

AGENDA ITEM NO.

COUNCIL MEETING 7/17/2007

APPROVED BY _____

DEPARTMENT DIRECTOR _____

CITY MANAGER _____

July 17, 2007

FROM: JEAN M. ROUSSEAU, City Controller
Finance Department

BY: BRIAN REAMS, Revenue Manager
Utilities Billing and Collection Division

SUBJECT: WRITTEN RESPONSE TO TAXI CAB INDUSTRY OWNERS
REQUEST FOR INFORMATION

EXECUTIVE SUMMARY

Taxi cab owners and operators requested an appearance before the Fresno City Council to discuss taxi cab rates of fare. On April 24, 2007, as represented by Ashok Seth Kumar of Fresno Cab Company, Council was presented with a list of five issues of concern to the Taxi industry. (Attachment A). Council directed City Staff to prepare and present a written response to these issues. Issues and responses are presented herein.

BACKGROUND

Changes to the Fresno Municipal Code sections regarding taxi cab operations were approved by the Fresno City Council and went into effect on June 8, 2006. As a result of the many new requirements for both taxi drivers and taxi cab owners, the Business Tax and Permits Division of the Finance Department established a graduated, multi-phased schedule giving cab company owners one year to meet the requirements in increments to be completed by June 30, 2007.

ISSUES

The taxi industry in their presentation before the Fresno City Council on April 24, 2007, presented five specific issues of concern that are addressed below:

Gasoline Rate Increase: Taxi representatives expressed concerns about the impact that gasoline prices are having on the industry and the inability of current rates of fare to cover these fuel cost increases. The Business Tax Division has confirmed through the Consumer Price Index that average gasoline prices in Western Urban Areas have increased 79.2% since the last taxi fare rate increase in 2001. A new proposed rate structure is being introduced by City Staff.

Map, Braille Sign, Passenger Information Request: The Fresno Municipal Code Section (FMC) 6-908 requires that information regarding the taxi fare rate schedule, a complaint hotline phone number, the taxi cab permit, and the taximeter all be displayed in full view of passengers. The City Manager's Office maintains Rules and Regulations in support of the FMC in regard to this displayed information and requires that it be enclosed in a glass or clear plastic frame and permanently affixed to the vehicle. In addition, an ADA-approved sign indicating the cab number and company name must be affixed to the right rear door. In the list of taxi issues, the taxi industry has requested that the information be provided in booklet or binder form instead and placed in the back seat pocket of the cab.

City staff is concerned that the booklets/binders will not remain in the cabs and will not be in direct view of the passengers, since they would not be permanently affixed to the cabs' interiors.

At a meeting with the taxi cab owners on July 2, 2007, upon further discussion and consideration, the City Controller gave the companies the option of choosing either the binder or the information board, as long as the appropriate information is available to customers and remains with each taxi.

Photo Identification Card: The taxi industry expressed agreement with the City Manager's Rules and Regulations requirement that a photo identification card with the taxi driver's photo and taxi driver permit number be installed in clear view of the passengers. City Staff verified that this issue was simply a concurring statement by the taxi representatives and required no further action.

No Smoking in Taxi: The taxi industry agreed with the City Manager's Rules and Regulations requirement that taxi drivers not be allowed to smoke in the cab. They also stated agreement that the driver should be fined for each offense, and have their permit suspended or revoked for three or more offenses in one twelve-month period. City Staff clarifies and confirms that this is a driver related violation rather than a taxi cab owner violation.

Age of Taxi Cab: The Fresno Municipal Code requires that each taxi cab pass an inspection by an approved, certified automotive repair facility before issuance or renewal of the taxi cab permit. The City Manager's Rules and Regulations require that by January 2009, all taxi cabs must be six years old or less.

The taxi industry believes that the age of the vehicle is not as important as the level of mechanical and aesthetic quality of the cab. The City of Fresno has found in the past that with no age restriction on vehicles, the taxi industry as a whole did not maintain a high level of mechanical or aesthetic quality in their cabs.

Before June 2006, taxi cab vehicles were inspected by City of Fresno Fleet Department mechanics each quarter for the renewal of the permit, which gave the City frequent opportunities to observe the condition of the cabs. The code revision now provides for only annual certified vehicle inspections. To insure that the quality of taxi cab vehicles will remain at a high level throughout the annual permit period, an age limit for the vehicles is crucial and will not be waived.

Taxi Cab Fare Rate Increase: The City of Fresno Business Tax Division has conducted a comprehensive market survey comparing the City of Fresno's current rates to several similar sized agencies in California. A recommendation to Council to increase the taxi fare rates is presented in a separate staff report.

FRESNO TAXI ISSUES

WE THE OWNERS REQUEST CONSIDERATION OF THE FOLLOWING:

- 1- DUE TO THE PRICE OF GASOLINE RATE INCREASE.
- 2- THE REQUEST OF MAP AND BRAILLE, LITERATURE ETC. PLEASE MAKE INTO BOOKLET FORM TO BE PLACED IN BACK SEAT POCKET; COST TO THE CITY, WE WOULD BE IN COMPLIANCE WITHOUT THE CLUTTER.
- 3- WE AGREE WITH THE PERMIT WITH THE PICTURE TO BE DISPLAYED IN FRONT SEAT VISIBLE TO CUSTOMER. (HOPEFULLY TO AVOID THE TAXI FAKES) ALSO TO ADD TO THE BOOKLET WHAT THE PASSENGER NEEDS TO BEWARE OF DRIVERS WITHOUT PERMITS.
- 4- NO SMOKING IN TAXI; FINE THE DRIVER FIRST, USE 3 STRIKE, LOSE PERMIT.
- 5- THE YEAR OF THE CAR IS NOT AS IMPORTANT AS THE MECHANICS, CLEANLINESS AND VISUAL. SOME GUYS CAN HAVE A NEW CAR THAT LOOKS LIKE A JUNK. THE COST IS EATING THE OWNERS. MAKE IT STRICT BUT MAKE IT FINANCIALLY SECURE TO BE IN THIS BUSINESS. NO RATE INCREASES FOR OVER 6 YEARS WITH COSTS. IT IS ALMOST LIKE YOU TRYING TO PUT THE TAXI BUSINESS OUT OF BUSINESS.



FRESNO CAB CO.

RATES ON OTHER CITIES



SACRAMENTO

\$4.00 DROP AND FIRST 1/8 MILE
\$2.50 PER MILE
.50 WAIT PER MINUTE

MADERA AND BAKERSFIELD ARE CHARGING \$2.50 PER MILE.

Attachment A - page 2

695 W. Santa Ana Avenue, #109 • Clovis, California 93612
(559) 301-5579 • (559) 801-3221 • (559) 292-1977 Fax
Website: www.fresnocab.com • Email: taxi@fresnocab.com

SIGNATURE'S OF TAXI OWNER'S FOR TAXI ISSUES

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1-YELLOW CAB COMPANY Ab

2-CITY CAB COMPANY Subh maha

3- BULLDOG CAB COMPANY [Signature]

4-AZTECA CAB COMPANY [Signature]

5-YOSEMITE CAB COMPANY Grano Armas

6-GOLDEN EXPRESS Enrique Villaseca

7 FRENO CAB COMPANY Rohit Kumar Sen