

EXHIBIT NO. 1

City of Alexandria, Virginia

MEMORANDUM

30
6-22-04

DATE: JUNE 17, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *ps*

SUBJECT: REGULATORY FRAMEWORK FOR THE TAXICAB INDUSTRY

Councilmen Gaines and Krupicka are still working on their Taxicab Report and we expect it to be delivered to Council before Tuesday's Council meeting.

cc: Michele Evans, Assistant City Manager

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 22, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: COUNCILMAN ROB KRUPICKA *RK*
COUNCIL LUDWIG P. GAINES *LG*

SUBJECT: ALEXANDRIA'S TAXI INDUSTRY

We have spent a considerable amount of time over the last month working through the wide range of issues in Alexandria's Taxi industry. This work is not done. The attached memo is a framework. We still have considerable work to do to identify specific implementation issues for all of the elements of this plan. We expect to spend the summer working with City staff to do this.

We have tried to create a framework that would address consumer, driver and company concerns. As with anything this complex and surrounded by so many opinions, it is unlikely that each of you will like every element in this plan. We ask you to look at it as a whole, rather than as individual items. We believe this plan makes significant strides to improve customer service through improved dispatch and other provisions, to provide drivers with increased empowerment through movement as well as increased involvement in industry oversight, and to encourage stronger competition amongst companies by requiring dispatch, limiting monopolies and providing incentives for companies to increase their entrepreneurial efforts. The vision of this plan is that all Alexandria cab companies will have quality dispatch services, that drivers will be empowered and rewarded for their service and that customers will be ensured a quality trip when they call any cab company in our City.

This plan, as with any plan, will require closer industry enforcement and oversight. All of us recognize that this has been lacking and that needs to change. We believe that this is crucial as close oversight will enable us to monitor and adjust this plan as we move forward.

Feel free to contact us if you wish to discuss this prior to the Council meeting.

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 22, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: COUNCILMAN LUDWIG GAINES *Uke*
COUNCILMAN ROB KRUPICKA *RK*

SUBJECT: REGULATORY FRAMEWORK FOR THE TAXICAB INDUSTRY

ISSUE: City Council consideration of a regulatory framework for the Alexandria taxicab industry.

RECOMMENDATION: That City Council:

- (1) Receive this report and the attached summary of the proposed regulatory framework for the Alexandria taxicab industry (Attachment); and
- (2) Adopt a final regulatory framework and direct staff to develop a detailed plan and associated code revisions for submission to Council at the September 14, 2004, legislative meeting.

BACKGROUND: At its May 25 legislative meeting, Council asked two members to review the various taxicab framework proposals that have been submitted to Council and, with staff and consultant support, develop a framework for recommendation to Council for consideration and adoption. Council was given a progress update on this matter at the June 8 legislative meeting and provided valuable feedback on the developing framework at that time. Since then, a final framework has been developed for Council consideration. This framework is based upon previously submitted proposals including input from previous public hearings, work sessions, email communications, discussions with stakeholders and affected parties, and input from all Council members. We now ask that Council receive this report and the attached summary of the recommended framework, adopt a final framework for regulating taxicab service in Alexandria, and direct staff to proceed with preparation of a detailed plan and associated code revisions based on the adopted framework.

DISCUSSION: During the past two weeks, we have continued to work with staff and the City's advisor, Bruce Schaller, to develop a framework for taxicab regulation that reflects the needs of the City and equitably balances competing industry interests. We have also received input from industry stakeholders on this framework. Key features of the recommended framework include:

