
M E M O R A N D U M

DATE: July 5, 2007
TO: City Council Members
FROM: Russell Weeks
RE: Request to Amend Salt Lake City Code Section 5.72.455, titled *Maximum Rates* (for taxicabs)
CC: Cindy Gust-Jenson, Lyn Creswell, Louis Zunguze, Ed Rutan, Sam Guevara, Maureen Riley, Orion Goff, Gary Mumford, Brent Kovac, Edna Drake, Jodi Howick, Laura Kirwin, Larry Bowers, Jennifer Bruno

This memorandum pertains to a request by the three Salt Lake City taxicab companies to increase the per-mile rate on taxicab meters from \$1.80 per mile to \$2 per mile. Until the City Council considers and possibly adopts an ordinance enacting a contractual form of regulation, the companies are operating temporarily as holders of certificates of public convenience and necessity to provide taxicab service in Salt Lake City.

Because this issue involves a rate increase by entities operating for the public's convenience and necessity, the City Council is scheduled to confirm a public hearing on the matter for July 17 at the Council's formal meeting July 10. The confirmation appears as an item on the July 10 Consent Agenda. A briefing on this issue is scheduled for the part of the City Council work session *after* the 7 p.m. formal meeting.

OPTIONS

After the July 17 public hearing the City Council appears to have the following options:

- Adopt the proposed ordinance amending Section 5.72.455, Salt Lake City Code, pertaining to maximum taxicab rates.
- Do not adopt the proposed ordinance.
- Close the public hearing but defer action on the proposed ordinance.
- Adopt the proposed ordinance with amendments the City Council might decide to make.

MOTIONS

It should be noted that potential motions may change after the City Council briefing on July 10.

PERTAINING TO THE PUBLIC HEARING

- I move that the City Council close the public hearing.

- I move that the City Council continue the public hearing (Council Members may select a date).

PERTAINING TO THE ISSUE

- I move that the City Council adopt the proposed ordinance amending Section 5.72.455, Salt Lake City Code, pertaining to maximum taxicab rates.
- I move that the City Council move to the next item on the agenda.
- I move that the City Council defer action on this item until the taxicab companies provide the City Council with the following information: (Council Members may list any information they may want to review).
- I move that the City Council adopt the proposed ordinance amending Section 5.72.455, Salt Lake City Code, pertaining to maximum taxicab rates with the following amendments: (Council Members may amend the proposed ordinance as they determine necessary).

KEY POINTS

- The Administration recommends that the City Council approve the increased taxicab “per mile” rate of 10 cents for each one-twentieth of a mile instead of the current per mile rate of 10 cents for each one-eighteenth of a mile. The increase would set a \$2-per-mile ceiling for the per-mile rate that taxicab drivers could charge.
- According to the hearing officer’s determination, the proposed increase would generate about \$20 a day in additional revenue if a driver traveled 200 miles a day with passengers in his or her taxicab for 100 of those miles. The increase is offset by about \$16.25 in additional fuel costs stemming from the difference in the cost of gasoline in 2005 versus the cost of gasoline on May 29, 2007, according to the hearing officer’s calculation.¹
- The other rates set by ordinance – a \$2.25 “flag drop rate”; a \$22 per hour waiting time charge; and a \$12 minimum airport charge – would remain the same.
- The Administration’s recommendation is based on three recommendations by a Salt Lake City hearing officer after a May 30 public hearing requested by the taxicab companies. The hearing officer’s recommendations were:
 - Increase the current per-mile rate of \$1.80 per mile to \$2 per mile.
 - “All of the increase in the per-mile rate should go to the taxicab drivers.”
 - ... The question of benchmarking future increases in the flag drop rate to respond to changes in gasoline prices should be appropriately left for decision by the City Council ... as a policy matter, rather than the hearing officer.
- An increase to \$2 per mile is a little higher than the \$1.82 per mile average among 10 cities in the Intermountain West, but equal to per mile charges in Denver and Las Vegas, and less than per mile charges in Boise, Phoenix and Reno, according to the most recent data available.²
- If the City Council adopts the proposed ordinance, it will be the third rate increase for taxicab companies since 2005.

Issues/Questions for Consideration

- According to a Bloomberg News article, the price of oil increased 37 percent in five months from January 18 and has increased 80 percent in the last three years.³
- If the City Council adopts the proposed increase in taxicab per mileage rates, since 2005, at the taxicab companies' request the City Council will have increased:
 - the taxicab flag-drop rate by 40.6 percent (\$1.60 to \$2.25)
 - the per-mileage rate by 25 percent (1.60 to \$2)
 - the waiting-time rate by 4.7 percent (\$21 to \$22)
 - the airport-minimum rate by 20 percent (\$10 to \$12)
- According to the Administration transmittal, "One hundred percent of the increase in the 'per mile' rate should go to the taxicab drivers and none of it should go to the Cab Companies unless a regularly passed on fee such as an insurance fee increase occurs or in the event of other unforeseen large expenditures." According to one of the hearing officer's recommendations, "All of the increase in the per-mile rate should go to the taxicab drivers." However, Paragraph A of the proposed ordinance reads, "Except as other provided herein, an owner or driver of a taxicab may establish and charge mileage rates lower than, but shall not establish and charge any mileage rate for the use of a taxicab greater than ... ten cents (0.10) for each one twentieth (1/20) mile or fraction there of." *Given the quoted ordinance language, it does not seem that the proposed ordinance specifically designates taxicab drivers as the recipients of the increase. The City Council may wish to amend the ordinance to meet the recommendations of the Administration and the hearing officer. The City Council may wish to check with the City Attorney to determine if the Council – in amending Section 5.74.455 – can specify who will receive a rate increase.*
- The proposed ordinance also changes the date in the existing ordinance in which the City Council may elect to review the flag-drop without receiving a petition from the taxicab companies "before December 31, 2006" to "before December 31, 2007." *The City Council may wish to discuss retaining the language because the idea of reviewing the flag-drop rate is a holdover from the ordinance adopted in April 2006.*
- The presentation before the hearing officer appeared to involve presentations by the legal counsel for the three taxicab companies and three taxicab drivers plus written information from previous rate hearings. The taxicab drivers told the hearing officer that "deadheading" or driving without passengers accounted for between 40 percent and 66 percent of their workday.⁴
- The amount of travel without passengers may be an indication of observations made by Ray Mundy, Ph.D., who published *Ground Transportation Study Salt Lake City, Utah*, in July 2005 while under contract with the City Council. (It should be noted that Professor Mundy remains under contract with the Council.) Professor Mundy noted that with 400 to 500 or more taxi trips per day "Salt Lake International Airport is the single largest taxi trip generator for the entire region.

He also noted that, “Once these airport ... taxis did obtain a passenger, they most often would serve that passenger and return to the airport empty in order to get back in the airport line quickly. Such behavior is of course extremely inefficient in that the taxi will be running empty half the time.”⁵ *The City Council may wish to ask taxicab company representatives steps the companies may have taken to address the practice of deadheading and reducing costs per trips for taxicab drivers.*

- In preparing this memorandum, Council staff contacted Professor Mundy about taxicab industry trends in insurance rates and Salt Lake City’s rate structure. Professor Mundy said industry insurance rates appear to have leveled off in the past few years.
- Professor Mundy also suggested that the City Council may wish to have the taxicab companies prepare documents showing their total revenue, including revenue from leases and other sources, and their total expenses are to support their request for a rate increase.
- It also should be noted that the Administration in mid-June sent a questionnaire to about 20 area companies asking for comment on potential items that a request for proposals to operate a taxicab service in Salt Lake City might contain. Responses to the questionnaire are due July 17. The Administration already has a draft of the request for proposals and continues to work on ordinance revisions. It is possible that the City Council may consider a revised ordinance regulating the taxicab industry by the end of the year, and a formal request for proposals from companies may be issued. *Given that, and Professor Mundy’s comments, would the City Council consider having the existing taxicab companies provide more information in support of their request for a rate increase, or would the City Council consider adopting the proposed rate increase now so it would be in effect when the City issues the request for proposals?*

Background/Discussion

As indicated in the section above, the proposed increase is the third rate increase requested by taxicab companies since 2005. To some extent, the requests were based on increases in fuel costs. However, other factors, such as a 72 percent increase in insurance rates for the Yellow Cab Drivers Association between 1997 and December 2004 also contributed to the companies’ earlier petitions for rate increases.

The City Council adopted the most recent increase – a 25-cent increase in the flag-drop rate – on April 18, 2006. The permanent increase was in response to a petition by the taxicab companies for a six-month temporary 50-cent increase in the flag-drop rate to allow the companies’ drivers to recoup losses from fuel increases after Hurricane Katrina struck the Gulf Coast in late summer 2005.

The attached chart (Attachment No. 3 courtesy of GasBuddy.com) shows the fluctuations of gasoline costs in the Salt Lake City area between August 2004 and July 2007. The City Council enacted the first fare increases since April 1999 on May 5, 2005. The City Council then enacted the second increase in April 2006. The taxicab companies petitioned for the proposed third increase in May 2007. It might be noted that the

increases, including the current petition, occurred as gasoline prices surged. It also might be noted that the most recent surge appears to be the highest in a series of wave crests that in the past have been followed by fairly significant troughs.

It should be noted that when it has approved rate increases, the City Council has gone beyond taxicab industry requests. The May 2005 request included a flag-drop increase to \$2 where the industry asked for an increase to \$1.75. The increase was in addition to adopting the industry's request of raising the per mile rate to \$1.80; a \$1 increase in the waiting time rate; and a \$2 increase in the minimum fare from Salt Lake International Airport. As mentioned earlier, the City Council adopted a permanent 25-percent increase in the flag-drop rate in April 2006 in response to the industry's request for a six-month temporary increase of 50 cents in the flag drop rate.

It should be noted that the ordinance adopted in April 2006 contained a clause in which the City Council could review the taxicab industry flag-drop rate until December 31, 2007, without requiring a petition by taxicab companies. The City Council did not review the flag-drop rate in part because the cost of a gallon of regular unleaded gasoline began to decline shortly after the April increase. Except for a brief spike, the cost of gasoline continued to decline until February 2007.

