-L-O-E-P-N-E-R, is that correct?

4 MS. SHELLEY TATARYN: That's correct.

5 MR. WALTER SARANCHUK: And that --

6 MR. PAUL EDWARDS: Sorry, I'm sorry, can
7 I just interrupt. That -- that's an incorrect spelling
8 of Ms. Kloepfer's name.

9 MR. WALTER SARANCHUK: Oh, I'm sorry.

10 MR. PAUL EDWARDS: It's not an N-E-R,
11 it's F-E-R.

12 MR. WALTER SARANCHUK: All right. So
13 it's K-L-O-E-P-F-E-R?

14 MR. PAUL EDWARDS: That's correct.

15

16 CONTINUED BY MR. WALTER SARANCHUK:

17 MR. WALTER SARANCHUK: Thank you. And of
18 course, at present Mr. Rempel is the President and CEO of
19 the Winnipeg Airport Authority?

20 MS. SHELLEY TATARYN: Yes.

21 MR. WALTER SARANCHUK: And Ms. Kloepfer
22 is the Senior VP of Corporate Services and Chief
23 Financial Officer of the Winnipeg Airport Authority?

24 MS. SHELLEY TATARYN: Yes.

25 MR. WALTER SARANCHUK: Can you confirm

1 that Avion does not publish or make it available to the
2 public annual audited financial statements?

3 MS. SHELLEY TATARYN: That's correct.

4 MR. WALTER SARANCHUK: And can you
5 confirm that its financial position and results are
6 consolidated with the financial statements of its parent,
7 the Winnipeg Airport Authority?

8 MS. SHELLEY TATARYN: That's correct.

9 MR. WALTER SARANCHUK: Does Avion have
10 financial statements separately as of the fiscal year
11 ended December 31, 2008, that it can file with this
12 Board?

13 MR. PAUL EDWARDS: On behalf of Avion I
14 can indicate that there certainly are financial
15 statements. Avion is not prepared to file them with this
16 Board.

17 MR. WALTER SARANCHUK: And the reason
18 being?

19 MR. PAUL EDWARDS: Commercial
20 confidentiality and -- and the fact that Avion's position
21 is that they are not relevant to any matters at issue in
22 these proceedings.

23

24 CONTINUED BY MR. WALTER SARANCHUK:

25 MR. WALTER SARANCHUK: All right. And so

1 insofar as the reporting between Avion and the Winnipeg
2 Airport Authority is concerned, is that done by Avion
3 through management or through Avion's Board of Directors?

4 MS. SHELLEY TATARYN: I report to our
5 Board of Directors, to Avion's Board of Directors.

6 MR. WALTER SARANCHUK: And then the
7 report goes onto the Airport Authority from the Board?

8 MS. SHELLEY TATARYN: I don't know what
9 my Board of Directors does with the information.

10 MR. WALTER SARANCHUK: Okay. And you
11 don't report at any time directly to the Airport
12 Authority do you?

13 MS. SHELLEY TATARYN: No.

14 MR. WALTER SARANCHUK: And can you
15 confirm that Avion did not issue a request for a proposal
16 or an RFP seeking a supplier of the airport downtown
17 hotel shuttle service?

18 MS. SHELLEY TATARYN: No, we did not
19 issue an RFP.

20 MR. WALTER SARANCHUK: Was there a
21 particular reason for that?

22 MS. SHELLEY TATARYN: Because we viewed
23 it as our business. So it was our idea, it was going to
24 be our business.

25 MR. WALTER SARANCHUK: And can you

1 indicate if either Mr. Rempel or Ms. Kloepper, or both,
2 were involved in the decision to limit limousines in
3 favour of executive cars?

4 MS. SHELLEY TATARYN: I would have no
5 idea.

6 MR. WALTER SARANCHUK: Or in the decision
7 relative to the new agreement with Unicity Taxi and the
8 Airport Authority?

9 MS. SHELLEY TATARYN: Again, I have no
10 idea.

11 MR. WALTER SARANCHUK: And can you
12 indicate whether Avion has supported taxi, executive car
13 and limousine applications to the Taxicab Board for
14 increased fares?

15 MS. SHELLEY TATARYN: We've never
16 supported it; we've never been asked; we've never
17 participated in it in any way.

18 MR. WALTER SARANCHUK: And what about
19 supporting the increase in executive car licences?

20 MS. SHELLEY TATARYN: Again, not
21 something we would be involved in.

22 MR. WALTER SARANCHUK: And can you
23 indicate if Avion considered the economics of taxi,
24 executive car, and limousine services in its plan for
25 operating the shuttle service?

1 MS. SHELLEY TATARYN: I'm assuming when
2 you say economics, you're considering or you're talking
3 about, you know, their business.

4 No, we didn't consider their business. We
5 considered them as competition in a shuttle service.

6 MR. WALTER SARANCHUK: All right. Now
7 can you indicate whether the shuttle service to be
8 operated by Avion would be advertised inside the terminal
9 building?

10 MS. SHELLEY TATARYN: No. We couldn't
11 afford to advertise -- advertise inside the terminal
12 building.

13 MR. WALTER SARANCHUK: Could you just
14 elaborate on that?

15 MS. SHELLEY TATARYN: The advertising in
16 the terminal is done through a contractor and their
17 prices are far too prohibitive for a small business like
18 us to use.