1. Certificate cards permitting operation of taxicabs within the city are allocated between drivers and taxicab companies based on the respective market demand for airport and city-based dispatch service. On this basis, current market data support assigning 226 to 275 certificate cards to individual taxicab drivers. The number and allocation of company-held cards and the number of driver-held cards may be increased or decreased as a result of the annual industry review based on its findings as to market conditions and service needs. Any reductions in the number of taxicab certificate cards will be accomplished to the maximum possible extent through attrition in the industry.
2. Driver-held certificate cards are assigned to “advanced drivers” who qualify based on length of service in the Alexandria taxicab industry, training and driving record and possibly other factors. Specific criteria for advanced driver status will be developed cooperatively with industry representatives.
3. Company-held certificate cards are issued based on verifiable demand for dispatch service, and the service needs of the city-based taxicab market. The number of cards held by any company may be increased or decreased based on the finding of the annual review of the taxicab industry.
4. All drivers, including those holding certificate cards, must affiliate with a taxicab company. Drivers holding a certificate card may affiliate with their company of choice, subject to (a) acceptance by the company with which they chose to affiliate, (b) at least 12 months of affiliation with their present company, and (c) settlement of any financial obligations with their present company. Drivers operating on a company-held certificate card may also affiliate with their company of choice, subject to (a) availability of an unassigned certificate card at the company with which they chose to affiliate, and (b) settlement of any financial obligations with their present company.
5. All taxicab companies must provide adequate dispatch service based on functional capability and documented performance requirements. Specific requirements for adequate dispatch service will be developed cooperatively with industry representatives.
6. A two-year implementation period is provided for drivers to qualify for advanced driver status, for phased issuance of cards to drivers to minimize disruption to the industry, and for existing companies to meet adequate dispatch service requirements.
7. Company size is limited by: (a) the number of company-held certificate cards authorized by the city based on the company’s demonstrated level of dispatch service; (b) no more than 40 percent of all driver-held certificate cards may be

affiliated with any single company; and (c) no company may purchase or merge with another company if the combined companies would have more than 30% of the total company-held certificate cards.

8. New companies may be authorized to provide taxi service in the city based on demonstration of public convenience and necessity, adequate management and financial capability, including provision of minimum dispatch capability, and other factors as defined in current code and regulations. Recognizing that a new-start company will not have any verifiable demand for dispatch service, its initial certificate would authorize the minimum number of company-held certificate cards necessary to provide viable dispatch service (up to 35 in the recommended framework). The company would have two years to commence operations and build demand for dispatch service. During this period, driver-held certificate cards may be affiliated with the new company, subject only to the 40 percent limitation that applies to all companies, and may apply for additional company-held certificate cards based on verifiable demand for dispatch service.
9. The City's Traffic and Parking Board remains charged with primary responsibility to advise Council on regulating the taxicab industry. In discharging its responsibility, the board will continue to conduct annual industry reviews; recommend changes in the number of authorized taxicabs, and the rules and regulations governing the industry; conduct bi-annual reviews of taxicab rates of fare, and of industry fees, charges and regulatory costs; and serve as a hearing body to facilitate the resolution of industry disputes.
10. In setting taxicab rates of fare, a primary goal will be providing drivers reasonable opportunity to earn a living wage as currently defined by the city, while maintaining rates that are regionally competitive and that do not diminish demand for service by Alexandria cabs.
11. In assessing industry fees and charges, a primary consideration will be full recovery of the City costs associated with regulating the taxicab industry.
12. A Taxicab Forum is established with driver and company industry representation to assist the City in maintaining effective oversight of the industry. The role of this forum is to maintain an industry-based dialog on matters of concern, provide input on rules and regulations governing the industry, identify emerging issues and conditions that may adversely affect the industry and its service to the public, and propose actions to improve public service and conditions within the industry.
13. Taxicab vehicle age limits are established. Currently, Alexandria is the only area jurisdiction without taxicab age and/or mileage limits, including Reagan National Airport, and city-based service is typically provided with older vehicles (for

example, the average age of taxicab vehicles in Alexandria is over eight years, while in Arlington County with a seven year age limit the average age is slightly over four years). Consequently, customer satisfaction is diminished and regulatory effort is increased. Recommended limits on the age of vehicles permitted to be used as taxicabs are: (a) vehicles entering service as a taxicab may be no more than two model years old; and (b) no vehicles in service may be more than seven model years old. The limits on vehicles now in service will need to be phased in.

14. Requirements and incentives are included for the use of ADA wheelchair compliant vehicles and low-emissions hybrid fuel vehicles. A minimum of five percent of company-held certificate cards must be assigned to taxicab vehicles meeting ADA wheelchair-accessible standards. Fees and charges for cards assigned to hybrid fuel vehicles are substantially discounted or waived and the permitted service life is increased to eight model years.
15. A number of changes are included to increase industry oversight and enforcement, with emphasis on providing adequate public service as defined by code and regulations. These changes focus on customer service and satisfaction, company performance, and driver performance, and include the following actions.