Even so the cost of fuel has led the Utah Transit Authority to increase its rates by as of July 1. The cost of an adult fare rose 6 percent from \$1.50 to \$1.60 and will rise to \$1.75 on January 1 – a 16 percent increase over fares on January 1, 2007. The proposed per-mile rate sought by the taxicab companies represents roughly an 11 percent increase over the current mileage rate. It might be noted that according to one source, “Despite a drop in gasoline prices through the second half of May, energy helped the overall inflation to an increase of 0.5 percent, the largest overall inflation increase in over a year. This reading is up 2.3 percent from a year ago.”⁶ The federal Commerce Department does not include the cost of food or energy in its measurements of “core inflation” because the price of both commodities is deemed too volatile.

As noted earlier in this memorandum, an increase to \$2 per mile would place Salt Lake City's per-mile cost above the \$1.82 per-mile average among 10 cities in the Intermountain West. However, taxicab companies in Boise, Denver, Las Vegas, Phoenix and Reno each charge \$2 or more, according to the most recent statistics. The 10-city average is lowered by other Arizona cities that charge low per-mile rates but high flag-drop rates. According to City Council staff calculations, the average per-mile rate in 31 cities west of the Mississippi River is \$2.16 per mile. The average per-mile rate in 10 California cities is \$2.60, and the average per-mile rate in six Northwest cities is \$2.08. Portland, and three Washington cities – Pullman, Seattle, and Tacoma respectively have per-mile rates of \$2.50, \$2.50, \$2 and \$2.25.

¹ Findings of Fact, Conclusions and Recommendation, Page 6.

² Attachment No. 1.

³ Attachment No. 2, paragraphs 5 and 11.

⁴ Findings of Fact, Conclusions and Recommendation, Page 2.

⁵ Ground Transportation Study Salt Lake City, Utah, pages 20 and 30.

⁶ Attachment, Schaeffer's Daily Market Blog, June 29.

2006

CURRENT USA TAXI RATES

City	Flag Drop	Per Mile
Anaheim, CA	\$2.65	\$2.50
Ann Arbor, MI	\$2.00	\$2.00
Austin, TX	\$2.75	\$1.75
Baltimore, MD	\$4.00	\$1.60
Bellingham, WA	\$1.80	\$1.80
Boise, ID	\$2.20	\$2.10
Boca Raton, FL	\$2.00	\$2.75
Boston, MA	\$2.25	\$2.40
Chicago, IL	\$2.00	\$1.60
Corpus Christi, TX	\$2.50	\$1.75
Dallas, TX	\$2.25	\$1.80
Dayton, OR	\$2.50	\$1.50
Denver, CO	\$2.50	\$2.00
El Cerrito, CA	\$2.30	\$2.25
Evansville, IN	\$2.00	\$1.50
Farmington, NM	\$2.00	\$1.60
Flagstaff, AZ	\$3.00	\$1.00
Fort Myers, FL	\$3.05	\$5.05
Grand Forks, ND	\$2.25	\$2.40
Greensboro, NC	\$1.80	\$2.10
Greenville, SC	\$1.60	\$1.75
Honolulu, HI	\$2.80	\$3.00
Houston, TX	\$4.00	\$1.87
Indianapolis, IN	\$2.00	\$2.00
Knoxville, TN	\$2.00	\$2.00
Las Vegas, NV	\$3.20	\$2.00
Los Angeles, CA	\$2.20	\$2.20
Miami, FL	\$2.50	\$2.40
Minneapolis, MN	\$2.50	\$1.90
New York, NY	\$2.50	\$2.00
Omaha, NB	\$1.95	\$2.00
Orange County, CA	\$2.65	\$2.50
Osceola, FL	\$1.75	\$2.50
Palm Springs, CA	\$2.75	\$2.96
Palmer, AL	\$2.00	\$2.20
Pensacola, FL	\$1.80	\$2.00
Philadelphia, PA	\$2.30	\$1.80
Phoenix, AZ	\$3.00	\$2.50
Pittsburgh, PA	\$2.00	\$1.61
Portland, OR	\$1.90	\$2.50
Prescott, AZ	\$4.00	\$1.25
Pullman, WA	\$2.00	\$2.50
Raleigh Durham, NC	\$2.30	\$1.80
Redding, CA	\$3.75	\$3.00
Reno, NV	\$2.50	\$2.76
San Francisco, CA	\$2.85	\$2.25
Santa Ana, CA	\$2.40	\$2.40
Santa Barbara, CA	\$1.80	\$3.00
Sarasota, FL	\$2.10	\$2.00
Schenectady, NY	\$3.50	\$2.00
Seattle, WA	\$2.50	\$2.00
Sioux City, IA	\$1.95	\$1.80
South Bend, IN	\$2.00	\$2.00
Tacoma, WA	\$2.25	\$2.25
Tampa, FL	\$2.25	\$2.25
Tillamook, OR	\$2.00	\$2.00
Toledo, OH	\$2.00	\$2.30
Washington DC	\$2.50	\$2.00
Yuba City, CA	\$3.75	\$3.00
Yuma, AZ	\$4.00	\$1.50
Total	\$147.60	\$129.20
Average	\$2.46	\$2.15
* Does NOT include any extra fees or charges		

Stock rising

Railroads profiting from high oil prices

Investors flock to shares as rail shipping volumes and earnings increase

By Angela Greiling Keane
Bloomberg News

Salt Lake Tribune

Article Last Updated:06/24/2007 12:18:10 AM MDT

Nobody likes the rising price of oil better than U.S. railroads.

As the cost of crude soars to near \$70 a barrel, rail is gaining a competitive edge after losing ground to trucks for half a century. Even as automotive plant closings and reduced U.S. housing construction have contributed to a 4.4 percent drop in train shipments this year, investors that include Warren Buffett and Carl Icahn are flocking to railroad shares, betting that higher oil prices, surging Asian imports and congested highways will boost long-term demand.

"Earnings and stocks could quadruple within five years, which makes the stocks a bargain today," said Snehal Amin, a partner in London-based TCI Fund Management LLP.

Rail shipping volumes grew to a record in 2006, boosting shares and earnings at the four biggest operators: Union Pacific Corp., Burlington Northern Santa Fe Corp., CSX Corp. and Norfolk Southern Corp. The Standard & Poor's 500 Rail Index has tripled since March 2003.

As the price of oil climbed 37 percent in five months from Jan. 18, shares of Union Pacific, the biggest U.S. railroad company, gained 24 percent. Shares of CSX, the third-largest, rose 26 percent. "Railroads typically are about three times more fuel-efficient than trucks," said Jason Seidl, a New York-based analyst at Credit Suisse.

Shares of Union Pacific trade in the \$118 range, Burlington Northern is around \$87, CSX shares are at \$45 and shares of Norfolk Southern are around \$55.

Credited with having "built America," railroads were once key to U.S. westward expansion and economic growth. The first transcontinental railroad was completed with federal backing in 1869, linking the western and eastern halves of the country with a mechanized transportation system for the first time.

Almost a century later, railroads started losing out to trucks after the interstate highway system was begun in 1956. Trucking gained further when interstate speed limits were raised in the late 1980s.

Trucks carried 69 percent of domestic U.S. freight in 2005, up 3 percentage points from 1994, according to the American Trucking Association. Railroads moved 13 percent, down 2 points in the same period, while planes, pipelines and waterborne vessels accounted for the rest.

Higher oil prices suggest the trend may be reversed.

"We expect the rails, after 40 years of ceding volumes to the highway, to take back market share over the next 10 years," wrote Edward Wolfe, a New York-based analyst at Bear Stearns & Co., in a May 7 report to investors.

Although trucks offer a cost advantage on most short hauls and can reach places not accessible by rail, they consume about four times as much fuel to move a shipment as a train does, according to U.S. Energy Department data. Shipping rates are about five times higher for trucks than trains, said Amin of TCI, which is the fifth-largest shareholder of CSX.

The price of oil has jumped about 80 percent in the past three years. The Energy Department has predicted the commodity may rise as high as \$100 a barrel by 2030.

"There's no question that trucking is less competitive now than it was three or four years ago," Amin said.

"Unless oil prices are going to fall, and fall substantially, they're not going to be more competitive."

Rail shares rose more than twice as fast as the Standard & Poor's 500 Index in the five years to May 31, while

trucking stocks lagged behind the S&P 400 Midcap Index by 61 percent.

Congestion and labor costs are also hurting the competitiveness of trucks.

The American Association of State Highway and Transportation Officials cited highway congestion as a main reason why logistics costs rose to 9.5 percent of the U.S. gross domestic product in 2005, from 8.6 percent in 2003 - the biggest increase in 30 years, according to the Council of Logistics Management.

"The gap in service levels and traffic times is only moving in favor of the rails," said Satish Jindel, president of Pittsburgh-based SJ Consulting.

Although truck drivers earn less on average than train operators, railroads use less labor per shipment than trucks, according to TCI.

Railroads are getting a double benefit from the rising price of oil, because it's also driving up domestic demand for coal and ethanol as energy sources. Both commodities are carried mainly by rail, as are corn and fertilizer, used to produce ethanol.

Union Pacific credited ethanol-related shipping for a 24 percent surge in first-quarter profit this year. The railroad's agricultural shipping revenue grew by 8 percent in the quarter as farmers planted the most corn since World War II, and chemical shipping revenue, including finished ethanol, rose 9 percent, Chief Executive Officer James Young said.

Surging imports from Asia are another booster for rail. The goods arrive on container ships to the U.S. West Coast and move inland by rail and truck. U.S. imports from China have more than quadrupled in the past decade.

Helping trains grab more West Coast port traffic is the increased number of rail lines that reach port terminals, said Paul Bingham, a Washington-based economist at Global Insight Inc. At the same time, congestion is increasing the time it takes for trucks to enter and exit ports.

Railroads also appear to be responding to pressure from new shareholders to improve returns.

In addition to CSX, TCI bought stakes in Union Pacific and Norfolk Southern, the fourth-largest U.S. railroad. Amin told rail executives and others who attended a transportation conference in May in New York that CSX and other railroads should increase their debt and raise prices as means to return more cash to shareholders.

Since Amin spoke and met with management, CSX said it will raise prices as much as 7 percent this year, and Norfolk Southern said it may expand a share buyback program it announced in March.

Other investors include Buffett's Berkshire Hathaway Inc., which disclosed an 11 percent stake in Burlington Northern in April, making it the railroad's biggest shareholder. Berkshire was also among the 10 biggest shareholders of both Union Pacific and Norfolk Southern as of March 31, a filing showed.

