



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 25
AGENDA DATE: Thu 08/18/2005
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SUBJECT: Approve an ordinance amending Chapter 13-2 of the City Code relating to Ground Transportation Services.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Public Works
DEPARTMENT:

**DIRECTOR'S
AUTHORIZATION:** Sondra Creighton

FOR MORE INFORMATION CONTACT: Morris Poe, 974-1562; Laura Bohl, 974-7064

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Recommended by the Urban Transportation Commission.

PURCHASING: N/A

MBE / WBE: N/A

Parts 1, 2, 3, and 5 of the ordinance included in the backup material for this item amend sections of the City Code to require all vehicle for hire trips that originate in Austin to be provided by ground transportation services that are licensed to operate in Austin. Currently, services that are not licensed to operate in Austin may provide service that either originates or terminates outside of the city. The growth in the neighboring communities surrounding Austin has promoted an increase in limousine, taxicab, and ground transportation services operating in the area. The Public Works Department receives reports from licensed ground transportation service providers about the unlicensed services picking up customers in Austin and taking them to other destinations in the city. Other Texas cities that have adopted policies similar to the proposed include Corpus Christi, Dallas, Fort Worth, Houston, and San Antonio.

The licensed services should be the only companies authorized to provide service that originates in Austin since these companies have met the vehicle and insurance standards described in the City Code and pay an annual fee to operate in Austin. The unlicensed companies are not required to meet these standards and the condition of the vehicles and status of insurance is unknown. The City cannot perform its role of providing for the safety and well being of customers that are transported by unlicensed companies. Services that are not authorized to operate in Austin will be able to continue to transport customers from outside the city into Austin and to other destinations within the city as long as they provide continuous service to the customer and do not pick up a new customer.

The Public Works Department hosted a meeting on the proposed ordinance in June 2005. Representatives of two unlicensed companies expressed opposition to the proposal. They opposed the change because they support open entry into the taxicab market. A licensed taxicab driver opposed the change, supporting open entry into the taxicab market and customer choice. A licensed limousine permit holder opposed the change expressing concern that the change may cause other nearby cities to begin regulation of the services. The three taxicab franchise holders support the change, and none of the other licensed



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limousine permit holders expressed opposition.

Part 4 of the ordinance reduces the passenger occupancy capacity requirement of sedans and sport utility vehicles used in the limousine industry to four (4) persons excluding the driver, and adds sport activity vehicles to the categories of vehicles that may be used to provide limousine service. The limousine industry has requested these changes to accommodate market and client demand. No opposition was expressed to this proposal during the June 2005 meeting.

Part 6 of the ordinance allows a taxicab franchise to maintain a dispatch terminal within 5,000 feet of the city limits. The current regulations require the dispatch terminal to be within the city limits. Yellow Cab Company has requested the change because they plan to move to a new facility. Their preferred location is in an area that is surrounded by the city limits but is not within the city limits. No opposition was expressed to this proposal during the June 2005 meeting.

The Public Works Department recommends approval of the ordinance. On July 18, 2005, the Urban Transportation Commission considered the ordinance and voted 6-0-2 absent to recommend approval.

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ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 13-2 RELATING TO GROUND
TRANSPORTATION SERVICES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Section 13-2-1(11) of the City Code is amended to read:

- (11) GROUND TRANSPORTATION SERVICE VEHICLE means a chauffeured vehicle used to transport passengers on City streets for compensation ~~[under the authority of this chapter]~~.

PART 2. Section 13-2-3 of the City Code is amended to read:

§ 13-2-3 OPERATING AUTHORITY OR TAXICAB FRANCHISE REQUIRED.

(A) Except as provided by Subsections ~~[Subsection]~~ (B) and (C), a person may not provide or operate a ground transportation service that picks up passengers within the city or represent the person's business to the public as a ground transportation service unless that person obtains an authority to operate the ground transportation service under Section 13-2-161 (*Operating Authority Application Required*) or a taxicab franchise to operate a taxicab service under Section 13-2-303 (*Franchise Application Required*).

(B) This section does not apply to the operation of ~~[the following]~~:

- (1) ~~a~~ [A] vehicle owned, operated, or subcontracted by the federal government, the state, or a political subdivision when providing service exclusively to the governmental entity;[-]
- (2) a [A] vehicle used exclusively for funeral services;[-]
- (3) a [A] courtesy vehicle that:
 - (a) routinely provides transportation between the principal place of business of a courtesy vehicle provider and a public transportation terminal;

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(b) is used by an automotive repair business, car dealership, or similar business operation to transport customers to or from their work or home and the business; or

(c) is operated by a corporation that qualifies for exemption from taxation under Section 501(c)(3) of the Internal Revenue Code;[-]

(4) a [A] vehicle that only provides a service that is regulated by the state or federal government;[-]

(5) an [Aa] ambulance;[-]

(6) a [A] vehicle rented without a driver;[-]

(C) A driver operating a ground transportation service vehicle without an authority to operate the ground transportation service under Section 13-2-161 (*Operating Authority Application Required*) or a taxicab franchise to operate a taxicab service under Section 13-2-303 (*Franchise Application Required*) or a chauffeur's permit under Section 13-2-101 (*Chauffeur's Permit Required*) may transport a passenger from a point outside the city to one or more points within the city, or may transport the passenger across the city, but may not pick up a new passenger within the city.