19 MR. WALTER SARANCHUK: So there is an
20 independent contractor that deals with the WAA for
21 advertising services?

22 MS. SHELLEY TATARYN: Yes.

23 MR. WALTER SARANCHUK: And what assurance
24 can be provided that the -- Avion's logistic officer
25 would provide persons leaving the airport terminal with

1 information on ground transportation options without
2 favouring the shuttle service?

3 MS. SHELLEY TATARYN: It's part of their
4 job description, right in there, that they provide an
5 unbiased approach for ground transportation.

6 MR. WALTER SARANCHUK: And is that
7 monitored in any way, or would it be monitored?

8 MS. SHELLEY TATARYN: Absolutely.

9 MR. WALTER SARANCHUK: Who would do that?

10 MS. SHELLEY TATARYN: Usually our
11 supervisors on the staff would check, the ground
12 transportation coordinator would check, and the taxis and
13 executive cars people would definitely report if it
14 wasn't.

15 MR. WALTER SARANCHUK: And can you give
16 the Board some idea as to the allocation of curb space
17 outside the terminal for use of the shuttle as opposed to
18 curb space provided for taxis and executive cars and
19 limousines?

20 MS. SHELLEY TATARYN: I'm sorry, I don't
21 understand.

22 MR. WALTER SARANCHUK: Has there been any
23 discussion or has there been any discussion, I mean,
24 relative to the allocation of curb space by the Winnipeg
25 Airport Authority to Avion for shuttle vehicles?

1 MS. SHELLEY TATARYN: No, I have not
2 talked to anybody about curb space at all.

3 MR. WALTER SARANCHUK: Is that something
4 that is in the offing, something that would have to be
5 addressed?

6 MS. SHELLEY TATARYN: Absolutely.

7 MR. WALTER SARANCHUK: And in terms of
8 the preparation of material to support Avion's
9 application to this Board, you heard reference to a
10 business plan, and we understand what your filings have
11 been to date.

12 Is there anything else that Avion would
13 want to present to this Board, either through you today
14 or what you can refer to as having been in the past, as
15 supporting a business plan, other than what you've got
16 filed thus far?

17 MS. SHELLEY TATARYN: No, there isn't.

18 MR. WALTER SARANCHUK: So, it's all
19 there?

20 MS. SHELLEY TATARYN: Yes.

21 MR. WALTER SARANCHUK: All right.

22 MR. PAUL EDWARDS: The only thing I would
23 -- and I assume it, within your question, Mr. Saranchuk,
24 included in that is the evidence we've just heard from
25 the Winnipeg Airport Authority, Mr. Marohn himself, and

1 Mr. O'Gorman.

2 MR. WALTER SARANCHUK: All right. So we
3 have that clarification. I have no further questions of
4 this Witness, Mr. Chairman.

5 THE CHAIRPERSON: Thank you, Mr.
6 Saranchuk. Mr. Soronow, do you have anything?

7 MR. SIDNEY SORONOW: I have something
8 just arising out of those questions.

9

10 RE-CROSS-EXAMINATION BY MR. SIDNEY SORONOW:

11 MR. SIDNEY SORONOW: You were asked
12 whether -- about the advertising, and you explained that
13 advertising, I guess, is a singular contract to some
14 service provider, and then you would have to negotiate
15 with that person, and the rates are too high.

16 Did I sort of capture it?

17 MS. SHELLEY TATARYN: Yes.

18 MR. SIDNEY SORONOW: Okay. But are you
19 thereby suggesting that there won't be any identification
20 of the airport shuttle kiosk station where people can buy
21 tickets? Nothing?

22 MS. SHELLEY TATARYN: At this point we
23 have had no discussions on anything as to how or what
24 we're going to do.

25 MR. SIDNEY SORONOW: So, to this date,

1 the airport has not -- WAA has not allocated any interior
2 space to you for this shuttle service?

3 MS. SHELLY TATARYN: No.

4 MR. SIDNEY SORONOW: And no discussions
5 have occurred?

6 MS. SHELLY TATARYN: No.

7 MR. SIDNEY SORONOW: Okay, thank you.

8

9 (BRIEF PAUSE)

10

11 THE CHAIRPERSON: Is that it, Mr.

12 Soronow?

13 MR. SIDNEY SORONOW: Yes, Mr. Chairman.

14 THE CHAIRPERSON: Thank you, sir. Mr.

15 Edwards...?

16 MR. PAUL EDWARDS: Yeah, I have no

17 further questions.

18

19 (WITNESS STANDS DOWN)

20

21 CLOSING COMMENTS:

22 THE CHAIRPERSON: Okay. This brings to
23 an end the evidentiary phase of the Hearing into Avion's
24 Application seeking the Public Utility Board's approval
25 of its agreement with the City of Winnipeg to operate a

1 downtown airport/hotel shuttle service. The next phase
2 is closing statements by Avion and Unicity/Duffy's which
3 will be preceded by brief comments by Board counsel, Mr.
4 Saranchuk, those which he will provide before we break
5 today.