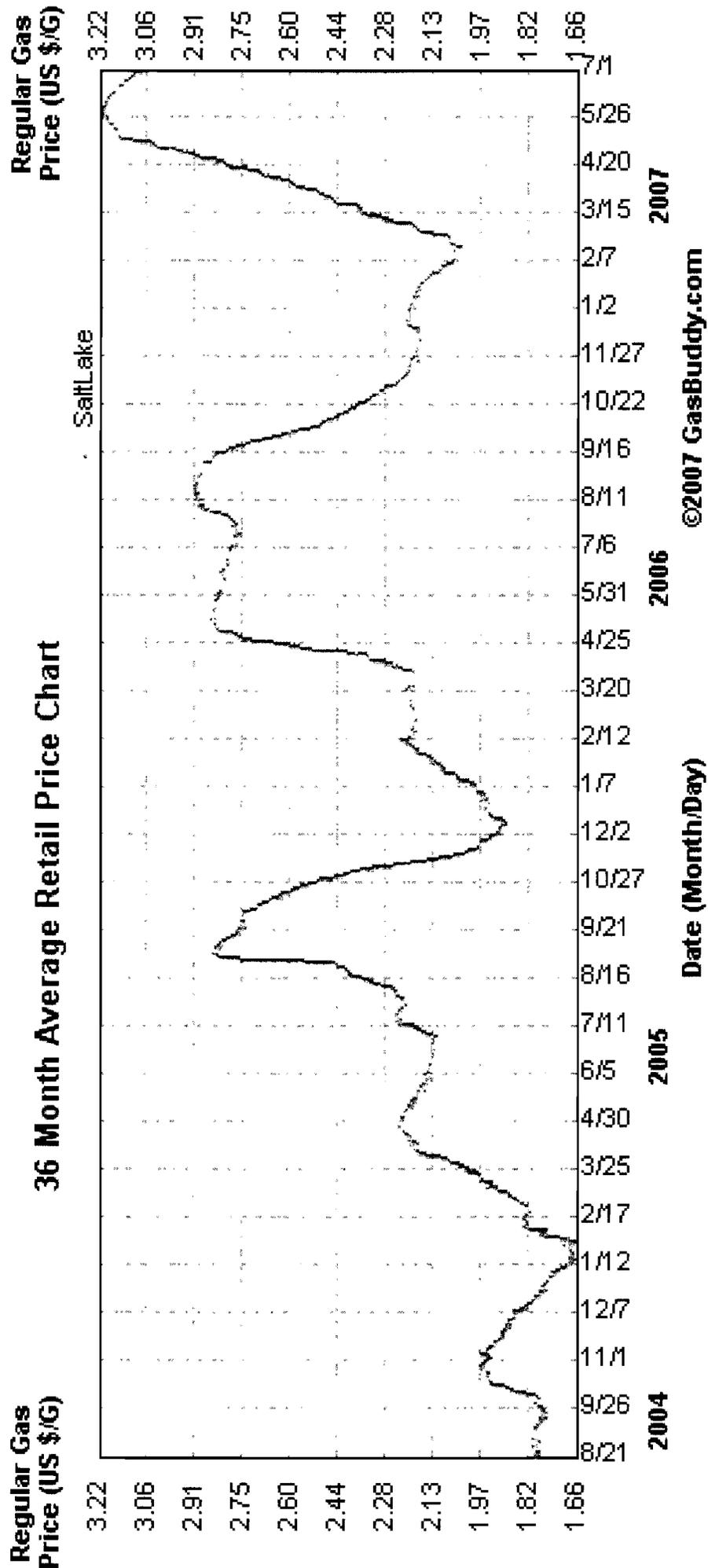
Billionaire Icahn, who often uses his influence as a large investor to press for changes at companies to boost share prices, bought a \$122 million stake in CSX, a May filing showed.

A slowdown in the U.S. economy could still derail the industry's growth. Proposals in the U.S. Congress, supported by some railroad customers, may also repeal current antitrust exemptions for rail operators, giving customers more power to negotiate lower prices. None of it has stopped railroad shares from advancing.

Market analyst with
Bear Stearns & Co.

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Friday, June 29, 2007

Posted 9:30 AM

The Commerce Department didn't have any big surprises this morning, as the report on May core inflation was pretty much in line with what analysts had been expecting. Core consumer prices gained 0.1% during the month.

Over the past 12 months, core consumer prices, which exclude the costs of food and energy, rose 1.9%, just inside the central bank's unofficial 1% to 2% target range. In April, the year-over-year rise was an even 2%. In fact, May marked the first time in 3 years that the core personal consumption price index has risen less than 2%.

Core inflation, though, may not be what you and your neighbors are most concerned about. After all, it is difficult to ignore rising energy costs when setting one's personal or household budget. Despite a drop in gasoline prices through the second half of May, energy helped the overall inflation to an increase of 0.5%, the largest overall inflation increase in over a year. This reading is up 2.3% from a year ago.

Real disposable incomes (calculations made after taxes and inflation are taken into account) fell 0.1%. Year over year, real disposable incomes are up 3.4%. Real consumer spending (also adjusted for inflation) increased 0.1% in May.

With disposable incomes falling and spending on the rise, the personal savings rate fell to negative 1.4% from negative 1.2% in April. This marks the 26th month in a row that saw American households spend more than their take-home pay.

-Posted by Ian Stansel (istansel@sir-inc.com)

 [Discuss this commentary \(Comments: 0\)](#)

JUN 08 2007

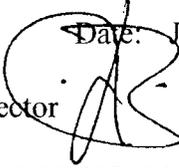
A. LOUIS ZUNGUZE
DIRECTOR

BRENT B. WILDE
DEPUTY DIRECTOR

SALT LAKE CITY CORPORATION
DEPT. OF COMMUNITY DEVELOPMENT
OFFICE OF THE DIRECTOR

ROSS C. "ROCKY" ANDERSON
MAYOR

 **COUNCIL TRANSMITTAL**

TO: Lyn Creswell, ~~Chief Administrative Officer~~  **Date:** June 8, 2007
FROM: Louis Zunguze, Community Development Director
RE: Request to amend Salt Lake City Code Section 5.72.455: *Maximum Rates*
STAFF CONTACT: Orion Goff, Building Services Director, 535-6681
Brent Kovac, Ground Transportation Administrator, 535-6693
Laura Kirwan, Senior City Attorney, 535-7685

RECOMMENDATION: That the City Council hold a briefing and schedule a Public Hearing

DOCUMENT TYPE: Ordinance

BUDGET IMPACT: None

DISCUSSION:

Issue Origin: Donald J. Winder of Winder & Haslam PC, on behalf of the Yellow Cab Drivers Association, Ute Cab Company, and City Cab Company requested a hearing to seek a permanent increase in the "per mile" rate for taxicabs that is in line with the present high, and increasing, gas prices.

Analysis: Per Section 5.72.457 of the Salt Lake City Code, a Public Hearing was held on May 30, 2007, before Janet (pronounced Jeannette) I. Embry, Hearing Officer, pertaining to the petition filed by Yellow Cab Drivers Association, Inc. (Yellow Cab), Ute Cab Company (Ute Cab), and City Cab Company (City Cab) for a permanent increase in the "per mile" rate. Attached is a copy of the "Findings of Fact, Conclusions, and Recommendation" signed by the hearing officer.

The Hearing Officer recommends:

1. The current "per mile" rate of ten cents (\$0.10) for each one-eighteenth (1/18) mile or fraction thereof should be increased to ten cents (\$0.10) for each one-twentieth (1/20) mile or fraction thereof.
2. One hundred percent (100%) of the increase in the "per mile" rate should go to the taxicab drivers and none of it should go to the Cab Companies unless a

regularly passed on fee such as an insurance fee increase occurs or in the event of other unforeseen large expenditures..

Recommendation: The Administration recommends that the City Council approve the increased taxicab “per mile” rate based on the findings outlined in Hearing Officer Embry’s “Findings of Fact, Conclusions, and Recommendation.”

PUBLIC PROCESS:

Pursuant to Section 5.72.457(D) of the Salt Lake City Code, the recommendations of the Hearing Officer are subject to acceptance, modification, or rejection by the City Council following a Public Hearing.

RELEVANT ORDINANCES:

Salt Lake City Code Salt Lake City Code Section 5.72.455: *Maximum Rates*

SALT LAKE CITY ORDINANCE
No. _____ of 2007
(Amending Maximum Taxicab Rates)

AN ORDINANCE AMENDING SECTION 5.72.455, *SALT LAKE CITY CODE*,
PERTAINING TO MAXIMUM TAXICAB RATES.

Be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. That Section 5.72.455, *Salt Lake City Code*, pertaining to maximum taxicab rates be, and the same hereby is, amended to read as follows:

5.72.455 Maximum Rates:

A. Except as otherwise provided herein, an owner or driver of a taxicab may establish and charge mileage rates lower than, but shall not establish and charge any mileage rate for the use of a taxicab greater than, two dollars twenty five cents (\$2.25) for flag drop and ten cents (\$0.10) for each one-~~eighteenth~~ twentieth (~~1/18~~) (1/20) mile or fraction thereof. An owner or driver of a taxicab may establish and charge a rate for waiting time lower than, but shall not establish any rate for waiting time greater than, twenty two dollars (\$22.00) per hour. With respect to the flag drop rate identified herein, the city council may elect to reevaluate that amount on its own initiative before December 31, 2007. If followed, this reevaluation process shall be separate from and not require that a separate petition be filed and fee paid by any certificate holder under section 5.72.457 of this chapter, and in no way shall this process obligate the city council to amend the flag drop rate unless it otherwise chooses to do so.

B. The foregoing notwithstanding, an owner or driver of a taxicab who is charged a fee by the city to deliver a passenger or to pick up a passenger at the Salt Lake City international airport may, in addition to the rates allowed by subsection A of this

section, or its successor, charge an additional sum in the exact amount of such fee to be used to pay such fee. Further, an owner or driver of a taxicab may charge a minimum airport rate of twelve dollars (\$12.00) for service from the Salt Lake City international airport.

SECTION 2. This ordinance shall take effect immediately upon the date of its first publication.

Passed by the City Council of Salt Lake City, Utah this _____ day of _____, 2007.