Customer Service and Satisfaction:

 - a. Improve tracking, documentation and analysis of consumer complaints, including process for capturing company-directed complaints,
 - b. Impose fines and/or suspensions based on results of complaint investigations,
 - c. Initiate a staff/citizen "phantom fare" service quality evaluation program,
 - d. Conduct more frequent customer satisfaction surveys, and
 - e. Make specific use service quality and complaint data in annual industry review.

Company Performance:

 - a. Require regular submission of company performance and financial information,
 - b. Establish schedule of fines and/or penalties for infractions, including joint company/driver penalties when appropriate,
 - c. Evaluate individual company performance as part of annual review, and
 - d. Require notice prior to any change in stand dues.

Driver Performance:

 - a. Increase hack office staff and resources,
 - b. Increase field presence of inspectors and "on street" enforcement effort,
 - c. Establish schedule of fines and/or penalties for infractions, and
 - d. Establish a mutual disciplinary action agreement with airport.

An important element of the recommended framework that has not been resolved to our full satisfaction is the issue of transferability of driver-held certificate cards, specifically transfer for financial consideration. We will address this issue further over the summer. Two options are presented for consideration

1. All certificate cards nontransferable. Under this option, driver-held certificate cards would be returned to the City for re-issuance when drivers leave the industry. Likewise, company-held cards could not be transferred between companies.
2. Allow transfer of driver-held certificate cards to advanced drivers. Under this option, driver-held cards could be transferred to advanced drivers who do not currently hold a certificate card. Transfers could be for consideration or not. Company-held cards could not be transferred.

From the perspective of drivers, transferability offers the possibility of building equity in their certificate cards. Some drivers believe that they make an investment of money in the purchase of taxicab vehicles and an investment of time in serving the public, and should have the opportunity to build an equity value. This value is sometimes viewed as helping to provide for retirement or other financial needs after drivers leave the industry.

Another argument in favor of transferability is equity between drivers and companies, since the owners of cab companies can sell their interest in the company and thus realize value from company-held certificate cards.

Several considerations can be cited against transferability. If driver-held certificate cards gain value, drivers who receive a certificate card in the initial distribution of cards will realize a windfall gain that will not be available to subsequent drivers. Thus, current drivers (or some portion of them) will benefit at the expense of all other drivers. Second, transferability and value in certificate cards creates a strong interest by current drivers against the City issuing additional certificate cards in the future, even if service needs warrant additional cabs, since drivers may fear a reduction in the value of their certificate cards. As a result, the public may not be adequately served.

Third, the argument that transferability is needed for equity between companies and drivers overlooks the fact that cab companies are ongoing business enterprises that continue to serve the public in substantially the same fashion (same call-takers, dispatchers, drivers and vehicles) upon change of ownership. By contrast, the transfer of driver-held certificate cards results in a complete change in the driver providing the service, and quite likely the vehicle as well. Thus, the two situations are not comparable.

We believe the framework presented in this report is a reasonable and sound basis for taxicab regulations that will reflect the needs of the City and equitably balance competing industry

interests, and recommend it for consideration. Upon adoption of a final framework by Council, we, together with staff and the City's taxicab advisor, will work closely with the affected industry parties to:

1. Develop the supporting details required to implement the adopted framework; and
2. Present to Council a detailed regulatory plan, along with a draft ordinance and regulations implementing the plan, in September.

FISCAL IMPACT: Undetermined at this time.

ATTACHMENT: Recommended Framework for Taxicab Regulation

STAFF:

Richard J. Baier, P.E., Director, Transportation & Environmental Services

Thomas H. Culpepper, P.E., Deputy Director, Transportation & Environmental Services