6 As to Avion and Unicity/Duffy's, as the
7 Board would appreciate their closing statements, taking
8 into account the Board's preliminary understanding of
9 evidence placed before it. Towards that objective, I
10 intend to provide that preliminary understanding.

11 To begin with, and with respect to the
12 Board's general perspective, the Board understands that
13 while the Board's decision on the Application will be
14 particularly important to Avion; its parent company, the
15 Winnipeg Airport Authority; Duffy's/Unicity; the taxi
16 industry in general, both owners and drivers; other
17 elements of ground transportation to and from the
18 airport, including executive cars and limos; those
19 travelling to and from the airport; the City of Winnipeg;
20 the Hotel Association; and the hotels intended to be on
21 Avion's shuttles route, it will also be important to the
22 general public interest.

23 With respect to the general guidelines
24 that govern the Board's approach, the onus is on Avion to
25 support its Application. The Board is under no

1 obligation to either approve or deny the Application.
2 The Board's rules also provide for conditional approval,
3 one that may vary the Application to meet the Board's
4 determination as to the merits of the case; that is, in
5 the public interest.

6 Ahead of closing statements, which are not
7 evidence but argument drawing on evidence, the Board has
8 heard evidence accompanied from time to time by argument.

9 The Board has also heard presentations,
10 and those presentations both supported and opposed
11 Avion's Application.

12 In the interest of assisting the parties
13 in submitting effective argument, the Board will now
14 review its current understanding of the Application that
15 is before it.

16 To begin with, the evidence and publicly
17 known indications that appears to be supportive of the
18 Board approving the Application of Avion includes:

19 1. Following a protracted series of
20 public meetings, at which hearings the City apparently
21 received submissions and heard arguments similar to those
22 made through this process, the City of Winnipeg approved
23 an agreement with Avion that, subject to the approval of
24 the Public Utilities Board, would allow for Avion to
25 operate a shuttle service from and to the airport and

1 Airport Authority's Annual Report that the primary
2 objective of the Winnipeg Airport Authority, the owner of
3 Avion, is to operate to the benefit of the community.

4 6. Indications drawn from Winnipeg
5 Airport Authority's latest audited financial statements
6 and notes thereto, that Winnipeg Airport Authority is
7 well capitalized with a secure financial future, being a
8 monopoly able to set its fees without reference to
9 another body, suggesting that the WAA has the means to
10 support Avion in its plans to operate its proposed
11 shuttle.

12 7. The clear inference that the WAA not
13 only has the ability to fund Avion, but also the will to
14 do so, Avion's board of directors being comprised of two
15 (2) person, both of whom are senior executives of the
16 Winnipeg Airport Authority.

17 8. There is no evidence before this Board
18 to dispute that other Canadian airports have
19 airport/hotel shuttle services.

20 9. There is no dispute that the hotel
21 shuttle services to and from the airport are already in
22 operation, and the Board has received no evidence to
23 indicate whether or not those now in service will stop if
24 Avion begins its proposed service.

25 10. The evidence appears clear that there

1 are many forms of ground transportation servicing the
2 airport: bus, taxi, executive cars, limousines, rented
3 cars, Airport park and ride, valet in-park service,
4 personal passenger vehicles that are parked close or at
5 the airport, hotel-based shuttles, and transportation by
6 non-commercial cars - friends, family, business
7 associates, et cetera, and that the majority of the
8 persons leaving and coming to the airport leave and
9 arrive other than by taxi.

10 11. The evidence at this Hearing suggests
11 that Avion's shuttle would not contravene any agreements
12 with any other ground transportation service.

13 12. The Winnipeg Airport Authority has
14 provided testimony that the new terminal will provide
15 additional room for various forms of ground
16 transportation and suggests that taxis would not be
17 crowded out as a transportation option for travellers;
18 and

19 13. On the surface, it appears Avion's
20 shuttle would increase customer choice.

21 While there are these points, and likely
22 others that the parties will comment on in their closing
23 argument, supporting a decision by this Board to approve
24 the application, there is other evidence and testimony
25 suggesting reasons why approval should not be provided.

1 This contrary evidence is based in part on
2 Avion's business plan and the current state of the
3 arrangements involving Avion, the Winnipeg Airport
4 Authority, Unicity/Duffy's and third parties.

5 1. Seemingly lack of concrete support
6 underlying the projections of Avion's business case; the
7 projections appear to be based on speculation - not the
8 word in a pejorative manner - and did not include
9 analysis, surveys, present and past experiences, both
10 here and elsewhere, with respect to airport shuttle
11 services.

12 The business plan does not appear to
13 establish a concession fee from Avion to Winnipeg Airport
14 Authority or an analysis of whether the Winnipeg Airport
15 Authority would benefit vis-a-vis the taxi concession
16 payments that they already receive or a conclusion with
17 respect to the curb space to be allotted to Avion.

18 3. The failure of past Winnipeg Airport
19 downtown shuttle services -- that is, the reported
20 Unicity and Greyhound efforts -- with Avion's indication
21 that it neither researched those experiences to determine
22 why they failed, nor took the experiences into account in
23 developing its business plan.