CHAIRPERSON

ATTEST:

CHIEF DEPUTY CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

CHIEF DEPUTY CITY RECORDER

(SEAL)

Bill No. _____ of 2007.
Published: _____.

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 12/26/07
By [Signature]

JUN-06-2007 WED 10:10 AM WINDER & HASLAM

FAX NO. 8013222282

P. 02

Original

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Attorneys for Yellow Cab Drivers Association, Inc.,
 Ute Cab Company, and City Cab Company

**BEFORE THE DESIGNEE OF THE
 MAYOR OF SALT LAKE CITY, UTAH**

IN RE: MATTER OF
 TAXICAB MAXIMUM RATE
 INCREASE

**FINDINGS OF FACT,
 CONCLUSIONS AND
 RECOMMENDATION**

Hearing Officer: Janet I. Embry

Pursuant to Sections 5.72.457 and 5.72.455(A) of the Salt Lake City Code, a public hearing was held on May 30, 2007, before Janet I. Embry, Hearing Officer, to determine whether the May 11, 2007 Petition for Taxicab Maximum Rate Increase filed by Yellow Cab Drivers Association, Inc. ("Yellow Cab"), Ute Cab Company ("Ute Cab"), and City Cab Company ("City Cab") (referred to herein collectively as the "Cab Companies") for an increase in the per mile rate should be forwarded as a recommendation to the City Council. Representatives of the Cab Companies were present at the hearing, testimony was introduced, exhibits ("Ex.") were offered and received, and arguments were made to the Hearing Officer in support of the petition. Donald J. Winder, Attorney at Law, appeared on behalf of the Cab Companies. Laura

JUN-06-2007 WED 10:10 AM WINDER & HASLAM

FAX NO. 8013222282

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Kirwan, Senior City Attorney, Brent M. Kovac, Ground Transportation Administrator, and Edna Drake, Business & Licensing Diving Administrator, appeared on behalf of Salt Lake City.

Three taxicab drivers appeared on behalf of the Cab Companies as witnesses to testify about how fuel price increases have impacted their work-related driving costs: Paul Gove (Ute Cab), Mark Edwards (Yellow Cab) and Yuriy Avulgnyan (Yellow Cab). All three drive Ford Crown Victorias.

Paul Gove testified he typically drives 200 miles per day and averages 15-18 miles per gallon, and that a driver is fortunate if deadheading (traveling without a passenger) is only 100 miles per day, but deadheading can be as much as two-thirds of the driver's mileage on a given day.

Yuriy Avulgnyan testified he drives between 100-200 miles per day and averages 15 miles per gallon in the city, and 17-18 on the highway, using supreme gasoline. His deadheading is typically 40% of his mileage per day. Also, his gasoline usage fluctuates depending upon waiting time and seasonal factors based on his use of air conditioning, which is in continual use during the summer, and heat, which is continually used during winter months. Mr. Avulgnyan's gasoline expenditure for all of 2006 was \$2,700.00. So far this year from January to May 2007, he has paid \$1,850.00 for gasoline.

Mark Edwards testified he uses mid-level gasoline, and fills his tank for \$55.00, which contrasts with the \$35-40 per tank he was paying one year ago. Mr. Edwards drives an average of 135 miles per day, 60% of which is deadheading, at 13-14 miles per

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gallon. While Mr. Edwards had paid \$928.29 for gasoline in May 2006, so far this year in May 2007, excluding the last two days, he has paid \$1,138.37.

The Hearing Officer, having considered the evidence, arguments and the Cab Companies' proposal, being fully advised in the premises and for good cause appearing, hereby issues the following Findings of Fact, Conclusions and Recommendation:

FINDINGS OF FACT

1. The Cab Companies filed a petition for taxicab maximum rate increase dated May 11, 2007. Ex. 1.

2. A notice of hearing, set for May 30, 2007 at 10:00 a.m. in connection with the Cab Companies' petition, was mailed to the Cab Companies and duly published. Exs. 2 and 3.

3. At the hearing, the Hearing Officer took judicial notice of the February 16, 2005 Findings of Fact, Conclusions and Recommendation ("2005 FFCR") submitted on May 21, 2007 as a supplement to the petition filed on May 11, 2007. Ex. 4.

4. The 2005 FFCR found no rate increases had occurred from 1997 to 2005. 2005 FFCR at ¶ 3. An analysis was presented pertaining to the flag drop rates in sixty-one western U.S. cities. At that time the average drop charge was approximately \$2.30, the median drop charge was \$2.00. The drop charge in fifty-seven cities was higher than in Salt Lake City. *Id.* at ¶ 4.

5. The Hearing Officer took judicial notice the 2005 rate increases were based on average cost of living based on the Consumer Price Index (CPI), and not just on gasoline prices. See 2005 FFCR at ¶ 8. Also, gasoline prices in Utah increased 25% from November 1, 2003 to October 2004; regular, unleaded gasoline in Salt Lake rose

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from \$1.489 per gallon in June 2003 to \$2.00 per gallon in May 2004; and in 1998, the price for regular, unleaded gasoline was slightly over \$1.10 per gallon. *Id.* at ¶ 9.

6. The Hearing Officer took judicial notice the real take-home pay of taxicab drivers is affected by these factors, and had decreased for the seven years prior to the increases in 2005. *Id.* at ¶ 11.

7. The Hearing Officer took judicial notice of the 2006 Findings of Fact, Conclusions and Recommendation regarding the Cab Companies' petition for temporary taxicab flag drop rate increase ("2006 FFCR"). Ex. 5. Among the facts included in the 2006 FFCR, which the Hearing Officer took judicial notice of, are the following:

a. The Cab Companies suggested the following recommendation to address the future fluctuations in gas prices: "That a sliding scale be implemented that would allow the flag drop rate to change based on the fluctuation of more than \$0.50 in gas prices. Under this system, the flag drop rate will be adjusted on a monthly basis to account for the fluctuations of more than \$0.50, either upward or downward, in gas prices from a base price of \$2.00/gallon. This process, as proposed, would be implemented without additional hearings and would be initiated by the Cab Companies providing notice to the Business Licensing Administrator in advance of the rate change. Gas prices would be determined by those published by the American Automobile Association ("AAA."). 2006 FFCR at pp. 2-3.

b. At the time of the previous recommendation for an increase in taxicab rates, the cost of regular, unleaded gasoline was approximately \$2.00 per gallon. 2006 FFCR at ¶ 8.

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- c. Gasoline prices peaked at \$2.90 per gallon in fall 2005. *Id.* at ¶ 9.
- d. The taxicab industry depends heavily upon gasoline. *Id.* at ¶ 10.
- e. At the date of the hearing gasoline prices had retreated to about \$1.96 per gallon. *Id.* at ¶ 11.
- f. The taxicab drivers had to absorb 100% of the increase in gas prices because they are not compensated or reimbursed by the Cab Companies for gasoline costs. *Id.* at ¶ 12.
- g. The Cab Companies agreed to pass on 100% of the temporary flag drop rate increase directly to the taxicab drivers to help compensate them for the increase in gasoline prices. *Id.* at ¶ 15.
- h. Other jurisdictions responded to the sudden and unexpected increases in gasoline prices by implementing gasoline surcharges ranging from \$0.50 to \$1.00. *Id.* at ¶ 16.

9. Gasoline price fluctuations are illustrated in the 2005 Addendum to Report of Theodor P. Tatos, Managing Economist – LUCG, which depicted the average regular gasoline prices in Utah and Salt Lake City from 2004 to 2005. *Ex.* 6.

8. The current version of Salt Lake City Code, Section 5.72.455, lists the flag drop rate at \$2.25, which reflects a \$0.25 increase.

9. The mileage rate has not increased since 2005. In a May 2, 2007, Salt Lake Tribune article, "Gas-zooks! Utah up to \$3 a gallon," Utah Commerce Director Francine Gianti stated, "All of us should be somewhat alarmed by where we are today, given the fact we haven't yet reached Memorial Day. At least last year they waited until Memorial Day to raise prices." *Ex.* 7.

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10. The Hearing Officer took judicial notice of the AAA Daily Fuel Gauge Report, dated May 29, 2007, showing Utah regular, unleaded at \$3.275 per gallon, \$3.454 for mid-level unleaded, and \$3.605 for premium unleaded. Ex. 8. Not all drivers use regular unleaded gasoline.

11. The Hearing Officer took judicial notice of the AAA Daily Fuel Gauge Report, dated May 29, 2007, showing current Salt Lake City - Ogden prices for regular unleaded at \$3.219, the highest recorded price ever. Ex. 9. The price for mid-level unleaded is \$3.395 per gallon, and \$3.543 per gallon for premium unleaded. *Id.*

12. The average driver driving a Ford Crown Victoria gets 15 miles per gallon, which for 200 miles driven daily equals 13.33 gallons of gasoline. If gas prices are \$2.00 per gallon (the cost of regular unleaded at the time of the last hearing), multiplied by 13.33 gallons for 200 miles driver costs are \$26.67. If gas prices are \$3.22 per gallon (the cost of regular unleaded on May 29, 2007), it costs \$42.92 to drive the same 200 miles. The price difference is \$16.25 per day. If \$0.20 per mile increase is granted, considering an average driver drives 100 miles with passengers, the increase in fare would equal \$20.00 per day.

13. The Cab Companies have no present intent to raise lease rates and will not raise lease rates for the remainder of the year, except upon an increase in insurance premiums or subject to another large unforeseen expenditure. Yellow Cab's insurance renewal date is November 24, 2007; City Cab's is January 1, 2008; Ute Cab's insurance renews on August 1, 2007.

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CONCLUSIONS

1. The Cab Companies' petition for taxicab maximum rate increase was appropriately and timely filed.
2. The May 30, 2007, public hearing concerning the Cab Companies' petition was timely and properly noticed by Salt Lake City.
3. The per-mile rate, which is currently \$1.80, should be increased to \$2.00 to compensate taxicab drivers for the recent period of increased gasoline prices.
4. All of the increase in the per-mile rate should go to the taxicab drivers.
5. The foregoing increase should become effective upon approval by the City Council.

