

INTERDEPARTMENTAL CORRESPONDENCE LEGISLATIVE REFERENCE BUREAU

Memorandum

To:

Ald. James A. Bohl, Jr., Chair

Taxicab Review Board

From:

Richard Withers, Legislative Fiscal Analyst

ext. 8532

Date:

May 17, 2010

Re:

Taxicab Review Board (TRB) - Memo 11

Limousine and Shuttle Permits

Taxicab Fare Payment by Credit Card

Temporary Permits - Timely Vehicle Inspections

This memorandum provides background information to assist the Review Board in discussion of Items 3, 4 and 5 on the Agenda for the meeting of May 21, 2010.

Limousine and Shuttle Permits

An ordinance was passed by the Common Council on April 13, 2010, changing the definition of a shuttle vehicle for purposes of licensing from a vehicle that has a passenger-carrying capacity of 11 or more persons, excluding the driver, to a vehicle that has a passenger capacity of 5 or more, excluding the driver.

The ordinance also clarifies the language of the licensing exception for shuttle vehicles providing service to and from General Mitchell International Airport and updates the reference to the Milwaukee County Code of Ordinances provisions authorizing a concession agreement for exclusive rights to shuttle service from General Mitchell International Airport.

"Go Airport Connection," the current service provider of shuttle services to and from General Mitchell Airport under contract with the County, entered a 3-year contract ending on October 31, 2012, with 4 additional 1-year terms at the discretion of the County. Go Airport Connection has agreed to obtain City permits for all shuttles operating in the City notwithstanding the exemption currently provided in s. 100-50-2-b.



A request was made at the last meeting of the TRB to summarize the service agreement entered into between Milwaukee County and Go Airport Connection.

The 30-page service agreement between Milwaukee County and Go Airport Connection appears to be quite comprehensive establishing the exclusive right of the company to provide shuttle service from the airport.

The agreement provides for rental of ticket booth space. The agreement limits the number of ticket agents generally to 2, and it even specifies that personnel in the booth are not to lounge with feet up within view of the public. Company personnel are prohibited from quoting prices for other ground transportation services. Company personnel are required to be clean, courteous, efficient and neat in appearance at all times. Customer waiting times are limited to not more than 15 minutes.

Shuttle drivers are required to offer assistance with luggage, be proficient in their knowledge of the Milwaukee metropolitan area, be fluent in English, wear collared shirts with company logo, and display photo ID. Shuttle drivers are prohibited from soliciting passengers or interfering with their choice of ground transportation. Other prohibitions in the agreement include: repairing, maintaining or washing the vehicle at the airport, using profanity, failing to render service to any passenger when the driver is able and requested to do so, improper disposal of garbage, and drinking intoxicating beverages while on duty.

The service agreement also provides a series of requirements for equipment and vehicle condition.

Permits for each vehicle are \$125 per year. Trip fees of \$2 per trip from the airport are payable monthly. Temporary and non-renewable10-day permits are \$10.

Provisions in the service agreement also include requirements for nondiscrimination, affirmative action, equal opportunity and utilization of disadvantaged business enterprises.

The service agreement provides for liquidated damages for performance standard violations that include passenger wait time exceeding 15 minutes, receipt of more than 3 complaints in a calendar month, dress code violations, and failure to meet vehicle requirements.

The company is also required to post a \$20,000 performance bond, letter of credit or cashier's check in the amount of \$20,000.

Credit Card Requirements

Chicago: The City requires taxicabs to accept credit cards, unless the taxicab is independently owned and operated, that is, the cab does not belong to an affiliation. Riders can determine whether a taxicab is affiliated or independent due to logos which are required to be displayed by affiliated taxicabs, but not independent taxicabs. Partitions are also required for all affiliated taxicabs, but not independently owned and

operated taxicabs.

New York: The Taxi and Limousine Commission mandated that by the end of January 2008 all taxis be equipped with a Passenger Information Monitor (PIM) that is a screen in the backseat that can provide entertainment, a live GPS map of location, and be used to pay for rides by swiping a credit card. The drivers will have an electronic Driver Information Monitor (DIM) in which messages can be sent to them informing them of traffic conditions and facilitating retrieving lost objects.

Boston: Station wagons, accessible taxis for persons with disabilities, and credit card taxis are available upon request at Logan Airport. Ground transportation agents provide assistance to assure that passengers have their choice of a taxicab that takes credit cards. Several other cities have similar requirements for passenger choice.

Chicago and New York were the only 2 cities that I found which require taxicabs to provide credit card access. I spoke with Hal Morgan, Executive Vice President of the Taxicab, Limousine & Paratransit Association based in Rockville, Maryland. He was not aware of any other cities that require taxicabs to provide credit card service. He noted that drivers in both cities were initially opposed. After implementation, however, the drivers were pleased to discover that their tips were usually higher from credit card transactions than from cash transactions. Mr. Morgan also advised that VISA was developing a program to encourage the expansion of credit card use by taxicabs. This may involve a reduced surcharge.

Charging the credit card company surcharge to the customer may violate terms of service. However, many cities permit an extra taxicab charge for the "convenience" of using credit card payment. I found these charges in a range of \$0.50 to \$2.25.

Temporary Permits and Timely Vehicle Inspection

Temporary inspection processes, either with the use of private contractors or otherwise, have been discussed by the TRB but may not be necessary if additional inspection times are available during the course of any given week.

Richard Pfaff, License Division, has been discussing the establishment of a new inspection schedule with members of a taxicab working group to offer inspections on 2 days in a calendar week rather than one. Regular annual inspection periods will be separated from the period established for permit renewal to spread out the demand for inspections through the year. It is anticipated that this system will actually reduce workloads. Final details of the new system are still in progress.

Please let me know if you have any questions or require further information.

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