24 4. Some may say there is evidence that
25 the airport is well served now with many other forms of

1 ground transportation and that the addition of another
2 shuttle provider, one owned by a subsidiary of the
3 Winnipeg Airport Authority, would not significantly
4 enhance the choices available to consumers.

5 5. The Board understands that the Taxicab
6 Board's rejection of Avion's proposal was based on the
7 board's conclusion that there was no public need.

8 That said, this Board also notes that the
9 Taxicab Board's rationale was not provided, apparently it
10 being the Taxicab Board's practice not to give reasons
11 for its decision.

12

13 (BRIEF PAUSE)

14

15 THE CHAIRPERSON: 6. Testimony by Avion's
16 witness that the firm conducted no consumer surveys of
17 arriving and/or departing persons at the airport or of
18 downtown hotel guests to support its contention that
19 there is a public need for the shuttle, that contention
20 evidenced in its projections for the volumes of
21 passengers included in its business plan.

22

23 (BRIEF PAUSE)

24

25 THE CHAIRPERSON: 7. That Avion's

1 business plan put before the City did not involve Mr.
2 Marohn's, the manager of parking and ground
3 transportation at that time's, participation.

4 8. The issue of the proximity of the
5 airport to the downtown, noted by both parties, with a
6 proposal suggesting, as confirmed by Avion's witness,
7 that if two (2) or more persons were travelling to or
8 from the airport together, they would be better off
9 economically taking a taxi, both with respect to
10 incurring less cost and having direct transportation to
11 or from their hotel, with the shuttle to pick and drop
12 off passengers at up to nine (9) hotels both ways.

13 9. The City's resolution that establishes
14 its agreement with Avion allows the City the ability to
15 cancel the agreement with only ninety (90) days' notice,
16 which could be given without either providing a reason or
17 paying any compensation to Avion. This provision appears
18 to provide no comfort that a service that would begin
19 with the approval of the Board, cost Avion significant
20 funds to start, and which would likely affect other
21 ground transportation services negatively to various
22 degrees, will last.

23 10. Avion's witness' evidence that
24 suggests that if the shuttle does not prove to be
25 profitable, it would be likely to be discontinued also

1 does not appear to provide confidence that the provided
2 service, the proposed service, after being implemented
3 could avoid a quick end.

4 11. While Avion's business plan provided
5 a detailed review of a particular vehicle to be purchased
6 to serve as the shuttle, testimony at the Hearing
7 indicated that that vehicle would not be acquired.
8 Avion's witness was unable to provide details of the make
9 or model of the vehicles to be obtained.

10 And, though somewhat less troubling, the
11 fact that Avion's filed business plan was first based on
12 a vehicle that would carry up to fifteen (15) passengers,
13 while testimony by Avion's witness reported that the
14 shuttle would carry no more than nine (9) passengers and
15 that the vehicle indicated in the business plan would not
16 be the vehicle that would be purchased and operated.

17 12. With respect to the service to the
18 disabled, Avion's witness appeared to contradict the
19 statements made to the City and contained in the business
20 plan and was unable to give concrete details as to how
21 Avion would service disabled consumers.

22 The original commitment to serve the
23 disabled was reduced to a statement that Avion would
24 ensure disabled travellers were served, although perhaps
25 not by Avion shuttle, but by calls to a handi-van

1 provider.

2 13. Testimony, followed by cross-
3 examination of Avion's witness, provided evidence
4 suggestive of the proposed shuttle service not being
5 realistic. If the Board was to accept Mr. Walding's,
6 from Duffy's, evidence that it would take more than one
7 (1) hour and twenty (20) minutes to transport passengers
8 from the airport to the downtown hotels and return to the
9 airport, twenty-nine (29) round-trip shuttles per day
10 would not be possible, seemingly making Avion's business
11 plan and projections more doubtful.

12 Not to say that adjustments or additional
13 shuttles could presumably be made, though adjustments
14 might affect projected profitability.

15 14. Avion's witness advised that Avion
16 did not take into consideration the implications for
17 Unicity and the overall taxi industry of it operating a
18 shuttle service, despite having a contract with Unicity.

19 This does not, at first blush, seem
20 congruent with the parent's objective -- parent
21 corporation that is -- of attending to community needs.

22 While Avion's witness and two (2) of the
23 Winnipeg Airport Authority's witnesses asserted little
24 knowledge of each other's plans, the Board is faced with
25 its understanding that Avion's board of directors is

1 comprised of two (2) Winnipeg Airport executives.

2 15. Avion's witness also advised that in
3 developing the business plan, Avion did not take into
4 consideration concession agreements existing between the
5 hotels and Unicity and/or Duffy's.

6 In the absence of being aware of the
7 details of those agreements, it may be difficult to be
8 confident that their business plan projections are sound.

9 16. Further on this note, Avion's witness
10 also testified that the firm does not have any agreements
11 with the hotels that the business plan indicates would be
12 served by the shuttle service, although the Hotel
13 Association clearly supports Avion's proposal. The
14 concreteness of Avion's business plan once more may be
15 questioned, and,

16 17. Avion's witness also testified that
17 Avion had not conducted any market research into how many
18 downtown hotels would be required to be served to allow
19 the shuttle service to be economic.