RECOMMENDATION

Based upon the foregoing Findings of Fact and Conclusions, this Hearing Officer does hereby RECOMMEND the following:

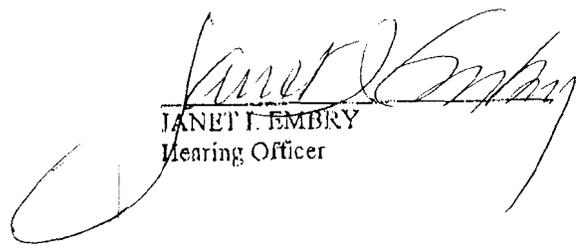
1. The current per-mile rate of \$1.80 should be increased to \$2.00.
2. All of the increase in the per-mile rate should go to the taxicab drivers.
3. For the remainder of 2007, the question of benchmarking future increases in the flag drop rate to respond to changes in gasoline prices should be appropriately left for decision by the City Council or Budget Office as a policy matter, rather than the Hearing Officer.
4. Pursuant to Section 5.72.457(D) of the Salt Lake City Code, this Recommendation is subject to the acceptance, modification, or rejection by the City Council.

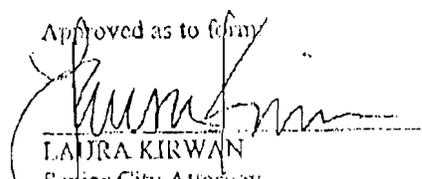
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Entered this 1st day of June 2007


JANET F. EMBRY
Hearing Officer

Approved as to form

LAURA KIRWAN
Senior City Attorney
Salt Lake City Corporation

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Exhibit 1

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P. 11

Yellow Cab Drivers Association



YELLOW CAB DRIVERS ASSOCIATION, INC.

435 SOUTH 600 WEST
SALT LAKE CITY, UT 84101

(801) 521-2100

FAX (801) 521- 1857

May 11, 2007

Edna Drake, Administrator
Business & Licensing Division
Salt Lake City Corporation
451 South State Street, Rm 225
Salt Lake City, Utah 84111

Re: PETITION FOR TAXICAB MAXIMUM RATE INCREASES

Dear Ms. Drake:

We are writing on behalf of Yellow Cab Drivers Association, Inc. ("Yellow Cab"), Ute Cab Company, Inc. ("Ute") and City Cab Company, Inc. ("City") to petition for a prompt increase in rates to the following levels:

Flag drop:	\$2.25	(no increase)
Per mile rate:	from \$1.80 to \$2.00	(\$0.20 increase)
Waiting time:	\$22.00	(no increase)
Minimum fare from airport:	\$12.00	(no increase)

This proposed rate increase is submitted pursuant to Section 5.72.457(A) (Annual Review of Maximum Rates) of the Salt Lake City Code.

Gasoline prices have increased substantially and now exceed \$3.00 per gallon. This rapid and severe increase in gas prices has severely impacted taxicab drivers. Due to the exigent circumstances presented by the current gasoline prices, the cab companies would appreciate having a hearing scheduled on this petition at the City's earliest convenience. Attached in support of this petition are the Report and Supplement of economist Ted Tatos, the prior Salt Lake City Order increasing rates, and Salt Lake Tribune article reporting record average gas prices in Utah. A check for the filing fee is also submitted with this petition.

Thank you for your attention to this matter. If you have any questions or concerns, please feel free to contact us.

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Edna Drake
May 11, 2007
Page 2

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YELLOW CAB DRIVERS ASSOCIATION, INC.

435 SOUTH 600 WEST
SALT LAKE CITY, UT 84101

(801) 521-2100

[Faint text]

FAX (801) 521-1857

Sincerely yours,

[Signature of Donald Barron]
DONALD BARRON
Yellow Cab

[Signature of Ken Olsen]
KEN OLSEN
Ute Cab

[Signature of David or Bruce Jackson]
DAVID or BRUCE JACKSON
City Cab

cc: Larry Spendlove

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Exhibit 2

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Notice of Hearing

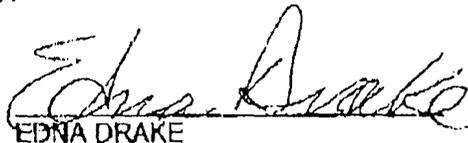
Notice is hereby given pursuant to Section 5.72.457(B), SALT LAKE CITY CODE, that a hearing will be held on May 30, 2007 at 10:00 a.m., in Room 542, City and County Building, 451 South State Street, Salt Lake City, Utah 84111, regarding the Petition for Taxicab Maximum rates increase made by Yellow Cab Drivers Association, Inc., Ute Cab Company and City Cab Company, Inc. Said hearing will be held before a hearing officer appointed by the Mayor. All interested persons are invited to attend.

In accordance with Section 5.72.457(B), SALT LAKE CITY CODE, a hearing must be conducted before the Mayor or his/her designee with actual notice of hearing being posted in the office of the City recorder and shall be published in a newspaper of general circulation in Salt Lake County before the hearing. All persons desiring to appear at said hearing to speak in support of or in opposition of the said petition are invited to attend.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxillary communicative aids and services) during this proceeding should call Edna Drake, Salt Lake City Business License Supervisor, at 535-6644 at least three working days prior to the proceeding.

Dated this 17th day of May, 2007.




EDNA DRAKE

Business License Administrator

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Exhibit 3

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Exhibit 4

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DENNIS FLYNN

WINDER & HASLAM PC
BUSINESS AND TRIAL ATTORNEYS

Suite 6000
175 West 205 South
PO Box 2663
Salt Lake City, Utah 84110-2668
801.322.7123/phone
801.322.7702/fax
dflynn@winder.com
www.winder.com

May 21, 2007

Edna Drake, Administrator
Business & Licensing Division
Salt Lake City Corporation
451 South State Street, Rm 225
Salt Lake City, Utah 84111

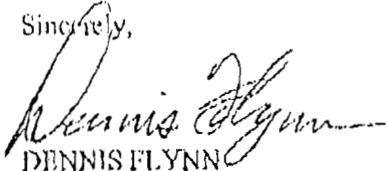
Re: PETITION FOR TAXICAB MAXIMUM RATE INCREASES

Dear Ms. Drake:

Enclosed please find the Findings of Fact, Conclusions and Recommendation for the above, signed by Michael Crippen on February 16, 2005, which should be included with the taxicab companies' application for rate increase submitted earlier this month.

Thank you for your assistance, and feel free to call me with questions you may have.

Sincerely,



DENNIS FLYNN
RDF/er
Enclosure



JUN-06-2007 WED 10:12 AM WINDER & HASLAM

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Donald J. Winder (#3519)
John W. Holt (#5720)
WINDER & HASLAM, P.C.
175 West 200 South, Suite 4000
Post Office Box 2668
Salt Lake City, UT 84110-2668
Telephone: (801) 322-2222
Facsimile: (801) 322-2282

Attorneys for Yellow Cab Drivers
Association, Inc., City Cab Company
and Ute Cab Company

BEFORE THE DESIGNER OF THE MAYOR OF SALT LAKE CITY, UTAH

IN RE: MATTER OF 2005
TAXICAB RATE INCREASES

FINDINGS OF FACT, CONCLUSIONS
AND RECOMMENDATION

Hearing Officer: Michael W. Crippen

Pursuant to Section 5.72.457 of the Salt Lake City Code, a public hearing was held on January 20, 2005, before Michael W. Crippen, Hearing Officer, pertaining to the petition filed by Yellow Cab Drivers Association, Inc. ("Yellow Cab"), Ute Cab Company ("Ute Cab"), and City Cab Company ("City Cab") (referred to herein collectively as the "Cab Companies") for increases in the maximum taxicab rates under Section 5.72.457(A) of the Salt Lake City Code. Representatives of the Cab Companies were present at the hearing, testimony was introduced, exhibits ("Ex.") were received, and arguments made to the Hearing Officer in support of the petition for rate increases. Donald J. Winder, Attorney at Law, appeared on behalf of the Cab Companies. Melanie A. Reif, Assistant City Attorney, Edna Drake, Business Licensing

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Supervisor, and Teena Hautmann, Business Licensing Officer appeared on behalf of the City. The Hearing Officer, having considered the evidence and arguments, being fully advised in the premises and for good cause appearing, hereby issues the following Findings of Fact, Conclusions and Recommendation.

FINDINGS OF FACT

1. The Cab Companies filed a petition on December 22, 2004 and an amended petition on January 10, 2005 asking the minimum taxicab rates be increased as follows:

Flag drop:	From \$1.60 to \$1.75 (\$.15 increase)
Per mile rate:	From \$1.60 to \$1.80 (\$.20 increase)
Waiting time:	From \$21.00 to \$22.00 (\$1.00 increase)
Minimum fare from airport:	From \$10.00 to \$12.00 (\$2.00 increase)

(See Exs. 3 and 4). In their amended petition, the Cab Companies abandoned their request for additional future rate increases set forth in the original petition. (See Ex. 4).

2. Notice of Hearing was mailed to numerous parties on January 6, 2005 (Ex. 1) and published in the Salt Lake Tribune and the Deseret Morning News on January 10, 2005. (Ex. 2).

3. A hearing to increase the maximum taxicab rates last occurred in 1997.

4. Among sixty-one cities in the western U.S., Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Washington, and Wyoming, the average drop charge is approximately \$2.30 and the median drop charge is \$2.00. Thus, Salt Lake City has the fourth lowest drop charge; that is, fifty-seven of the sixty-one cities have a

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higher drop charge than Salt Lake City. Raising the drop charge to \$1.75 will still leave Salt Lake City's drop charge as the eleventh lowest of the sixty-one cities. (Ex. 5).

5. The average per mile rate is \$1.93 and the median per mile rate is \$1.80.

Raising the rate from \$1.60 to \$1.80 in Salt Lake City will leave Salt Lake City in the middle of the distribution relative to other western U.S. cities. (*Id.*).

6. The average waiting time charge in the western U.S. cities is approximately \$23.61 and the median is \$21.00. Raising the rate by \$1.00 from \$21.00 to \$22.00 will leave Salt Lake City in the middle of the distribution for waiting time charges. (*Id.*).

7. Thus, based on comparisons with cities in the same region, Salt Lake City's taxicab rates are generally low, at least with regard to drop charge and the per-mile charge.

8. The Consumer Price Index (CPI) for all items and all urban consumers in the western U.S. has risen 19.5% since 1997. Gasoline, however, has experienced even a greater price increase. The CPI for gasoline in the western U.S. has increased 62.6% over the past seven years. The CPI for the Denver area have also increased over the past seven years, by an average of nearly 33% for gasoline, 21% for food, and 25% for shelter. (*Id.*).

