



Memorandum

TO: BUILDING BETTER
TRANSPORTATION COMMITTEE

FROM: James R. Helmer
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SUBJECT: TAXICAB SERVICE MODEL
PROGRESS UPDATE

DATE: 2-17-04

Approved

Date

BACKGROUND

The purpose of this memorandum is to update the Building Better Transportation Committee on the direction of the Taxicab Advisory Team (TAT) on reaching a consensus around a taxi service model. As the consensus process is ongoing during the month of February, staff will be reporting verbally to the Committee on specific areas where stakeholders have reached agreement. The following describes the areas for discussion and the progress made thus far.

ANALYSIS

The initial service model proposed by Schaller Consulting contemplated an alternate-day rotation system of a finite number of Airport permits that all taxicab companies would be eligible to acquire to replace the two current concession contracts. Initially, the consultant had suggested that 320 of these permits be allocated to companies. Distribution would occur to companies by a combination of elements, including an appropriation according to the company's percentage of pre-arranged trips in San José and the number of cabs or drivers at each company. Through a competitive RFP process, an independent management entity would manage the day-to-day operations of the rotation system and enforce regulations currently required of the concessionaires.

Through meetings with the TAT and individual stakeholders, City staff is in the process of developing alternatives and refinements to the consultant's proposal. Additional meetings are scheduled in late February to solidify feedback gathered thus far and complete the consensus building process. If steady progress cannot be made toward reaching a consensus on the desired service model by March 1, 2004, staff will prepare a final recommendation for BBT's consideration in April.

The main issues that stakeholders are considering in the TAT's consensus meetings are:

- ❑ Allocation and distribution options that allow Airport permits to be directly distributed to drivers and taxicab companies in a fair and equitable manner.
- ❑ Development of rules and regulations that will ensure that the rotation system and independent management entity meets the needs of the Airport.
- ❑ Providing an auditable reporting mechanism by which the City may verify pre-arranged non-airport trips by companies to effectively distribute Airport Permits.
- ❑ Creating a transition period that will minimize disruption to the industry.
- ❑ Formulating a process where taxicab companies may report their standard fares and flat fares under the maximum rate scheme.
- ❑ Constructing a cost recovery fee structure for taxicab permit fees.

PUBLIC OUTREACH

The "DRAFT" Taxicab Service Model Study and options for implementation has been discussed in detail with the Taxicab Advisory Team over five consensus forming workshops and meetings with individual stakeholders.

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