Summary of Proposed Regulatory Framework

June 22, 2004

Feature	Proposed system
Dispatch requirement	Dispatch required of all companies. Companies must be able to dispatch a cab to customers who call the company. A clear definition of adequate dispatch service (based on both function and performance) will be developed. Requirement will be phased in. Will require 24/7 dispatch for companies with 100 or more certificate cards (including driver-held cards affiliated with company); lesser hours (e.g., 18/7) for smaller companies.
Number of certificate cards held by drivers and companies	226-275 certificate cards (35-43% of the 645 total certificate cards) issued to "advanced drivers" from a pool of drivers who meet criteria that include experience, completion of required training and a good record. Cards to be issued over period of about two years. 370-419 certificate cards issued to companies. Each company to have enough taxicabs to meet the service needs of customers who telephone for a cab. The number issued to each company is re-evaluated and adjusted annually.
Backfill for drivers leaving a company	No separate backfill provision.
Issuance of additional certificate cards (in addition to backfill provision, if any)	Number of certificate cards issued to companies is adjusted as company dispatch volumes change. City can reduce the number of taxicabs through attrition as drivers or companies return cards to the City when no longer in use, and by reducing the number of certificate cards issued to companies in the annual review process.
Ceiling on company size	The objective of ceilings on company size is to foster a competitive dynamic among cab companies. The provisions in this section are designed to prevent any company (or cab company owner) from gaining a dominant position in the industry while at the same time not penalizing companies that grow their call volumes. a) No more than 40% of driver-held cards may be affiliated with any single company. No ceiling on company-held certificate cards (number to be based on number of cabs serving dispatch calls). b) No company can merge with another company if the resulting merged company would have more than 30% of company-held certificate cards. c) No person can hold an ownership share in more than one company.
Driver movement	Drivers with their own certificate card can move between companies after 12 months with their current company, provided the company accepts them. Other drivers can move to another company based on availability of open certificate cards.
Transferability of certificate cards	Transferability for driver-held certificate cards is being examined for long-serving advanced drivers.
Driver affiliation	Driver must affiliate with a cab company.

Feature	Proposed system
Driving requirement for driver-held certificate cards	Taxi must be driven principally by holder of the certificate card. Drivers may rent out their cab to other drivers subject to reasonable limits, contingent on reasonable enforcement method.
Limitations on where drivers may pick up passengers	None (no airport-only cabs).
New companies	New companies are welcomed and encouraged. New companies must show public convenience and necessity by demonstrating how the company will service markets that are currently underserved or served poorly. City will take into account in this evaluation the number of drivers with driver-held cards who commit to affiliating with the new company. Issuance of certificate cards to a new company may be ramped-up as the new company meets the needs of the target market(s) as identified in the application. In the annual review process, city may use attrition to offset issuance of new cards and thereby maintain a stable number of cabs citywide.
Other key features of framework	<ul style="list-style-type: none"> ▪ Phase-in period will provide the opportunity for all companies to develop a meaningful dispatch service. ▪ Companies cannot charge different stand dues to drivers who hold certificate cards than to drivers using company-held cards (i.e., while stand dues can vary for other factors such as experience, stand dues must be charged equitably to drivers who hold and do not hold a certificate card). ▪ Merger or purchase of existing companies must establish public interest and include detailed business plan for meeting company requirements for dispatch. ▪ All regulations and code provisions to be fully and uniformly enforced.
Additional regulatory provisions to be included with code and rule revisions	<ul style="list-style-type: none"> ▪ Establish maximum age limit of 7 model years and mileage limit of 350,000 miles. Vehicles entering service as a taxicab may be no more than two model years old. ▪ Require that a specified percentage of company-held certificate cards (3-5%) be wheelchair accessible. Companies that have more than the minimum percentage would receive "bonus" certificate cards for the additional vehicles. Drivers who buy a wheelchair-accessible vehicle would also receive their own certificate card, as an incentive for purchase and use of these vehicles. ▪ Establish incentives for hybrid or alternative fuel vehicles (e.g., 1 year extension of the age limit). ▪ Require that companies provide drivers with receipts that include the company name, company phone number and Hack Office phone number for complaints. ▪ Additional company reporting requirements (see below). ▪ Establish ongoing committee that includes representatives of taxi companies, taxi drivers and cab users as a forum for communication and feedback to City staff on regulatory issues.