9. Gasoline prices in Utah increased 25% from November 1, 2003 to October, 2004. (Ex. 7). The price of regular, unleaded gasoline in Salt Lake rose from \$1.489 per gallon in June of 2003 to \$2.00 per gallon in May of 2004. (Ex. 9). In 1998, the gasoline price for regular, unleaded was slightly over \$1.10 per gallon. (*Id.*).

10. The Wasatch Front Cost of Living Index for all items rose 19 points from 1997 through May, 2004. (Ex. 9).

11. These factors indicate the real take-home pay of taxicab drivers has decreased over the past seven years. That is, based on the CPI for the western U.S., in real dollar terms, if a taxicab driver earned \$20,000 per year in 1997, those dollars would only be worth approximately \$16,100 in 2004. Thus, the taxicab drivers have suffered nearly a 20% drop in their take-home pay because of inflationary trends. (Ex. 5).

12. The Hearing Officer takes judicial notice of the testimony given by taxicab drivers at a recently conducted hearing in the matter of Eagle Limo & Cab, LLC and Additional Applications, which testimony established the reduced income being received by cab drivers due to inflation and the increased costs of operating a taxicab.

13. Insurance premiums paid by Yellow Cab have increased over 72% over the previous seven years. (*Id.*).

14. Based on these inflationary trends, the rate increases requested by the Cab Companies are justified and appropriate.

15. A significant number of cab drivers take passengers to or from the Salt Lake International Airport ("the Airport"). Since 1997, the Airport has repeatedly raised the fees it charges for transporting passengers at the Airport.

16. The \$.15 requested increase in the maximum flag drop rate constitutes a 9% increase in the current rate and is less than the 19.5% CPI increase in the western U.S. from 1997 to 2004. A \$.15 increase in the maximum flag drop rate is reasonable, based upon the facts and evidence presented to the Hearing Officer.

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17. The \$.20 requested increase in the maximum per-mile rate constitutes a 13% increase from the current rate and is less than the 19.5% CPI increase in the western U.S. from 1997 to 2004. A \$.20 increase in the maximum per-mile rate is reasonable, based upon the facts and evidence, especially noting the increases in gasoline prices and insurance premiums.

18. A \$1.00 requested increase in the maximum waiting time rate constitutes a modest 5% increase, which is significantly lower than the CPI increase in the western U.S. from 1997 to 2004. A \$1.00 increase in the maximum waiting time rate is reasonable, based upon the facts and evidence presented to the Hearing Officer.

19. The \$2.00 requested increase in the minimum fare from the Airport constitutes a 20% increase in the current rate and roughly equals the 19.5% CPI increase in the western U.S. from 1997 to 2004. The \$2.00 requested increase in the minimum fare from the Airport is reasonable, based upon the facts and evidence presented, noting the repeated increases in Airport fees and the significant number of taxicabs at the Airport. These increases are especially appropriate and reasonable, given the erosion in take-home pay experienced by the cab drivers. Cab drivers are significantly undercompensated.

20. It is fair and reasonable for the increased rates set forth hereinabove to be made effective upon approval by the City Council.

CONCLUSIONS

1. The Cab Companies' petition was timely filed in this matter.
2. The January 20, 2005 public hearing concerning the Cab Companies' petition was timely and properly noticed by Salt Lake City.

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3. The maximum taxicab rates should be increased as follows:

- Flag drop: From \$1.60 to \$1.75
- Per mile rate: From \$1.60 to \$1.80
- Waiting time: From \$21.00 to \$22.00
- Minimum fare from airport: From \$10.00 to \$12.00

4. The rate increases set forth herein should become effective upon approval by the City Council.

RECOMMENDATION

Based upon the foregoing Findings of Fact and Conclusions, this Hearing Officer does hereby RECOMMEND the following:

1. The maximum taxicab rates should be increased as follows:

- Flag drop: From \$1.60 to \$1.75
- Per mile rate: From \$1.60 to \$1.80
- Waiting time: From \$21.00 to \$22.00
- Minimum fare from airport: From \$10.00 to \$12.00

2. Pursuant to 5.72.457(1) of the Salt Lake City Code, this recommendation is subject to the acceptance, modification, or rejection by the City Council.

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Entered this 16 day of February, 2005.


MICHAEL W. CRIPPEN
Hearing Officer

APPROVED AS TO FORM:


Melanie A. Reif
Assistant City Attorney
Salt Lake City Corporation

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CERTIFICATE OF HAND-DELIVERY

I hereby certify that I caused a true and correct copy of the foregoing proposed FINDINGS OF FACT, CONCLUSIONS AND ORDER, to be hand-delivered on the 15th day of February, 2005, to the following:

Melanie A. Reif
Assistant City Attorney
Salt Lake City Corporation
451 South State Street, #505A
Salt Lake City, Utah 84111

Edna Drake
Business License Supervisor
Business & Licensing Division
Salt Lake City Corporation
451 South State Street, Rm 225
Salt Lake City, UT 84111

Sam Guevara
Mayor's Chief of Staff
Salt Lake City Corporation
451 South State Street, #306
Salt Lake City, Utah 84111

Donald J. Winder

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Exhibit 5

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FAX NO. 8013222282

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Donald J. Winder (#3519)
John W. Holt (#5720)
WINDER & HASLAM, P.C.
175 West 200 South, Suite 4000
Post Office Box 2668
Salt Lake City, UT 84110-2668
Telephone: (801) 322-2222
Facsimile: (801) 322-2282

Attorneys for Yellow Cab Drivers
Association, Inc., City Cab Company
and Ute Cab Company

BEFORE THE DESIGNEE OF THE
MAYOR OF SALT LAKE CITY, UTAH

IN RE: MATTER OF
TEMPORARY TAXICAB
FLAG DROP RATE INCREASE

FINDINGS OF FACT,
CONCLUSIONS AND
RECOMMENDATION

Hearing Officer: Michael W. Crippen

Pursuant to Sections 5.72.457 and 5.72.455(A) of the Salt Lake City Code, a public hearing was held on November 23, 2005, before Michael W. Crippen, Hearing Officer, to determine whether the November 2, 2005 Renewed Petition for Temporary Taxicab Rate Increase filed by Yellow Cab Drivers Association, Inc. ("Yellow Cab"), Ute Cab Company ("Ute Cab"), and City Cab Company ("City Cab") (referred to herein collectively as the "Cab Companies") for a temporary increase in the flag drop rate should be forwarded as a recommendation to the City Council. Representatives of the Cab Companies were present at the hearing, testimony was introduced, exhibits ("Ex.")

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were offered and received, and arguments were made to the Hearing Officer in support of the petition. Donald J. Winder, Attorney at Law, appeared on behalf of the Cab Companies. Melanie Reif, Assistant City Attorney, and Jim Benton, Business Licensing Enforcement, appeared on behalf of Salt Lake City.

Counsel for the Cab Companies and the City each provided procedural and statutory background information pertinent to this petition and the City Council's recent legislative action authorizing the procedure for this proceeding. Counsel for the Cab Companies clarified during the hearing that although their original petition requested a temporary increase of \$1.00 in the flag drop rate, they are now proposing the following recommendation given the recent recess in gas prices:

That a fifty-cent (\$.50) increase in the flag drop rate for the next six (6) months be implemented to allow a catch-up for the high gas prices over the last six (6) months. Implementing this change will include no prospective increase because gas prices have retreated.

The Cab Companies also suggested the following recommendation to address future fluctuations in gas prices:

That a sliding scale be implemented that would allow the flag drop rate to change based on the fluctuation of more than \$.50 in gas prices. Under this system, the flag drop rate will be adjusted on a monthly basis to account for the

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fluctuations of more than \$.50, either upward or downward, in gas prices from a base price of \$2.00/gallon. This process, as proposed, would be implemented without additional hearings and would be initiated by the Cab Companies providing notice to the Business Licensing Administrator in advance of the rate change. Gas prices would be determined by those published by the American Automobile Association ("AAA").

With respect to the Cab Companies' proposal for a sliding scale, the City noted that as a practical matter a recommendation could be drafted to include a sliding scale but Section 5.72.455(A) of the Salt Lake City Code provides an alternative to that approach which, theoretically, would allow the rates to be set at an amount that would allow the Cab Companies or taxicab drivers to lower the rates on their own. Thus, hypothetically speaking, if the flag drop rate were raised to \$3.00 as requested in the Cab Companies' renewed petition, and if gas prices went to \$2.50 per gallon, then the Cab Companies or taxicab drivers could lower the rate on their own pursuant to Section 5.72.455 which states that owners or taxicab drivers may establish rates that are lower but not higher than those established by ordinance. The City noted that it was not making a recommendation but was simply noting this as an alternative that seemed more in keeping with Section 5.72.457 as presently drafted.

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The Cab Companies offered testimony on their own behalf and also presented the testimony of their expert, Ted Tatos ("Mr. Tatos"). Yellow Cab testified that it is operating approximately 120 cabs per day; Ute Cab testified that it is operating about 60-68 cabs per day; and City Cab testified that it is operating approximately 45 cabs per day. They also testified that their drivers buy their own gas and that they do not provide gas to the drivers. Mr. Tatos testified that he was proposing adoption of the sliding scale. Mr. Tatos explained that a sliding scale could be based on gas prices or could be based on a per mile charge. Mr. Tatos testified that basing the sliding scale on gas prices was easier and less expensive than basing it on a per mile charge which would involve frequent changes to the taxicab meters. Mr. Tatos presented fifteen (15) trip sheets to support his proposal to adopt a sliding scale, but he later acknowledged that those sheets were not a representative sample and were only relied on by him as a statistical model.

The Hearing Officer, having considered the evidence, arguments and the Cab Companies' proposal, being fully advised in the premises and for good cause appearing, hereby issues the following Findings of Fact, Conclusions and Recommendation:

FINDINGS OF FACT

1. The Cab Companies filed a petition for temporary taxicab rate increase on or about September 20, 2005. Ex. 3.
2. The petition was rejected on the basis that the Salt Lake City Code only permitted one review of rates in a calendar year and the rates had previously been reviewed and increased during the 2005 calendar year.

