



**City
of
Milwaukee**

*INTERDEPARTMENTAL CORRESPONDENCE
LEGISLATIVE REFERENCE BUREAU*

MEMO

To: Members of the Public Safety Committee
From: Rebecca Cliff, Legislative Research Analyst
Date: 2/27/2009
Subject: Survey of Taxicab Rates

Pursuant to your request, a survey was conducted on taxicab rates for cities comparable to Milwaukee. Items surveyed include:

- “Flag drop” charge (the initial charge to which all other fees are added).
- Mileage charge.
- Waiting time charge.
- Whether there is a fuel surcharge, and if so, the amount.
- Charge for additional passengers.
- Any other special charge, such as a minimum charge or luggage charge.
- Date of last fare increase.

The following cities were surveyed: Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Madison and Minneapolis.

This information was gathered by researching the cities’ municipal codes and by contacting cab companies in these cities. The results are displayed in Table 1 on the following page.

Table 1

City Name	Flag drop	Mileage Rate	\$/minute Waited	Fuel Surcharge	Extra Passenger Charge	Minimum charge	Luggage Fees / bag handled	Date of Last Fare Increase
Chicago	\$2.25	\$.20 per 1/9mile	\$.33	None	\$1.00, \$.50^	None	None	4/05
Cincinnati	\$2.60	\$.20 per 1/8mile	\$.30	None	None	*\$3.00	None	5/01
Cleveland	\$1.80	\$.40 per 1/4mile	\$.25	None	None	None	None	5/01
Columbus	\$2.00	\$.40 per 2/9mile	\$.40	None	None	None	None	3/00
Detroit	\$2.50	\$1.60per 1 mile	\$.25	None	None	None	None	6/95
Indianapolis	\$2.00	\$.40 per 1/5mile	\$.40	None	\$.65	None	None	01/96
Madison	\$3.00	\$2.00per 1mile	\$.50	^^\$1.00	None	None	None	1/98
Milwaukee	\$1.75	\$.25per 1/8mile	\$.25	^^\$1.00	***\$.75	**\$6.00	\$.10	1/03
Minneapolis	\$2.50	\$.20 per 1/8mile	\$.35	None	None	*\$4.00	None	11/04

*This is optional for the driver. This minimum must be posted. None of the companies called required a minimum charge.

** This applies to fares computed from General Mitchell International Airport.

*** This applies to children over the age of 12.

^The fee for the first additional passenger over the age of 12 is \$1, the fee for each additional passenger is \$0.50.

^^This surcharge is in effect from 7/1/05 through 12/27/05.

^^^This surcharge is in effect from 10/12/05 to 4/12/06.

Milwaukee's flag drop fee is the lowest of all the cities surveyed at \$1.75. The highest flag drop fee is \$3.00 in Madison. In terms of mileage fees, Milwaukee, Madison and Indianapolis show the highest rates at \$2.00 per mile. The lowest rate is \$1.60 in Minneapolis, Detroit, Cincinnati and Cleveland. Milwaukee, Cleveland and Detroit have the lowest waiting rates at \$0.25 per minute. The highest rate is twice that amount, \$0.50, in Madison.

Among the cities surveyed, Milwaukee and Madison are the only ones that have fuel surcharges; this charge is \$1 in both cities. Additional passenger charges vary among the three cities that have them in terms of how the fee is charged. For example, Chicago charges \$1 for the first additional passenger and \$0.50 for each additional passenger. Milwaukee's additional passenger fee compared to Chicago is: less for one additional passenger, the same for two additional passengers, and more for three or more additional passengers. Indianapolis' fee of \$0.65 is less than Milwaukee's fee of \$0.75. Milwaukee is the only city with a luggage fee, which is \$0.10 per bag; it applies to grocery bags and luggage handled by the driver.

There were three cities with minimum charges: Cincinnati, Milwaukee and Minneapolis. Milwaukee differs from the other cities in that the minimum charge only

applies to fares originating at Mitchell International Airport to any other part of the city.

Table 2 below compares the total cost of a 1-,3-,5- and 10- mile taxi fares in each city. These fares are for a single rider, without luggage, where a minimum charge and waiting rate do not apply.

Table 2

City	1 mile	3 miles	5 miles	10 miles
Chicago	\$3.85	\$7.45	\$11.05	\$20.05
Cincinnati	\$4.00	\$7.20	\$10.40	\$21.10
Cleveland	\$3.40	\$6.60	\$9.80	\$20.50
Columbus	\$3.60	\$7.20	\$10.80	\$19.80
Detroit	\$3.90	\$7.10	\$10.30	\$24.00
Indianapolis	\$4.00	\$8.00	\$12.00	\$22.00
Madison	\$4.80	\$8.80	\$11.80	\$23.80
Milwaukee	\$3.50	\$7.50	\$11.50	\$21.50
Minneapolis	\$3.90	\$7.10	\$10.30	\$21.00

*Fares have been calculated based on the rates in Table 1.

