
M E M O R A N D U M

DATE: August 20, 2004
TO: City Council Members
FROM: Russell Weeks
RE: Public Hearing: Proposed Amendments Relating to Ground Transportation and Taxi Businesses
CC: Cindy Gust-Jenson, Rocky Fluhart, Sam Guevara, Tim Campbell, Ed Rutan, Lee Martinez, Alison McFarlane, Larry Spendlove, Jodi Howick, Larry Bowers

This memorandum is intended as an update to issues pertaining to two proposed ordinances. Both would amend current City ordinances regulating ground transportation and taxicab businesses in the City and at the Salt Lake City International Airport. The City Council is scheduled to hear public comment at a hearing on the proposed amendments and then may consider options pertaining to the ordinances. Council staff has attached a memorandum dated August 6 as background for the public hearing.

NEW DEVELOPMENTS

- The Administration forwarded on Friday a study titled *The Need for Accessible Taxi Service* prepared by the City's ADA coordinator. Council staff has not had time to review the study in preparation of this memorandum. The study is one of three attachments to this memorandum.
- The Administration, through its Department of Airports, on Wednesday submitted a proposed amendment to Section 16.60.110 which regulates ground transportation airport fees. The proposed amendment would give the Director of Airports the authority to "establish fees annually that represent a 100 percent (100%) cost recovery rate for the use of Airport facilities and services upon the advice and counsel of the Airport Board." Council staff has not had time to review the proposed amendment in detail in preparation of this memorandum. It should be noted that the Department of Airports letter attached to this memorandum indicates that under the current ordinance, the airport will collect a 100 percent cost recovery rate during the current fiscal year. The proposal raises perhaps two issues: 1.) Is the airport's 100 percent cost recovery rate at odds with City policy that does not charge businesses the full cost of City services and regulation? 2.) Like other proposed amendments to *City Code* Title 16, should fees, rules, and regulations be established through legislation or administratively at the airport?
- The Transportation Security Administration officials said this week that they had reviewed the proposed amendments to the ground transportation and taxicabs ordinances and that the agency supports the amendments.

- Council Members received via e-mail a memorandum from a representative of the three taxicab companies. A copy of the memorandum is attached to this memorandum.

OPTIONS

- Adopt the amendments as proposed.
- Adopt the proposed amendments with further amendments, such as
 - that each taxicab company holding a certificate of public convenience and necessity must provide one vehicle available 24 hours a day that is accessible to people with disabilities.
 - that the definition of “prearranged service” be amended to change the waiting time from 45 minutes to 30 minutes.
- Adopt the proposed ordinances but indicate that it is the City Council’s intention to initiate a baseline market analysis of the taxicab and ground transportation industry to determine the potential for deregulating the ground transportation industry in Salt Lake City.
- Adopt the majority of the proposed amendments but not Section 5.72.010 – definition of “cab day”; 5.72.140 – ski season increases; 5.72.140 – minimum use of taxicabs required; and 5.72.457 – amendment to annual review of maximum rates. (If the City Council chooses this option, it might wish to declare its intent to study the proposed amendments in more detail.)
- Adopt only Section 5.71.025 (*License Required*) and Article VI, Chapter 5.71 (*Driver Licensing*) and defer action on other proposed amendments until after further study.
- Do not adopt the proposed amendments.
- Do not adopt the proposed amendments but declare the City Council’s intent to study all issues in more detail.

POTENTIAL MOTIONS

1. I move that the City Council adopt the proposed ordinances.
2. I move that the City Council adopt the proposed ordinances with the following amendment(s) –
 - a. that each taxicab company holding a certificate of public convenience and necessity must provide one vehicle available 24 hours a day that is accessible to people with disabilities.
 - b. that the definition of “prearranged service” be amended to change the waiting time from 45 minutes to 30 minutes.
3. I move that the City Council adopt the proposed ordinances with the following legislative intent – that it is the City Council’s intention to initiate a baseline market analysis of the taxicab and ground transportation industry to determine the potential for deregulating the ground transportation industry in Salt Lake City.
4. I move that the City Council adopt the proposed ordinances with the exception of sections 5.72.010 – definition of “cab day”; 5.72.140 – ski season increases; 5.72.140 – minimum use of taxicabs required; and 5.72.457 – amendment to annual review of maximum rates. I further move that it is the City Council’s intent to study the proposed amendments in more detail.
5. I move that the City Council adopt sections 5.71.025 (*License Required*) and Article VI, Chapter 5.71 (*Driver Licensing*) in the proposed ordinances and defer action on other proposed amendments until after further study.

6. I move that the City Council consider the next item on the agenda.
7. I move that the City Council delay action on the proposed ordinances until all issues involved in the proposed ordinances have been studied in more detail.

Discussion

The following is City Council staff's understanding of the effects of each potential motion.

1. **I move that the City Council adopt the proposed ordinances.** This motion would leave unaddressed the issue of taxicabs accessible to people with disabilities. It also may leave unanswered City Council Members' questions about whether the public interest is being met. One upside to this motion is, according to the Administration, all ground transportation companies, including taxicabs, would operate on a more level playing field.
2. **I move that the City Council adopt the proposed ordinances with the following amendment – that each taxicab company holding a certificate of public convenience and necessity must provide one vehicle available 24 hours a day that is accessible to people with disabilities and that the definition of “prearranged service” be amended to change the waiting time from 45 minutes to 30 minutes.** This potential motion would address, at least in part, the issue involving people with disabilities. However, it should be noted again that the Administration has submitted a fairly extensive report about the issue that Council staff has not reviewed. The potential motion also would address some Council Members' concerns that the waiting time for “prearranged service” is too long. The potential motion would contain the same possible upside as motion No. 1.
3. **I move that the City Council adopt the proposed ordinances with the following legislative intent – that it is the City Council's intention to initiate a baseline market analysis of the taxicab and ground transportation industry to determine the potential for deregulating the ground transportation industry in Salt Lake City.** This potential motion would be similar to motion No. 1 but could be a precursor for the City Council hiring an independent analyst to analyze the City's ground transportation market for future Council action.
4. **I move that the City Council adopt the proposed ordinances with the exception of sections 5.72.010 – definition of “cab day”; 5.72.140 – ski season increases; 5.72.140 – minimum use of taxicabs required; and 5.72.457 – amendment to annual review of maximum rates. I further move that it is the City Council's intent to study the proposed amendments in more detail.** This potential motion would enact the majority of amendments contained in the proposed ordinances but continue the status quo on the four sections listed. If the City Council wishes to study the four proposed amendments further, it could do so with this motion.
5. **I move that the City Council adopt sections 5.71.025 (*License Required*) and Article VI, Chapter 5.71 (*Driver Licensing*) in the proposed ordinances and defer action on other proposed amendments until after further study.** This proposed motion would enact the minimum of the proposed amendments. It would address only two requirements: That all ground transportation companies operating in Salt Lake City,

including the International Airport, have to have a Salt Lake City business license and that all drivers of ground transportation companies would have to obtain a Salt Lake City driver's license. The drivers would have to apply for the license that includes a fairly extensive background check. This motion might meet some Council Members' concerns that ground transportation businesses meet the same requirements as taxicabs.

6. **I move that the City Council consider the next item on the agenda.** This motion would preserve the current ordinances and the status quo in the ground transportation industry.
7. **I move that the City Council delay action on the proposed ordinances until all issues involved in the proposed ordinances have been studied in more detail.** This motion would delay action on all the proposed amendments until all issues have been explored to the City Council's satisfaction.