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3. The Salt Lake City Council, in order to respond to special circumstances justifying additional reviews of rates during a particular calendar year, amended the Salt Lake City Code Section 5.27.457 to permit additional reviews based upon the approval of either the City Council or the Mayor. This amendment was passed on November 1, 2005 and published on November 5, 2005.

4. Following the action of the City Council, the Cab Companies filed a renewed petition for temporary taxicab rate increase on or about November 2, 2005. This petition seeks a temporary \$1.00 increase in the current flag drop rate from \$2.00 to \$3.00. Ex. 4.

5. Pursuant to newly enacted subsection (E) of Section 4.72.457 of the Salt Lake City Code, the Mayor directed that this hearing be scheduled.

6. A notice of hearing in connection with the Cab Companies' renewed petition was mailed to the Cab Companies and duly published. Exs. 1 and 2.

7. The City previously increased taxicab rates in late May 2005. These rate increases included an increase in the flag drop rate from \$1.60 to \$2.00 and a per mile change from 1/16 mile to 1/18 mile. This increase reflects a twenty-five cent (\$.25) increase above the requested and recommended flag drop rate as set forth in the Cab Companies' January 10, 2005 petition and this hearing examiner's February 15, 2005 recommendation.

8. At the time the Hearing Officer previously recommended an increase in taxicab rates, the cost of regular gasoline was approximately \$2.00 per gallon. Ex. 5.

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9. Gasoline prices peaked at \$2.90 per gallon in the fall of 2005. *Id.*

10. The taxicab industry depends heavily upon gasoline. *Id.*

11. As of the date of the hearing in this matter, gasoline prices have retreated to about \$1.96 per gallon.

12. Cab drivers for each of the Cab Companies pay for their own gasoline costs. Cab drivers are not compensated or reimbursed by the Cab Companies for gasoline costs. This means that the taxicab drivers had to absorb 100% of the increase in gas prices.

13. The Hearing Officer takes judicial notice of the testimony given by taxicab drivers at a hearing conducted in the matter of Eagle Limo & Cab, LLC and additional applications, which testimony established the reduced income being received by taxicab drivers due to inflation and the increased costs of operating a taxicab.

14. Although gasoline prices have now retreated, it is fair, reasonable and necessary to compensate the taxicab drivers for the loss they suffered during the recent period of increased gasoline costs. As set forth in Ex. 5, gas prices peaked at \$2.90 per gallon in the fall of 2005, increasing by nearly \$.75 per gallon from mid-summer, requiring the cab drivers to absorb this expense without any relief. Therefore, a temporary increase in the flag drop rate to compensate them retroactively is justified.

15. The Cab Companies agree that 100% of any temporary increase in the flag drop rate will be passed on to the taxicab drivers to help compensate them for the recent increase in gasoline prices.

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16. Other jurisdictions, including but not limited to Seattle, Washington, Fairfax County, Virginia, Arlington, Virginia, Annapolis, Maryland, and Philadelphia, Pennsylvania, have responded to the sudden and unexpected increases in gasoline prices by implementing gasoline surcharges ranging from \$.50 to \$1.00. Some of these surcharges are based upon a sliding scale tied to gasoline prices. Ex. 5.

17. It is fair and reasonable for the flag drop rate to be increased by \$.50 for a period of six months to cover the gas price increase from at least August 2005 to November 2005 and maybe going back as far as April 2005, to be made effective upon the approval by the City Council.

18. The question of benchmarking future increases in the flag drop rate to respond to changes in gasoline prices is more appropriately left for decision by the City Council or Budget Office as a policy matter, rather than the Hearing Officer.

19. Section 5.72.455 supports the City's hypothetical that the rates could be raised to the maximum \$3.00 flag drop rate requested in the Cab Companies' renewed petition, which could then be lowered by the owners or drivers when gas prices fluctuate. However, as a practical matter, this route should not be put into practice for the reason that a \$3.00 ceiling may become the floor after a change is implemented.

CONCLUSIONS

1. The Cab Companies' renewed petition for temporary rate increase was appropriately and timely filed.

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2. The November 23, 2005, public hearing concerning the Cab Companies' petition was timely and properly noticed by Salt Lake City.

3. The flag drop rate, which is currently \$2.00, should be increased to \$2.50 for a period of six months, to compensate taxicab drivers for the recent period of increased gasoline prices.

4. One hundred percent (100%) of the increase in the flag drop rate should go to the taxicab drivers and none of it should go to the Cab Companies.

5. The foregoing temporary increase should become effective upon approval by the City Council.

RECOMMENDATION

Based upon the foregoing Findings of Fact and Conclusions, this Hearing Officer does hereby RECOMMEND the following:

1. The current flag drop rate of \$2.00 should be increased to \$2.50 for a period of six months.

2. One hundred percent (100%) of the increase in the flag drop rate should go to the taxicab drivers and none of it should go to the Cab Companies.

3. The question of benchmarking future increases in the flag drop rate to respond to changes in gasoline prices should be appropriately left for decision by the City Council or Budget Office as a policy matter, rather than the Hearing Officer.

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4. Pursuant to Section 5.72.457(D) of the Salt Lake City Code, this recommendation is subject to the acceptance, modification, or rejection by the City Council.

Entered this 20th day of January, 2006.


MICHAEL W. CRIPPEN
Hearing Officer

Approved as to form:


MELANIE A. REIF
Assistant City Attorney
Salt Lake City Corporation

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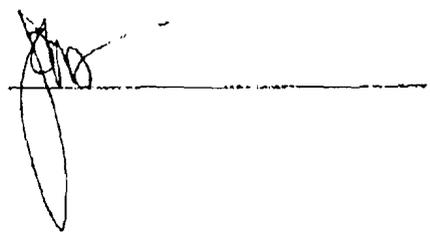
CERTIFICATE OF HAND-DELIVERY

I hereby certify that I caused a true and correct copy of the foregoing proposed FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER, to be sent via U.S. Mail, postage prepaid, on this 19th day of December, 2005, to the following:

Melanie A. Reif
Assistant City Attorney
Salt Lake City Corporation
451 South State Street, #505A
Salt Lake City, Utah 84111

Edna Drake
Business License Supervisor
Business & Licensing Division
Salt Lake City Corporation
451 South State Street, Rm 225
Salt Lake City, UT 84111

Sam Guevara
Mayor's Chief of Staff
Salt Lake City Corporation
451 South State Street, #306
Salt Lake City, Utah 84111



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WINDER & HASLAM, P.C.
175 W. 200 So. #4000
P.O. Box 2668
Salt Lake City, Utah 84110-2668
Telephone: (801) 322-2222
Fax: (801) 322-2282

TELECOPIER COVER SHEET

DATE: January 24, 2006

Please deliver the following pages to:

Name: Melanie Reif
Salt Lake City Atty.

Fax: 535-7640

From: Donald J. Winder

Regarding: Cab Rate Increases

Comments: Please see attached signed AND DATED Findings of Fact, Conclusions and Recommendations. I have also had the original handdelivered back to Extra Drive.

Total number of pages (including cover page): 11

Telecopier operator: Jenifer L. Jones Phone: (801) 322-2222

Original will be sent under separate cover via U.S. Mail

Original will not be sent under separate cover

If you do not receive all the pages, PLEASE CALL BACK AS SOON AS POSSIBLE.
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Exhibit 6

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2005 Addendum to
Report of
Theodor P. Tatos
Managing Economist - LECG

Review of Proposed Flag Drop Fee Increase

Prepared at the Request of the
Salt Lake City Taxicab Industry

I. Introduction

I have been engaged by the Salt Lake Taxicab Industry (City Cab, Ute Cab, and Yellow Cab) in order to review the reasonableness of the proposal to increase the flag drop rate as a result of increased gas prices. This report is an addendum to the report that I submitted at the end of 2004 in regard to the issue of raising taxicab rates.

This report describes my work to date and summarizes my opinions and the bases for those opinions. The opinions and findings expressed herein are based upon my work to date and upon the facts and data I observed from my research of the issues involved in this matter. The materials I have specifically relied upon are listed in Exhibit 1 to this report. If new relevant facts are produced, I expect to update my analysis accordingly.

II. Professional Qualifications

I am a Managing Economist in the international professional services firm of LECCG. I have over nine years of experience in economic consulting for both public and private sector clients. I have provided consulting services in healthcare matters requiring statistical sampling and mathematical analysis, high-profile antitrust cases, business valuations, employment discrimination litigation matters, and others. I have taught both undergraduate and graduate-level economics classes at the University of Utah as an Adjunct Professor. I have also made presentations to graduate classes in the Finance Department and to the Executive MBA Program at the University of Utah as well as presentations to organizations such as the American Agricultural Economics Association. I have also published a chapter in the 2004 Supplement to the book Intellectual Property Damages: Guidelines and Analysis. A copy of my Curriculum Vitae is detailed in Exhibit 2 of this report.

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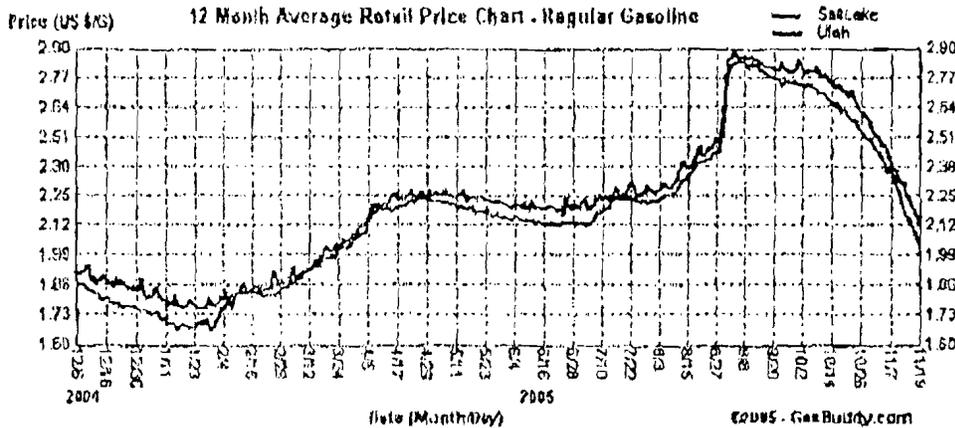
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III. Analysis

A. Gasoline Price Fluctuations

As a result of the recent increases in gasoline prices, the taxicab companies in Salt Lake City had requested an immediate, but temporary increase in the flag drop from \$2.00 to \$3.00. This fall, gasoline prices in Utah reached \$3.00. The chart below illustrates the average regular gasoline prices in Utah and Salt Lake City over the past year:



Source: <http://www.saltlakegasprices.com>¹

Recently, the gas prices have retreated, due to several factors, including lighter-than-expected damage from Hurricane Rita as well as political pressure. A comparison of current gas prices with those of a year ago is shown below:

¹This web site depends on reports from visitors, who enter in the prices they see at various gas stations throughout the Salt Lake area.