20 In short, this appears to suggest that
21 assurance that the shuttle would start and last is
22 somewhat lacking.

23 In making its decision, the Board will
24 also consider other matters and factors that are related
25 to determining what is the public interest. The Board

1 has considered the public interest in other hearings to
2 be comprised of three (3) aspects: economic, social and
3 environmental.

4 Some of the other matters and factors that
5 the Board may consider relevant to its deliberations
6 follow.

7 1. While the Taxicab Board denied Avion's
8 application to it, apparently on the basis that there was
9 no public need for the service, no rationale for the
10 decision was provided. In the absence of analysis and
11 rationale, should the Board ignore the Taxicab Board's
12 rejection?

13 2. The 1997 and 2008 analysis of taxi
14 industry proposals for increased fare tariffs, which were
15 received and considered by the Taxicab Board, do not
16 appear to pay any attention to either the transfer of
17 values for medallion licences or the rising value of
18 those transfers, nor does the 2008 analysis appear to
19 conclude what, on the surface of the analysis of 2008,
20 appears to be an indication of significantly reduced
21 annual kilometres travelled by the average taxi. That's
22 suggestive of reduced trips, which presumably would
23 affect gross revenue. Should the Board give any credence
24 to these matters, given that Unicity/Duffy's declined to
25 put definitive trip volumes, revenues, and average net

1 income of owner/operators on the record?

2 3. The witness from the Taxicab Board
3 gave no indication as to whether that Board would
4 consider a fare increase in the event that this Board
5 approved Avion's application. It agreed that reduced
6 taxi trips are to the detriment of taxi owner/operators
7 and drivers. Should this Board give any consideration to
8 the actions or possible actions to the Taxicab Board?

9 4. As reported earlier in this review,
10 Avion's witness testified that Avion did not consider the
11 welfare of the taxi industry in its decision and that
12 Avion's focus was providing increased customer choice and
13 not the viability of the taxi industry.

14 Given the importance of the taxi industry
15 to Winnipeg, as evidenced by the study commissioned by
16 the Taxicab Board, should not the Board consider the
17 implications for the taxi industry of Avion operating a
18 shuttle service, a service that Avion indicated could
19 either be expanded or shut down in the future, dependent
20 on results?

21 5. Evidence at the Hearing related to the
22 recent global recession and that taxi trips from the
23 airport were down 7 percent to the end of June 2009,
24 compared to 2008, should the Board consider the
25 implications for the taxi industry of the operation of a

1 new form of ground transportation to and from the airport
2 at a time when the recession has already depressed taxi
3 volumes from the airport?

4 6. There was evidence presented that
5 thirty (30) new executive cars are now in service at the
6 airport, which, in the Board's current understanding,
7 suggests that there are now possibly one (1) executive
8 car for every taxi serving the airport. And while the
9 location of the limos have been moved and limos no longer
10 pull up and leave from the spot that they did use to
11 leave from, limo service is still available.

12 The Board further understands that while
13 limo fares from the airport were reported to be down
14 4 percent to the end of June in 2009, the trips of
15 executive cars -- a component of the limo category --
16 were reported to have increased, although there was no
17 indication of by how much.

18 Should the Board consider the possible
19 impact on the taxi industry from the combined impact of
20 additional executive cars, the continuation of limo
21 services -- albeit from a different airport location -- a
22 recession, and a new shuttle service?

23 7. An Avion witness reviewed a number of
24 recent changes to the placements at the curb and off the
25 other lanes at the airport that involved changes in the

1 placement of the Unicity taxis. And also there was
2 indication given of changes to occur once the new
3 terminal is ready. And there's no testimony or evidence
4 on the record with respect to the potential impact on
5 taxis or other forms of ground transportation. Should
6 there be?

7 8. Unicity's witness suggested that if
8 the shuttle is approved and begins service, Unicity may
9 withdraw many of its current fleet of taxis now devoted
10 to the airport. Should the Board consider the potential
11 for reduced customer service and choice from such a
12 development?

13 Greyhound's plan to run a free shuttle to
14 downtown after the terminal is established, and the
15 information that Duffy's apparently would have a
16 concession to have cabs in front of the new bus terminal,
17 the impact on ground transportation is not understood and
18 has not been projected. Need the Board take into account
19 events that have not yet occurred?

20 10. Unicity's witness suggested that if
21 the shuttle service is introduced, twenty (20) or more
22 taxis now serving the airport could be diverted to serve
23 the rest of the city, when the rest of the city is,
24 according to the Taxicab Board's commissioned study,
25 already adequately served. Again, should the Board take

1 into consideration the impact of more taxis serving non-
2 airport locations on other taxis? Should it be taken
3 into account?

4 11. Unicity/Duffy's declined to file
5 evidence as to the average number of annual trips, gross
6 and net income of taxi owner/operators. Yet their
7 witnesses did not contradict but, in fact, supported the
8 contention that taxi ownership and the occupation of
9 taxidriver were marginal economic activities, as
10 suggested by a Board exhibit taken from a government
11 website, which reported average taxicab driver income, an
12 estimate that was likely developed before taking into
13 account the events of this year, which, again, include
14 the addition of executive cars and a recession.