(D) A driver operating a taxicab under Subsection (C) shall keep the taximeter running while transporting a passenger within or across the city, or while waiting for a passenger within the city.

(E) It is presumed that an individual picked up within the city by a ground transportation service vehicle is a passenger.

PART 3. Section 13-2-121 of the City Code is amended to read:

§ 13-2-121 EXEMPTION FROM CHAUFFEUR'S PERMIT REQUIREMENT.

A driver of a ground transportation service vehicle that has an operating authority permit under Section 13-2-166 (*Operating Authority Permit*) and [with] an occupancy capacity of 16 persons or greater, including the driver, is exempt from the permit requirement of Section 13-2-101 (*Chauffeur's Permit Required*) if the driver [individual] possesses a valid Class "B" or "C" commercial driver's license with a passenger endorsement issued to the driver by the State of Texas and a certificate stating that the driver is physically qualified to drive a commercial motor vehicle issued by a qualified medical examiner under 49 Code of Federal Regulations Section 391.41.

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PART 4. Section 13-2-202 of the City Code is amended to read:

§ 13-2-202 LIMOUSINE SERVICE REQUIREMENTS.

- (A) A holder of a limousine operating authority shall comply with Article 2 [~~(Ground Transportation Services Other Than Taxicabs)~~], Division 1 (*Operating Authority*).
- (B) Except as otherwise provided by this section, a holder may not use a vehicle to provide limousine service under this chapter unless the vehicle is a remanufactured and extended wheelbase luxury sedan or a pick-up truck on a full-sized chassis with an occupancy capacity of five or more, excluding the capacity of the driver compartment.
- (C) A holder that provides limousine service using at least one vehicle described in Subsection (B) may also provide limousine service using a full-sized sedan vehicle categorized as a luxury vehicle within the automobile industry, with a minimum occupancy capacity of four [~~five~~] excluding the driver.
- (D) A holder that provides limousine service using at least one vehicle described in Subsection (B) may also provide limousine service using a vehicle categorized by the automobile industry as a sport utility vehicle or a sport activity vehicle with a minimum occupancy capacity of four [~~seven~~] excluding the driver.

PART 5. Chapter 13-2 of the City Code is amended to add a new Section 13-2-204 to read:

§ 13-2-204 TRIP TICKET REQUIRED.

- (A) A driver operating a limousine within the city under Section 13-2-3 (C) (*Operating Authority or Franchise Required*) shall keep in the vehicle a trip ticket containing the information described in Subsection (B). The driver shall allow a person designated under Section 13-2-13 (B) (*Enforcement*) or Section 13-2-14 (*Enforcement Officers*) to inspect the trip ticket upon request.
- (B) A trip ticket must include the following information:
- (1) the name, address, and phone number of the person who booked or paid for the limousine trip;
 - (2) the name, address, and phone number of at least one passenger transported by the limousine on the trip; and

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(3) the pickup location and the dropoff location for the trip.

PART 6. Section 13-2-344 (A) of the City Code is amended to read:

§ 13-2-344 PROMPT RESPONSE REQUIRED.

(A) A franchise holder shall maintain a dispatch terminal within the city or within 5,000 feet of the city limits that is operational 24 hours each day for the purpose of receiving calls and dispatching taxicabs.

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PART 7. This ordinance takes effect on _____, 2005.

PASSED AND APPROVED

_____, 2005

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§
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Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A. Brown
City Clerk

A. Approve an Ordinance Amending Chapter 13-2 Relating to Ground Transportation Services

Mr. Morris Poe, Transportation Regulatory Manager with the Public Works Department, stated that the proposed changes are to amend the section 1, 2, 3, and 5 of the City Code to require all vehicles for hire trips that originate in Austin to be provided by ground transportation services licensed to provide service in Austin. He stated due to the growth in surrounding communities there has been an increase in the number of limousine, taxicab and other ground transportation services operating in the area, and an increase in the number of unlicensed services picking up customers in Austin and taking them to other destinations within the city. Mr. Poe also stated there are several Texas cities that have adopted a similar policy.

Mr. Poe stated that licensed services should be the only companies providing services that originate in Austin because these companies have met the vehicle and insurance standards described in the City Code and also that pay an annual fee to operate in Austin. Unlicensed companies will still be allowed to transport customers from outside the city of Austin into the City and to other destinations within the city, as long as they are providing continuous service to the customer and not picking up new customers.

Mr. Poe then described the changes to section 4, the reduction of passenger occupancy capacity, and the addition of a new type vehicle, a sport activity vehicle. He also stated that section 6 allows a taxicab franchise to maintain a dispatch terminal within 5000 feet of the city limits. This was change was due to one of the cab companies requesting the change because they plan to move to a new facility.

Mr. Poe stated he held a meeting in June of 2005 with representatives from the various permit holders. The only opposition was by one limousine permit holder and their concern was that other nearby cities may begin regulating their services. He further stated that the Public Works Department recommends approval of the proposed ordinance.

There was one citizen who spoke supporting these changes, citing reasons such as outside companies not meeting the insurance requirements, the drivers not having to criminal background checks, and the vehicles inspection requirements being different.

Motion by: Patrick Goetz

Seconded by: Dan Rozycki

Motion: Recommend the changes as listed.

Ayes: Lockler/Clements/Goetz/Harden/Rozycki/Tepper

Nays: None

Abstain: None

Absent: Brinkman/Sapire