The fares shown above include flag drop charges and mileage rates. The fares for Milwaukee and Madison do not include the \$1 fuel surcharge for either city.

Table 3 provides a ranking, in descending order, of taxi fares for 1-,3-,5-, and 10-mile rides.

Table 3

1 mile	3 miles	5 miles	10 miles
Madison	Madison	Madison	Detroit
Cincinnati	Indianapolis	Indianapolis	Madison
Indianapolis	Milwaukee	Milwaukee	Indianapolis
Minneapolis	Chicago	Chicago	Milwaukee
Detroit	Cincinnati	Columbus	Cincinnati
Chicago	Columbus	Cincinnati	Minneapolis
Columbus	Detroit	Detroit	Chicago
Milwaukee	Minneapolis	Minneapolis	Columbus
Cleveland	Cleveland	Cleveland	Cleveland

**Fares have been calculated based on the rates in Table 1.

Milwaukee's 1-mile taxi fare is the second lowest among the cities surveyed. This reflects the city's low flag drop fee. The comparatively higher 3-, 5- and 10-mile fares reflect Milwaukee's higher mileage rate.

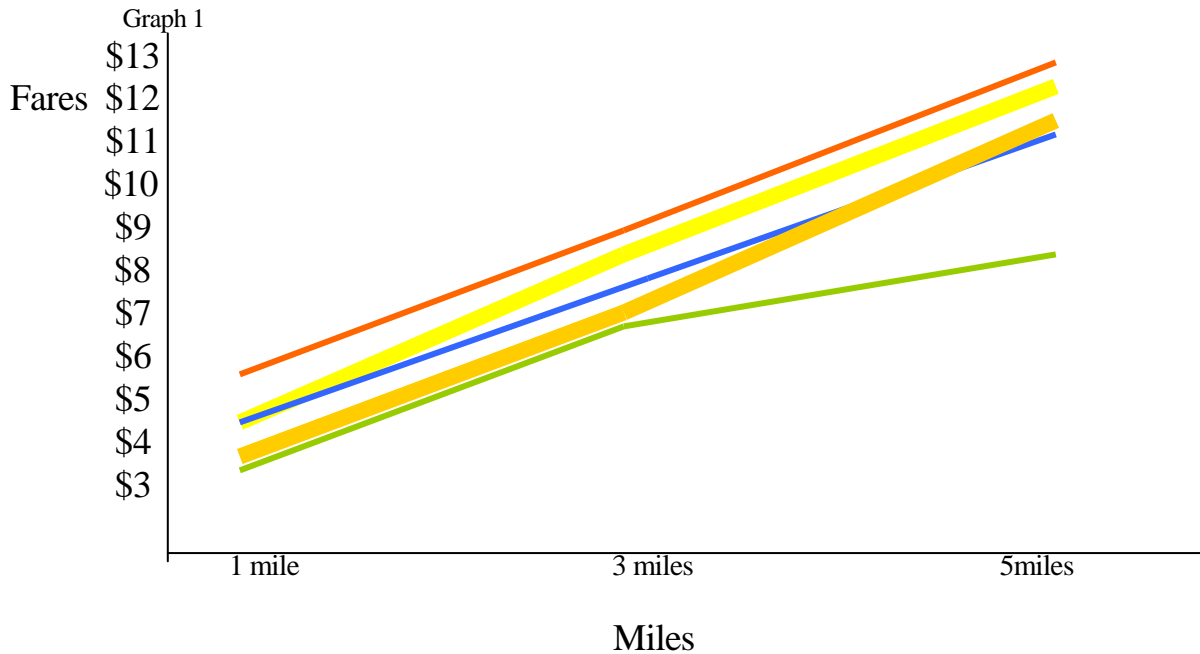
In summary, Milwaukee's flag drop fee and waiting time rate are among the lowest of all the cities surveyed, though the mileage rate is comparatively high. Additionally, fees unique to Milwaukee such as the luggage fee, the minimum charge for rides originating at General Mitchell International airport, and the additional passenger fee raise Milwaukee's fees above the average of the cities surveyed.

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Graph 1 plots Milwaukee's taxi fares for one, three and five mile rides with the fuel surcharge. It also shows Milwaukee's fares without the fuel surcharge. The highest, lowest and average fares for these distances are shown on the graph as well. Milwaukee's fares are shown in yellow, the highest fares are red, the average fares are blue and the lowest fares are green. The orange line shows Milwaukee's fares without a \$1 fuel surcharge.



*This graph is based on information provided in table 3.

This Graph illustrates how Milwaukee's taxi fares with a fuel surcharge remain comparatively more expensive than the average fare for one, three and five mile rides. After one mile there was only a \$.07 difference between the fare in Milwaukee and the average; but after 5 miles that difference increased to \$1.40. The average fare without Milwaukee's fuel surcharge is \$.11 less than the average with the fee. It is not graphed. Without the fuel surcharge, Milwaukee's fare remains below average for one, three and five mile cab rides.