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Exhibit 7

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The Salt Lake Tribune

<http://www.sltrib.com>

Gas-zooks! Utah up to \$3 a gallon

Prices could climb, but state is unlikely to investigate this time

By Lesley Mitchell

The Salt Lake Tribune

Salt Lake Tribune

Article First Updated: 05/07/2007 02:21:02 AM MST

Weeks before the summer driving season officially begins, gas prices in Utah have hit a record average of \$3 per gallon.

Eleven states and Washington, D.C., still have higher prices for a gallon of self-serve unleaded gasoline, but Utah's prices are now above the national average of \$2.97 per gallon, travel services agency AAA reported Tuesday.

Increasing demand for fuel has pushed prices higher, said Rolayne Fairclough, AAA spokeswoman. The increase has been swift. Two months ago, gas could be found for about \$2 per gallon. The average one month ago was \$2.59 a gallon. From just Monday to Tuesday, Utah's average was up 2 cents.

The summer driving season runs roughly from Memorial Day through Labor Day, and prices typically increase around that time, Fairclough said.

Lee Peacock of the Utah Petroleum Association, which represents refineries and producers, attributes the high pump prices to high demand - in Utah and nationwide.

"Because of the strong economy, people and businesses are buying a lot of gasoline, which really squeezes supplies," he said.

Utah Commerce Director Francine Gianni isn't so sure.

"All of us should be somewhat alarmed by where we are today, given the fact we haven't yet reached Memorial Day," Gianni said Tuesday. "At least last year they waited until Memorial Day to raise prices."

The last time gas prices in Utah were near this level was August 2006, when the state hit a record high of \$2.99 per gallon, AAA said. After weeks of high prices, Gov. Jon Huntsman Jr. in September called for an investigation.

Gianni, appointed to oversee the investigation, weeks later placed much of the blame on "price-gouging" by gasoline retailers in the state. But fuel retailers - along with the refineries that process the fuel - denied they were reaping profits at the expense of consumers, even though retailers acknowledged that their profit margins were higher for a sustained period.

Ultimately, state investigators said they could find nothing illegal and dropped the investigation.

Consumer concern began to fade later in 2006 as prices fell. Earlier this year, Utahns were paying among the lowest prices in the country at the pump - an average of \$2.19 per gallon.

Jennifer Miller Smith of Salt Lake City recalls filling up for \$1.99 in February. Monday she drove by two stations with prices for unleaded gasoline at \$3.09 and \$3.11 per gallon.

Smith, who keeps a lookout for lower-priced gasoline while she's out driving, is skeptical of the increases.

"The oil companies all posted all these fat profits - it's somewhat suspicious."

In recent days, the Department of Commerce has received about a dozen calls from consumers upset about higher prices.

Gianni said that at this point the state is not inclined to start another investigation, adding that the last time out, few gas retailers or refining companies provided information. She doesn't expect them to be any more helpful a second time around.

Gianni urged consumers to consider employing gas-saving strategies such as carpooling, using mass transit and

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driving fuel-efficient cars.

"As consumers we need to remember we're not going back to \$1 per gallon," she said. "Prices are only going up."

lesley@sltrib.com

Highest state averages

- * California \$3.41
- * Washington \$3.30
- * Oregon \$3.28
- * Hawaii \$3.20
- * Nevada \$3.16
- * Connecticut \$3.08
- * New York \$3.06
- * Illinois \$3.05
- * Idaho \$3.02
- * Arizona \$3.02
- * New Mexico \$3.01
- * UTAH \$3
- * U.S. \$2.97

Source: AAA Utah Pump relief

To find the best prices on gas, go to www.utahgasprices.com or www.saltlakegasprices.com.

Close Window Send to Printer

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Exhibit 8

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Daily Fuel Gauge Report

AAA's Daily Retail Gasoline Prices

Metro Averages:

Select A Market

Prices updated: 5/29/2007
3:01:29 AM

National Average

Data provided by Oil Price Information Service

Media are encouraged to localize fuel price stories by contacting their local AAA club media representative.

State by State Average

Current State Averages: Click on state for detailed information

What's Moving the Market

*Prices Are In US Dollars Per Gallon.

National Media Contacts

Local AAA Club Media Contacts

Local AAA Clubs

Methodology

Get The Current Fuel Costs For A Trip

State	Regular	Mid	Premium	Diesel
Alaska	\$3.126	\$3.309	\$3.498	\$2.947
Alabama	\$3.050	\$3.260	\$3.357	\$2.803
Arkansas	\$3.116	\$3.287	\$3.496	\$2.791
Arizona	\$3.107	\$3.241	\$3.428	\$2.987
California	\$3.421	\$3.641	\$3.701	\$3.133
Colorado	\$3.327	\$3.559	\$3.719	\$3.190
Connecticut	\$3.286	\$3.566	\$3.659	\$3.058
District of Columbia	\$3.220	\$3.429	\$3.531	\$2.977
Delaware	\$3.055	\$3.246	\$3.389	\$2.893
Florida	\$3.118	\$3.378	\$3.440	\$2.941
Georgia	\$3.081	\$3.313	\$3.460	\$2.841
Hawaii	\$3.394	\$3.589	\$3.656	\$3.547
Iowa	\$3.285	\$3.459	\$3.625	\$2.853
Idaho	\$3.276	\$3.458	\$3.554	\$2.981
Illinois	\$3.518	\$3.785	\$3.902	\$2.995
Indiana	\$3.453	\$3.714	\$3.819	\$2.851
Kansas	\$3.280	\$3.368	\$3.500	\$2.915
Kentucky	\$3.136	\$3.363	\$3.515	\$2.758
Louisiana	\$3.051	\$3.252	\$3.404	\$2.817
Massachusetts	\$3.059	\$3.289	\$3.414	\$2.902
Maryland	\$3.124	\$3.322	\$3.406	\$2.937
Maine	\$3.112	\$3.357	\$3.451	\$2.892
Michigan	\$3.499	\$3.706	\$3.855	\$2.935
Minnesota	\$3.182	\$3.309	\$3.395	\$2.864
Missouri	\$3.145	\$3.272	\$3.464	\$2.761
Mississippi	\$3.016	\$3.180	\$3.323	\$2.727
Montana	\$3.275	\$3.414	\$3.579	\$2.950
North Carolina	\$3.112	\$3.302	\$3.447	\$2.886
North Dakota	\$3.325	\$3.440	\$3.563	\$2.900

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Nebraska	\$3.357	\$3.432	\$3.528	\$2.919
New Hampshire	\$3.021	\$3.272	\$3.389	\$2.834
New Jersey	\$2.962	\$3.176	\$3.296	\$2.765
New Mexico	\$3.391	\$3.611	\$3.767	\$3.045
Nevada	\$3.271	\$3.448	\$3.574	\$3.064
New York	\$3.234	\$3.460	\$3.533	\$3.071
Ohio	\$3.341	\$3.562	\$3.705	\$2.866
Oklahoma	\$3.186	\$3.295	\$3.478	\$2.767
Oregon	\$3.362	\$3.547	\$3.600	\$2.929
Pennsylvania	\$3.092	\$3.260	\$3.404	\$2.952
Rhode Island	\$3.088	\$3.286	\$3.394	\$2.958
South Carolina	\$2.977	\$3.165	\$3.318	\$2.753
South Dakota	\$3.312	\$3.525	\$3.669	\$2.896
Tennessee	\$3.023	\$3.200	\$3.353	\$2.783
Texas	\$3.060	\$3.238	\$3.354	\$2.839
Utah	\$3.275	\$3.454	\$3.605	\$3.051
Virginia	\$3.040	\$3.189	\$3.312	\$2.829
Vermont	\$3.058	\$3.290	\$3.432	\$2.954
Washington	\$3.400	\$3.522	\$3.698	\$3.058
Wisconsin	\$3.424	\$3.555	\$3.719	\$2.958
West Virginia	\$3.230	\$3.377	\$3.547	\$2.958
Wyoming	\$3.194	\$3.330	\$3.548	\$3.015

AAA's Daily Fuel Gauge Report is updated each business day and is the most comprehensive retail gasoline survey available. Everyday over 60,000 self-serve stations are surveyed.

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Exhibit 9

Daily Fuel Gauge Report

AAA's Most Popular Site For Retail Gasoline Prices

Metro Averages:

Select A Market Prices updated: 5/29/2007 3:01:29 AM

- National Average
- State by State Average
- What's Moving the Market
- National Media Contacts
- Local AAA Club Media Contacts
- Local AAA Clubs
- Methodology

Data provided by Oil Price Information Service

Media are encouraged to localize fuel price stories by contacting their local AAA club media representative.

UT Metro Averages

*Prices Are In US Dollars Per Gallon.

Provo-Orem	Regular	Mid	Premium	Diesel
Current	\$3.243	\$3.420	\$3.569	\$3.021
Yesterday	\$3.239	\$3.416	\$3.565	\$3.036
Month Ago	\$2.944	\$3.105	\$3.240	\$3.023
Year Ago	\$2.907	\$3.066	\$3.200	\$3.222

Highest Recorded Price:

Regular Unl.	\$3.243	5/29/2007
Dsl.	\$3.500	9/1/2006

Salt Lake City-Ogden	Regular	Mid	Premium	Diesel
Current	\$3.219	\$3.395	\$3.543	\$3.026
Yesterday	\$3.219	\$3.395	\$3.543	\$3.033
Month Ago	\$2.923	\$3.083	\$3.217	\$3.011
Year Ago	\$2.865	\$3.022	\$3.154	\$3.216

Highest Recorded Price:

Regular Unl.	\$3.219	5/29/2007
Dsl.	\$3.504	8/31/2006

AAA's Daily Fuel Gauge Report is updated each business day and is the most comprehensive retail gasoline survey available. Everyday over 60,000 self-serve stations are surveyed.

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