Feature	Proposed system
<p>Reviews of allocation of certificate cards, rate of fare and fees</p>	<p>City staff will conduct an annual review of the taxi industry. Cab companies will be required to submit specified data for the purposes of this review and City staff will collect additional information (as described below). Allocation of certificate cards to companies and issuance of cards to drivers will be based on the annual review. Also, City staff will conduct a bi-annual review of the rate of fare and fees charged to companies and drivers.</p> <p>The City will conduct the following surveys for the annual review:</p> <ul style="list-style-type: none"> ▪ "Phantom fare" service quality evaluation program ▪ Customer satisfaction survey (similar to web survey conducted this spring) ▪ Field observational counts of activity at taxi stands and airport (will use airport AVI data when available) <p>Cab companies will be required to submit the following on a monthly or quarterly basis:</p> <ul style="list-style-type: none"> ▪ Dispatch call volume totals ▪ Number of complaints by type <p>Cab companies will be required to submit the following on an annual basis:</p> <ul style="list-style-type: none"> ▪ Revenues and expenses ▪ Schedule of stand dues ▪ Dispatch call volumes and detailed call and pick up data files <p>The annual review process will include a hearing before the Traffic and Parking Board with recommendations to the City Manager. Based on Board's recommendations, the City Manager will establish the allocation of certificate cards to companies and the number to be issued to drivers.</p> <p>The City will also review the rate of fare and fees every two years. Fees should cover City regulatory and enforcement costs.</p>
<p>Administration and enforcement</p>	<ul style="list-style-type: none"> ▪ Establish fine and penalty structure for company enforcement, including joint company/driver penalties when appropriate. ▪ Evaluate Hack Office staffing and automation needs. Adjust staffing as appropriate. Automate records collection and tracking. The addition of one records clerk is anticipated to free up Hack Inspectors for non-clerical duties including on-street enforcement. ▪ Enforce new regulations

Transition provisions

The new framework will be implemented over a 2-year transition period. This section explains how the transition will take place. The calculations assume that 260 out of the total 645 of certificate cards will be issued to drivers (40%).

Year 1:

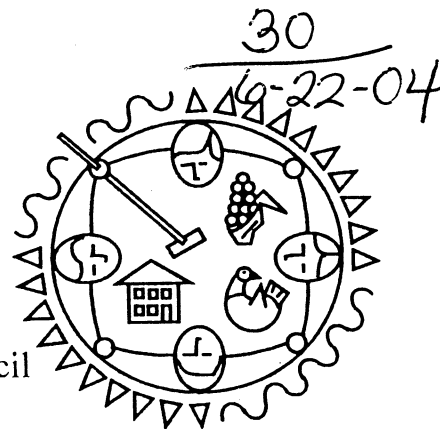
- Implement procedure for drivers to qualify as advanced drivers, including determining seniority, establishing 1-2 day training course and review of drivers' records (e.g., traffic violations, complaint histories). Result of this process will be a list of drivers who qualify as advanced drivers.
- 65 certificate cards will be issued to advanced drivers once the list of advanced drivers is established, and an additional 65 certificate cards six months thereafter for a total of 130 in the first year. First-year issuance is spread over six months to minimize disruption to the industry.
- In the first year, certificate cards will be issued on a company-by-company basis. Thus, 20% of certificate cards from each company will be issued to drivers from the same company. This approach is designed to minimize disruption to the industry and provides each company the opportunity to retain its current drivers.

Year 2:

- As in Year 1, 130 certificate cards will be issued to drivers (65 cards at a time with six month intervals between each batch).
- Year 2 will begin the process of basing the number of company-held certificate cards on how many cabs in each company serve dispatch calls. Thus, some companies may "give up" more than 20% of their cards and some may give up less than 20% of their cards. The distribution of certificate cards to companies will be based on (a) number of cabs currently serving dispatch, and (b) anticipated need as companies grow their call volumes. Companies will be expected to demonstrate anticipated needs based on growth in call volumes the first year, ongoing marketing activities and other relevant information.
- Certificate cards will be issued to drivers on an industry-wide rather than company-by-company basis. This approach ensures that drivers are treated equitably regardless of which company they currently drive for.

Impacts on industry and service, experience of other cities and possible mitigation measures