15 The 1997 and 2007 analysis of the taxi
16 industry fare increase application of the Taxicab Board
17 also provided estimates of net income for industry
18 participants that could be considered to be quite low,
19 particularly in light of the investment required and the
20 suggested weekly average working hours of a cabdriver.

21 Should the Board consider the economic
22 situation of taxi owner/operators or drivers under a
23 scenario that an airport downtown shuttle service is in
24 place, one that was reported could reduce taxi industry
25 gross revenues to 4 to 6 percent; that, before taking

1 into account the other negative events for the taxi
2 industry of this year.

3 12. Evidence has included indications
4 that the transfer value of medallion licences has
5 increased substantially over the past ten (10) years,
6 coincident, it would seem, with increased immigration and
7 increased applications for taxidriver licences and that
8 in 2009 medallion transfer values have continued to
9 increase.

10 Should the Board consider the impact on
11 current taxi owners or if transfer values were to fall
12 following the implementation of a shuttle service to and
13 from the airport? Or should the Board consider transfer
14 value to be the natural outcome of demand and supply,
15 supply restricted by regulation and demand increased by
16 immigration, and ignore the issue?

17 13. Should the Board conclude that the
18 rationale for new taxi ownership, which would involve the
19 payment of a substantial amount to bring about the
20 transfer of a medallion licence, an amount that, based on
21 the evidence, would largely represent a non-depreciable
22 cost for tax purposes, is based on three (3) premises:
23 The acquisition of a job with the prospect of employment
24 not only for the purchaser, but also for members of his
25 or her family; the hope that the business that was being

1 acquired would allow the purchaser to make
2 representations to Immigration officials that would
3 assist in the immigration to Canada of family members;
4 and the expectation that the transfer value, though high,
5 could be recouped at a later date, when the licence was
6 sold to another person as the present purchaser was
7 leaving the industry.

8 Should the Board pay any attention to the
9 general economics of the taxi industry and the particular
10 risk to new entrants to taxi ownership?

11 14. If Avion proves successful and sought
12 to expand its service, as was suggested as a possibility
13 in the testimony of Avion's witness, should the Board
14 consider whether approval of the Application currently
15 before the Board should include any restrictions or
16 directions with respect to future applications related to
17 a possible expansion?

18 15. Evidence was presented and not
19 disputed that the taxi industry has made significant
20 efforts to improve their customer service: new hybrid
21 vehicles, training of drivers, the fact that complaints
22 are down, with a letter of appreciation sent by the
23 Winnipeg Airport Authority Unicity commenting on the
24 improvements, being entered into the record.

25 Should the Board take such factors or

1 matters into account if approval of the shuttle service
2 is provided, i.e., with respect to the timing of the
3 beginning of the service and the terms of service with
4 respect to past taxicab industry investments and improved
5 service?

6 16. Avion is a subsidiary of the Winnipeg
7 Airport Authority, and neither the Winnipeg Airport
8 Authority nor the City tendered the service.

9 Should the Board take into account that
10 the service was not tendered and that Avion is not a
11 private independent enterprise, but a subsidiary of the
12 Winnipeg Airport Authority which is a not-for-profit
13 agency, one that could be considered an unregulated part
14 of quasi-government controlled sector. And,

15 17. Excepting for the decline in airport-
16 to-plane passengers and taxi volumes declines of this
17 year, a year of recession, taxi volumes rose -- trips
18 from the airport rose steadily for the past ten (10)
19 years. And during that period of time, no new taxis were
20 licenced by the Taxicab Board, although seasonal cars and
21 executive cars and limos have increased.

22 As well, transfer values have continued to
23 increase -- one may say soared -- despite executive cars
24 having more than doubled, a recession being underway, and
25 knowledge of Avion's Application.

1 Does this further suggest that whether for
2 economic or non-economic reasons, taxicab ownership has
3 become increasingly more desirable and that providing
4 increased customer choice should trump social and
5 economic concerns related to the present ownership of
6 taxis, particularly given the long hours of service
7 required to make a living.

8 The City of Winnipeg appended a request to
9 its approval of Avion's shuttle service proposal, that
10 being that this Board hold a public hearing.

11 As well, the Mayor of the City of
12 Winnipeg, in commenting upon the City's approval and
13 reference to this Board, said that he expected this Board
14 to consider the implications of the shuttle for the taxi
15 industry. Should not this Board take the Mayor's
16 direction, suggestion, or plea into account?

17 As the Board now understands the
18 situation, we have before us a tale of two (2) cities.
19 On one hand we have Avion and the Winnipeg Airport
20 Authority, well-financed monopolies without a
21 shareholder, able to raise fees and charges for any
22 number of reasons: To offset volume decreases, to pay
23 for airport improvements, cover off losses on
24 derivatives, without requiring the approval of any other
25 board or agency, the parent company being tax exempt and

1 directed by a board primarily drawn from various levels
2 of government, seeking to add a new and untendered
3 service to increase customer choice without first having
4 surveyed airport travellers.

