

# **City Manager's Report on Taxicab Issues:**

*Resolution No. 20100225 – 060*

*Resolution No. 20100527 - 055*



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# February Council Resolution on Vehicles for Hire (1 of 2)

- 2/25/10, City Council passed Resolution 20100225-060 following action increasing Taxi Fares
- City Manager directed to work with Urban Transportation Commission to collect stakeholder input and make recommendations
- Stakeholders to include drivers, customers, franchise holders and associated businesses.

# February Council Resolution on Vehicles for Hire (2 of 2)

- Topics to include
  - Flat rate fare from Airport to Downtown
  - Flat rate fare from Airport to UT
  - Flat rate fare within Downtown
  - Boundaries for Downtown and UT
  - Clean up fee for passenger incidents
  - Additional Downtown Taxi Stands
  - Other drop-off/pick-up locations
  - Other issues that arise

# 2<sup>nd</sup> Council Resolution on Vehicles for Hire

- Council passed a 2<sup>nd</sup> resolution adding to the charge of the Staff and UTC task force
  - Taxicab Franchise holders performance indicators
    - To track customer service data, fleet make up, fee growth rate, etc.
  - Capping fees charged by Franchise holders
  - Revised method to renew franchises
    - Various procurement options
    - Methods to achieve City goals
    - Integration of key performance measures

# UTC and Staff Resources

- Urban Transportation Commission
  - Dustin Lanier
  - Boone Blocker
- Austin Transportation Department
  - Morris Poe
  - Joe Tower
  - Marcy Cardona
  - Lee Austin, P.E.
  - Gordon Derr, P.E.
  - Steve Grassfield
- Corporate Public Information Office
  - Larry Schooler

# **UTC and Staff Task Force Goals**

- Ensure taxi service provides the greatest safety, convenience, and value, while respecting the needs of the drivers, riders, and franchise holders
- Ensure ordinance creates the right incentives for effective operations and appropriate City oversight
- Assess ordinance, rules, and procedures to identify high value short term pilots and long term adjustments

# Zone Fares

***Drivers and franchise holders consensus was to continue to use metered fares instead of flat rate fares for:***

- ABIA to CBD
- ABIA to UT area
- Within CBD
- Therefore, CBD and UT area boundaries- no action necessary

# Clean Up Fee

*“Fee that would apply when a cab must be removed from service for cleanup.”*

- **Option 1:** Add (\$0.05 or \$0.10) to drop fee per trip. Drivers keep additional revenue for cleanup required
- **Option 2:** Add (\$0.25) to drop fee per trip. Drivers remit collected fees to franchise, and franchise to City. Drivers file claim with City for reimbursement up to \$250. Fee to fund claims and additional City staff person to administer program.
- Staff taking feedback from Stakeholders on best avenue forward



# Council Requested Recommendations on:

- *“The potential for additional cab stands in the warehouse district and other entertainment districts;”*
  - Staff has developed a proposal to add evening taxi stands near primary downtown entertainment venues.
  - Staff seeking feedback on locations and prior to implementation administratively.
- *“Using “hailing icons” and implementing new pickup/dropoff procedures to improve customer access to services.”*
  - Staff is working with PDR Urban Design on development of a contract to design a downtown wayfinding system which can include additional locations for drop-off and pick-up. Staff would like to implement the revised taxi stand proposal and see what areas would need additional options.

# **Additional Issues Brought to the Task Force:**

- **Minimum fare for taxi trips departing ABIA**
  - Suggested minimum equal to 4 mile trip plus airport surcharge
  - With today's fare structure that would be \$11.65
- **Alternating Day Access for Cabs to ABIA**
  - Airport Vehicle for Hire Control has looked at proposal and do not feel it is needed at this time, but option for the future
- **Build In Incentives for Hybrids: Set as key performance measure for franchise evaluation**
  - Look at franchise fleet fuel mileage as indicator of meeting community values
- **Taxicab permit allocation method between Franchises**
  - Today, any new permits would be made available to Austin or Lone Star Cab Companies, Yellow Cab not eligible until below 60%.
  - Issue needs additional study

# **Recommendations on additional issues:**

- **Pedicabs should have regulations**
  - Currently each pedi-cab company has an operating authority with the City which are not generally available for viewing
  - All vehicles for hire that operate in the City are under common requirements including liability insurance and driver licenses
- Recommend revision to City Code to incorporate pedi-cab regulations
- Look at establishing flat rate fare (Example: San Diego uses \$2 per block or \$2 per intersection crossed) for pedicabs
- ATD to begin ongoing discussions with Pedi-cab industry to address current concerns.

# **Recommendations on additional issues:**

- **Mobile or Portable permits**
  - No successful implementation models found
  - Needs additional study
- **Appeal process for terminated drivers**
  - Recommend the City does not become involved in arbitration
- **Health/injury insurance coverage**
  - Do not recommend franchise holders to be required to provide health/injury insurance for drivers
- **Credit/Debit Payments through 3<sup>rd</sup> Party**
  - Franchise holders should negotiate in contract with drivers

# Council Requested Recommendations on:

- *“Taxicab performance indicators;*
- *Capping fees charged by franchises to the drivers.”*
  - Staff will work with drivers and franchise holders to develop a set of measures that will give a complete picture of the franchise operations, driver conditions, and user satisfaction. A measure could be the fees charged to the drivers and their changes over time.
  - Staff will work with the UTC and stakeholders to develop a profile for the optimal franchise and progress will be measured as the franchises moves toward the goal.

# Council Requested Recommendations on:

- *“A revised methodology for authorizing franchise agreements.*
- *Various agreement types that enable franchises and the City to achieve customer service, community value, and driver working condition goals.*
- *Integration of key performance indicators as a standard for continued franchise authorization.”*
  - These items require further study and consideration.

# **Considerations in Developing Future Processes:**

- No standard best practice
- Austin has small number of taxi companies
- Over allocation of permits
- Under current code, additional franchises could enter the market if permits were available
- Inadequate number of regulatory staff

# **Recommended Ordinance**

## **Goals:**

- Create performance measures that better align economic interests of both drivers/franchises.
- Test preferred franchise profile through combined renewal process no less than every 5 years
- Through the renewal process, create recommendations on franchises and permit allocation together
- Create system of incentives for superior service which match preferred profiles



# Taxi Service Comparison Fares

## Fare Comparison

<u>City</u>	<u>6-Mile Trip Cost</u>
Austin	\$14.85
Dallas	\$12.85
Fort Worth	\$12.85
Houston	\$13.00
San Antonio	\$14.55
Portland	\$16.00
Seattle	\$17.25

# Taxi Service Comparison

## Cab Ratio

Per Capita Availability

<u>City</u>	<u>Population</u>	<u># Cabs</u>	<u>Ratio</u>
Dallas	1,400,000	2,022	1:692
Seattle	602,000	673	1:895
Houston	2,300,000	2,270	1:1013
Austin	783,295	669	1:1170
San Antonio	1,400,000	883	1:1585
Portland	575,000	382	1:1505
Fort Worth	736,200	300	1:2454