	Proposed system
Industry impacts	<ul style="list-style-type: none"> ▪ Increased competition for drivers since a substantial number of drivers would have a certificate card. ▪ Smaller companies are mandated to build their dispatch call volumes. They may serve dispatch trips using current drivers and/or by attracting drivers who hold their own certificate card. Companies can attract current cab users from other companies and can grow the overall market – an opportunity shown by the customer survey. ▪ Level playing field for companies since same requirements apply to all. ▪ Smaller companies will be likely to merge in part or in whole during the phase-in period to form effective dispatch companies.
Service impacts	<ul style="list-style-type: none"> ▪ Increased competition among dispatch companies as companies have opportunity and incentive to build their call volumes – e.g., must provide meaningful dispatch service to customers, and can attract drivers and can obtain additional certificate cards if they grow their call volumes. ▪ Rewards and incentives for “advanced drivers” will promote high quality cab service.
City regulatory impacts	<ul style="list-style-type: none"> ▪ City must track affiliation of drivers who hold certificate cards. ▪ City must establish driver training program for drivers who want to qualify for advanced driver status. ▪ City must enforce driving requirement for drivers who hold a certificate card, and use requirement for all certificate cards. ▪ City must conduct annual review of industry that will include a market analysis, analysis of company service and financial information, determination that companies are complying with the dispatch requirements. ▪ City must also conduct periodic review of rate of fare and fees.
Experience of other cities with similar regulatory systems	<ul style="list-style-type: none"> ▪ Cities commonly issue certificate cards (or their equivalent) to companies whose cabs primarily serve dispatch trips. This approach provides companies with the ability to manage the activities of their drivers and meet service needs of customers. Examples in the DC area include Arlington, Fairfax County and Montgomery County. This is the most common approach across the U.S. as well. ▪ Cities in which 10-30% of certificate cards (or equivalent) are issued to drivers have maintained reasonable quality of dispatch service while also increasing driver mobility and competitiveness of stand dues. An example is San Diego. Many of the drivers who have their own certificate cards tend to work taxi stands and/or the airport.

**Alexandria United Taxi-drivers Organization**

June 22, 2004

To: Mayor Euille and members of the Alexandria City Council

From: AUTO Leadership Committee

Re: Krupicka/Gaines proposal for changes in the taxi law

The Krupicka/Gaines proposal will solve none of the current problems in the industry and, both by neglect and by effect will make things worse for drivers. We get the following messages from this proposal:

- The state wants to protect the Virginia taxi customer with three times the insurance coverage of other local jurisdictions, and THE DRIVER HAS TO PAY.
- The City did not enforce dispatch for twenty years, and now they want to start, and THE DRIVER HAS TO PAY.
- The City wants to keep its taxi fares down, and THE DRIVER HAS TO PAY.
- The City wants to guarantee the income of the taxi companies, and THE DRIVER HAS TO PAY.
- The City wants to maintain a 50% profit margin at it's City sponsored monopoly company, and THE DRIVER HAS TO PAY.
- The City wants to renege on its commitment to change the taxi law to provide competition and meaningful movement for drivers, and THE DRIVER HAS TO PAY.
- The City wants to continue to have faith that the very companies that have for a long time failed to serve the taxi customers will suddenly start, and have not provided adequately for necessary new companies to form, and THE DRIVER HAS TO PAY.

THE DRIVERS ARE THE MOST IMPORTANT OF THE THREE LEGS IN THE ALEXANDRIA TAXI INDUSTRY. WE URGE YOU TO VOTE NO ON THE KRUPICKA/GAINES PROPOSAL AND WORK TO A SOLUTION THAT ADDRESSES THE CRISIS IN THE INDUSTRY.

ALEXANDRIA UNITED TAXI-DRIVERS ORGANIZATION (AUTO)

ALEXANDRIA YELLOW CAB DRIVER EXPENSES FOR EACH CUSTOMER*:

Stand Dues	\$3.00
Insurance	\$1.50
Maintenance	\$.50
Fuel	\$1.50
Total	\$6.50

*Based on ten customers in an eight hour day.

DC YELLOW CAB DRIVER EXPENSES FOR EACH CUSTOMER*:

Stand Dues	\$.40
Insurance	\$.48
Maintenance	\$.50
Fuel	\$1.50
Total	\$2.88

*Based on ten customers in an eight hour day.

- DC Cab drivers charge each dispatch customer an extra \$2
- Maryland cab drivers pay \$155 per month for insurance

DC IS THE JURISTICICTION MOST LIKE ALEXANDRIA:

- MOST DRIVERS IN DC AND ALEXANDRIA OWN THEIR OWN CAB
- THE AREA COVERED BY THE INDUSTRY IS SMALL COMPARED TO THE COUNTIES

AUTO'S PROPOSAL TO THE CITY COUNCIL:

- INCREASE THE STARTING METER RATE TO \$5.25 AND INCREASE THE MILEAGE RATE TO \$1.75.
- COVERS THE EXPENSES FOR NON-DISPATCH DRIVERS.
- DISPATCH DRIVERS SHOULD BE ABLE TO CHARGE EACH CUSTOMER WHO USES DISPATCH AN ADDITIONAL TWO DOLLARS PER CUSTOMER.