5 On the other hand, we have two (2) taxi
6 cooperatives, representing in excess of four hundred
7 (400) owner/operators. Apparently, many cabs have two
8 (2) owners. Subject to competitive and market pressures
9 from many sources, unable to raise their fees without
10 regulatory approval, apparently with the average
11 owner/operator or taxidriver earning a low income despite
12 enormous hours of work, dependant on market restrictions
13 to entry, that decided upon by a regulator, to support
14 the value of their investment, with the economics of the
15 largest cooperator apparently threatened in a sense by
16 its largest customer, a well-financed and basically
17 public sector monopoly with which, though it disagrees
18 with its plans, it must work with.

19 There appears there can be little argument
20 that there is an enormous power imbalance between the two
21 (2) parties that are before the Board.

22 One of the questions before this Board is
23 whether or not this imbalance should be taken into
24 account or not.

25 This is only a partial review of the

1 contrasting and sometimes contradictory evidence and
2 views, and we hope that it suggests to the parties that
3 the Board's decision in this matter will be carefully
4 thought out.

5 And by providing this review of the
6 Board's preliminary understanding of some of the issues
7 and the matters, the parties have the opportunity to
8 seek, clarify, or correct what may be misunderstandings.

9 Closing statements should attempt to,
10 where possible, reconcile views, support particular
11 perspectives, and deal with what is in the public
12 interest.

13 With that said, I will now call on Board
14 counsel to make a few comments. And after he speaks, we
15 will discuss and conclude on the form and timing of
16 closing statements.

17 Mr. Saranchuk...?

18 MR. WALTER SARANCHUK: Thank you, sir.
19 Very briefly and hopefully for the benefit of the parties
20 I have a few comments to make on the legal aspects of the
21 Application on an overall basis.

22 The genesis of this proceeding, of course,
23 is the City of Winnipeg council resolution, whereby the
24 City approved the agreement and authorization of an
25 agreement with Avion and the authorization to operate a

1 local transportation service, but again, as subject to
2 Public Utilities Board approval, pursuant to Subsection
3 163(3) of the City of Winnipeg Charter.

4 And of course under Section 107 of the
5 Public Utilities Board Act, where it provides that the
6 Board may perform duties assigned to it by an act of the
7 legislature, the Board has undertaken this task. And
8 that is on the basis of it receiving its jurisdiction
9 pursuant to Sections -- Subsection 163(3) of the City of
10 Winnipeg Charter and Section 107 of the Public Utilities
11 Board Act.

12 Avion has applied, of course, to operate a
13 shuttle service between the airport and downtown hotels.
14 And Avion, in doing so, has acknowledged that -- in its
15 evidence -- that it carries the onus of substantiating
16 its Application before this Board.

17 Avion also agreed that in that respect it
18 must adduce sufficient supporting evidence to enable the
19 Board to decide the issue before it on the merits of the
20 Application.

21 There are two (2) aspects of this overall
22 hearing process that the Board will want to take into
23 account and they are first, the evidence. That is the
24 evidence upon which to decide the issue. And there is an
25 important overall consideration, secondly, the public

1 interest which is fundamental to the Public Utilities
2 Board's mandate.

3 Board counsel takes no position, I might
4 say, in respect to the position of the parties to this
5 proceeding. And my job is to assist in the process of
6 ensuring that all the evidence and as much of the
7 evidence as is possible is adduced to assist the Board in
8 arriving at its decision. However, there -- that is on a
9 totally impartial basis, without taking any position on
10 the merits of either the Applicant or the Intervenors'
11 point of view.

12 So in terms of the Board's decision-making
13 process, it is a question of taking into account all of
14 the evidence, but particularly the extent and sufficiency
15 of the evidence presented by Avion to satisfy the onus
16 that it carries to prove its case.

17 Is there a preponderance of evidence to
18 substantiate Avion's position in applying to the Public
19 Utilities Board for approval of this service? That is,
20 approval of the agreement with the City, and in
21 satisfying the Board that there is enough evidence
22 regarding its proposed operations to enable the Public
23 Utilities Board to authorize those operations as set
24 forth in Section 1 -- Subsection 163(3) of the City of
25 Winnipeg Charter.

1 Secondly, the overall Board consideration
2 is to fulfill its mandate to protect, advance, and act in
3 the public interest. And that's where the Intervenors'
4 position comes into play, that is in terms of whether the
5 impact of the shuttle service on the taxi industry is a
6 relevant consideration in determining the public
7 interest.

8 So those are the factors which will guide
9 the Board; that is, firstly, the evidence, and secondly
10 the public interest. And I trust that the arguments of
11 the parties will undoubtedly be so directed. Those are
12 my comments, sir.

13 THE CHAIRPERSON: Thank you, Mr.
14 Saranchuk.

15 Now we move on to the matter of the
16 closing statements by the parties. In advance of the
17 discussion, the Board leans more towards considering the
18 thought of having written argument, but we will take oral
19 comments first, beginning with the Applicant.

20 Mr. Edwards...?

21 MR. PAUL EDWARDS: Thank you, Mr. Chair.
22 And before I address that question I would just ask, in
23 terms of your comments, if we could have a specific
24 reference to the Mayor's comments and the -- the -- where
25 that's come from. I'm -- I'm not -- I -- I would

1 appreciate that, in terms of being able to understand
2 your comments.