THE KRUPICKA/GAINS PROPOSAL WILL NOT WORK! WE KNOW HOW TO FIX THE INDUSTRY:

- 100% OF CERTIFICATES TO DRIVERS, TRANSFERABLE
- FREEDOM OF MOVEMENT BETWEEN COMPANIES
- AFFILIATED OR NON AFFILIATED DRIVERS
- NEW COMPANIES CAN FORM WITH EXISTING DRIVERS

**IT'S NOT TOO LATE!!! COME TO CITY HALL
ON JUNE 22, 2004 AT 7:00 PM.**

AUTO CAMPAIGN UPDATE

JUNE 18, 2004

ALEXANDRIA UNITED TAXI-DRIVERS ORGANIZATION

Kathleen Henry, Lead Organizer

3801 Mount Vernon Avenue
Alexandria, VA 22305

Phone: 703-684-5697
Fax: (703)-684-2223

Quick cabs for Alexandria!

Alexandria United Taxi-drivers Organization was formed two years ago to continue the civil rights movement by Alexandria taxi drivers thirteen years ago. Taxi drivers in Alexandria work under a share-cropping system, where they own and maintain their own vehicles but must pay a taxi company to work. Increasingly, the taxi companies give little or no services in return for the payment. Alexandria taxi owner-operators are paying over a million dollars a year to companies that do not put a single customer in their cabs! The one company with dispatch has had frequent equipment breakdowns and rude call takers, driving customers to non-Alexandria cab companies. Drivers have been fighting to introduce competition into the industry.

CITY COUNCIL WAVERS WHILE SENIOR AND DOT TAXI CUSTOMERS AT RISK

One cold morning last fall, AUTO's organizer, Kathleen Henry, got a call from a child care provider who knew Kathleen was organizing taxi drivers in Alexandria. The provider told Kathleen that her neighbor, an eighty-four old woman who was only two weeks out of the hospital, had been sitting on the curb for more than thirty minutes waiting for a cab to take her to her Casey Clinic. The woman refused her neighbor's pleas to wait inside her house because she did not want to miss her cab. One neighbor sat with her while the child care provider went into her house and tried for forty minutes to get Diamond Cab on the phone, but the company never answered.

The provider told Kathleen that every time this woman had an appointment, there was a problem, but the worry that morning was the cold. Kathleen, afraid to leave the woman outside, threw on her clothes and went to pick the woman up. When she got in the car, the woman was shaking. She was terrified that she would miss her appointment. When she got out of the

car, she was still shaking. When Kathleen thinks back on the event, she realizes that she should have called an ambulance. She was trying to help, but she might have risked that woman's health.

It is interesting that a child care provider was sounding the warning in this case. It was a child care provider that tried desperately to alert the City to the danger Caitlin Frazier faced, to no avail. The baby died.

AUTO met with the Mayor and with Ms. Pepper specifically about this incident late last year. It has been seven months, and nothing has been done. Does a senior have to die for the City to wake up to its responsibility?

This elderly woman is not alone in her experience. Another senior waited in the doctor's office from one o'clock to six o'clock while the office tried to call the taxi company. Finally, her son picked her up. Casey Clinic posted a sign that they would no longer call a taxi for patients because their staff was spending too much time on hold. Three vision-

impaired Alexandria residents were calling a cab for an hour and a half on a rainy night to get home from a dinner celebration. They could not get the cab company to answer the phone. Finally, a friend picked them up. At night in bad weather in unfamiliar surroundings, these three individuals were at considerable risk for two hours. DOT customers missed their rides to and from work, or were stranded after doctor's appointments. One vision impaired DOT taxi customer was told by the taxi company dispatch to go look for her cab.

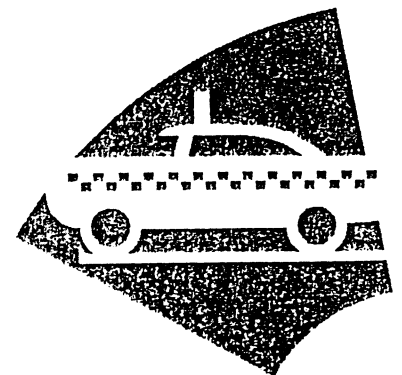
The City brought in a so-called taxi consultant. He met with three seniors, and even though he heard horror stories he kept telling them that overall, they were satisfied with the service until they agreed. He reported to the work group and to the City Council that overall, seniors were satisfied with the service.