3 THE CHAIRPERSON: We can find that.

4 MR. PAUL EDWARDS: Thank you very much.

5 In terms of moving to argument, and -- and
6 by the way, thank you to the Board very much for those
7 comments. They're, I think, extremely helpful to -- to
8 the parties in terms of understanding the -- the -- at
9 this point anyway, the -- the thoughts of the Board. So
10 thank you for those comments.

11 In terms of argument, we would certainly
12 prefer an opportunity to have oral argument. However,
13 the passage of time has been, I think, more than any of
14 us expected. We understand it's still the summer season,
15 and so I'm going to ask, perhaps, some guidance from Mr.
16 Singh or Mr. Saranchuk or the Board itself, in terms of
17 what the timing might be if we were to -- to have oral
18 argument, because if that's not possible within a
19 reasonable period of time, then I think we would move to
20 written.

21 If that is necessary, to -- to move to
22 written argument, I'm -- and I'm -- I'm not asking the
23 Board to necessarily impose a length of argument. But I
24 do note that many courts in this country now have taken
25 views and -- and imposed limits on length of argument.

1 I -- I would like some guidance on that,
2 obviously, from the Applicant's point of view. I think
3 we've had good guidance on what is on the Board's mind.
4 I think we could keep argument relatively short. And I
5 note that other courts have, through various rules,
6 twenty (20) to thirty (30) pages seems to be a range
7 courts look at.

8 So if we have to move to written argument,
9 I -- I would like some guidance on the Board in terms of
10 that issue.

11 THE CHAIRPERSON: Mr. Edwards, before I
12 call on Mr. Soronow, because it may help him as well, if
13 we were going to take oral argument, we could do it this
14 Friday.

15 MR. PAUL EDWARDS: Thank you for that.
16 That -- that is not available to -- to me. I -- I hadn't
17 had any forewarning prior to today, and I am committed
18 the rest of the week.

19 THE CHAIRPERSON: We'll move now to Mr.
20 Soronow.

21 MR. SIDNEY SORONOW: Mr. Chairman,
22 likewise, I'd like to comment on and thank the Board
23 Chair and the Board generally for the comments that had
24 been made and your review of those items that you've
25 taken note of and aspects that you're going to have to

1 consider and at least look at, whether they should form
2 the foundation or not form the foundation, in whole or in
3 part of the decision that you are charged with
4 responsibility to make.

5 Quite obviously, it's of help to us to try
6 to focus our thoughts for purposes of argument. And I
7 again thank you for that and Board counsel for the
8 comments he made, both of which are helpful.

9 In terms of argument, our preference
10 vigorously is for oral argument. I think from the
11 Board's perspective as well, the value of oral argument
12 is the immediacy on the occasion that it happens and the
13 opportunity for interplay with the presenter that helps
14 to draw out, for the Board, the most relevant
15 considerations.

16 I note that Mr. Edwards started by saying
17 that too is his first preference. We join in that as
18 being a preference, and we would look at written argument
19 as far down the ladder or far down the chain, in terms of
20 preferability. So we very much would like to focus
21 towards a -- an oral argument.

22 And if I may just add, Mr. Chairman, you
23 note the -- the passage of time. There has been a
24 passage of time. But that having been said, I think both
25 parties have shown, in their attempt to complete this

1 evidence, a high level of effort and diligence. And I
2 think that if we allow this matter to be the subject of
3 discussion between the parties, separately with the
4 Board, I -- I sus -- or Board officer and -- and counsel,
5 that we'd be able to come up with a date that isn't so
6 far off in the future as to cause anyone discomfiture.

7 And to me, that seems to be the most
8 logical way, which, if that couldn't happen, it would
9 always then be open to the Board to impose written
10 argument.

11 So it seems to me when you have both
12 counsel saying we prefer the oral argument, that we ought
13 to try to play out that string and see if it can be
14 accomplished within some reasonable time frame.

15 THE CHAIRPERSON: Okay. We'll leave it
16 in the hands with Mr. Saranchuk to consult with both
17 parties and see if we can work out something on oral
18 argument.

19 If something reasonable cannot be worked
20 out, then we will return to the concept of written
21 argument.

22 MR. SIDNEY SORONOW: Okay.

23 THE CHAIRPERSON: Just hold on one
24 second. What's August the 4th look like?

25 MR. PAUL EDWARDS: I am not available.

1 I'm -- I'm on vacation that week and so...

2 THE CHAIRPERSON: Okay, we're going to
3 leave it with Mr. Saranchuk and the two (2) parties to
4 figure out a date. And if we do end up having to fall
5 back on written argument, we will provide some comments
6 with respect to the length of the submission.

7 But hopefully Mr. Saranchuk, Mr. Edwards,
8 and Mr. Soronow can work out something that we can get
9 this oral argument in before the close of the summer.

10 Thanks to everyone.

11 MR. SIDNEY SORONOW: Thank you, Mr.
12 Chairman.

13 MR. PAUL EDWARDS: Thank you, Mr. Chair.
14 Thank you to members of the Board.

15 THE CHAIRPERSON: Thank you.

16
17 --- Upon adjourning at 12:50 p.m.

18
19

20 Certified Correct,

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22

23 -----

24 Cheryl Lavigne, Ms.

25