Mayor Euille told AUTO that he wasn't hearing the same complaints, so AUTO asked the City for all complaints from Senior and DOT taxi customers, and found

that particularly since April of 2003, there have been a lot of complaints. Why was the Mayor not informed. In November, a Department of Transportation staff member e-mailed Diamond Cab Company that the rate of dispatch failures was getting alarming. AUTO took the complaints to the entire City Council in January of 2003. Still, they have not acted.

AUTO has now received the complaints from January 2004 to April 2004, and has found that the situation has not improved. Continued on Page 2

Does a senior have to die for the City to wake up to its responsibility?



AUTO CAMPAIGN UPDATE

SENIOR AND DOT TAXI CUSTOMERS AT RISK

Continued from page 1

Finally, even though many drivers depend on the income from this service, afraid that something serious would happen to these already vulnerable customers, AUTO decided to recommend that the City stop subcontracting out the service.

At the Traffic and Parking Board Hearing on the state of the taxi industry last October, board member Tom Walczykowski told the Traffic

& Parking Board that there were no complaints. At the public hearing on May 25, 2004, Converse West, the Chairman of the Traffic and Parking Board, testified that there were very few complaints. Frustrated by the City's refusal to take this problem seriously, AUTO proposed that the City take control of the programs.

In addition, the City has ignored AUTO's request for an audit of the DOT and Senior contracts. In particular,

AUTO asked Councilman Gaines, who is a lawyer, to check into the payment of these contracts. So far, AUTO is unaware that Councilman Gaines has done anything. AUTO believes that the City is being overcharged. AUTO filed a Freedom of Information request in January to try to investigate but was not provided with all the information they requested.

Recently, AUTO learned that even though the City is paying on time to Diamond

Cab Company, the company is delaying payment to drivers by six to eight weeks. Many drivers are not getting cash calls from Diamond, and the delay in voucher payment is causing hardship for drivers and their families. Drivers already struggling because of the City's refusal to act on AUTO's proposed legislation to revamp the taxi industry in Alexandria are now being forced, in essence, to lend money to the company.

AUTO leaders have repeatedly told the City Council that they want to serve the senior and disabled communities.

Many DOT customers are not aware that DOT taxi service is a 'reasonable accommodation' under the American with Disabilities Act. It is supposed to satisfy the law by providing a reasonable equivalent alternative to the Dash Bus system.

AUTO believes that the twenty-four hour notice requirement for DOT taxi service is not an equivalent service, and that DOT taxi customers are being discriminated against by that requirement.

In addition, there are times and locations in the City

where Dash bus service is free, and DOT taxi customers being transported from those locations (like the King Street Metro) are still being required to pay.

Auto is looking into the possibility of a lawsuit based on these factors, and both Seniors and DOT customers are encouraged to contact Kathleen Henry at 240-605-2223.

On May 25, 2004, the Alexandria United Taxi-Drivers Organization (AUTO) gave the Alexandria City Council a proposal to help the senior and DOT taxi custom-

ers. AUTO proposed that the City purchase vans or use retired police cars to serve the Seniors and DOT taxi customers, and hire drivers (many taxi drivers would like the job) that the City could train and who would be directly under the City's supervision.

Even though AUTO formally requested that the City Manager docket the proposal, the City Council did not discuss or vote on the proposal.



Do seniors and DOT customers risk exposure to disease in a cab?

ARE TAXIS SAFE FOR SENIORS?

AUTO has been informed that in some instances, wheelchair bound persons are being dispatched a regular cab instead of a van with wheelchair access under the DOT program. The drivers, trying to accommodate the customer, are lifting the customer out of the wheelchair and into the cab. Without special training,

AUTO believes that this could be dangerous for both the customer and the taxi driver.

Drives have told AUTO that they have some concerns for especially their elderly and frail customers because the cab space is so confined. One driver explained that he picked up one customer with

the flu, and his next customer was an elderly Senior cab customer, a regular of his. A week later, he learned that the DOT customer was in the hospital due to **complications from the flu.**