


*City of Alexandria, Virginia*

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MEMORANDUM

DATE: DECEMBER 5, 2007

TO: THE HONORABLE MAYOR AND MEMBERS OF COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: AN ORDINANCE REVISING THE CITY'S TAXICAB FARES

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**ISSUE:** Consideration of an ordinance revising the City's taxicab fares.

**RECOMMENDATION:** That Council introduce the attached ordinance (Attachment 1) amending the City's taxicab regulations to increase taxicab fares, pass it on first reading and schedule it for public hearing, second reading and final passage on Saturday, December 15. If City Council approves the ordinance, the increase in fares would become effective on January 1, 2008.

**BACKGROUND:** Alexandria's taxicab fares are set forth in City Code Section 9-12-132. Code Section 9-12-31(g) requires that every second year, starting in 2005, the annual review of the taxicab industry includes a review of taxicab fares and permitted extra charges, and fees charged by the City to the taxicab industry. Based on their findings, the Traffic and Parking Board and City Manager forward their recommendations for any revisions to the taxicab fares and permitted extra charges to Council for consideration and adoption. The City's current taxicab fares and extra charges were reviewed during our 2007 annual review, and the recommendations are discussed below.

**DISCUSSION:** The last comprehensive review of the City's taxi fares and charges was completed in 2005. At that time, the base taxi fare rates were established as:

Initial Drop Charge: \$2.75;  
Mileage Rate: \$1.80 per mile (\$0.30 per 1/6 mile); and  
Waiting Time Rate: \$22.50 per hour (\$0.30 per 48 seconds).

As part of the 2007 annual review, the Traffic and Parking Board reviewed the City's current taxicab fares and extra charges and staff recommendations for an increase in the base taxicab fares (Attachment 2). Key findings from this review were:

1. Changes in the Consumer Price Index (CPI), adjusted to reflect the greater influence of the price of gasoline in the taxicab industry, were used to evaluate the need for increased fares to offset increases in the costs of operation compared to

conditions in 2005. Since 2005, the CPI (CPI-U for the Washington-Baltimore area) has increased 7.5%. Adjusting for the greater influence of fuel prices on operating costs in the taxi industry, the gasoline-adjusted CPI increased 9.1% during the same period, based on an increase in the baseline cost of gasoline from \$2.00 to \$3.00 per gallon. (The baseline cost of gasoline is the price used to determine if fuel costs have increased to a level sufficient to warrant authorization of a fuel surcharge pursuant to code section 9-12-132(a)(11).)

2. Since 2005, gasoline prices have been volatile, but generally increasing. The price of gasoline in the metropolitan area has increased from \$2.36 per gallon in November 2005 to \$3.03 per gallon in November 2007, averaging \$2.63 per gallon over the two year period. Based on the \$2.00 per gallon baseline cost of gasoline set at the time of the 2005 fare increase, fuel surcharges have been in effect over 80% of the time during 2006 and 2007, averaging \$0.74 per trip.
3. Based on 2007 data, a full-time taxicab driver affiliated with an active dispatch company can reasonably earn an estimated net income of approximately \$13 per hour, marginally above the City's current living wage level of \$12.75 per hour.
4. Alexandria's current taxicab fares were found to be generally comparable to those in surrounding jurisdictions. It was also found that compared to jurisdictions across the country, average fare rates in the Washington, D.C. region were typically higher for the initial drop charge (\$2.96 vs. \$2.22) and lower for the mileage rate (\$1.70 vs. \$2.08 per mile).

In addition to maintaining income parity among drivers throughout the region in order to retain an adequate number of drivers in the city, regionally comparable fares are important for maintaining market demand. If Alexandria's rates and charges differ significantly from those in surrounding jurisdictions, consumers may choose to obtain taxicab services from out-of-jurisdiction companies, either as permitted by the regional taxicab reciprocity agreement or otherwise, thereby reducing the demand for service by local companies.

5. The Board concluded that an adjustment of Alexandria's current base fare rates was needed since the 2005 rates do not reflect the 7.5% increase in the cost of living since 2005 or increases in the cost of providing taxi services due to rising gasoline costs.

For Board consideration, staff provided an evaluation of several alternative base fare rates to (1) compensate for the increased cost of providing taxi service; (2) equitably distribute the increased costs over a range of trip lengths; (3) maintain regional competitiveness; and (4) provide a minimum 9.1% increase in driver revenue to compensate for the increased cost of providing service.

Based on this evaluation and testimony received during the public hearing, the Board recommended the following with respect to the base taxicab fares and extra charges:

1. Maintain the current initial drop charge of \$2.75;
2. Increase the mileage rate from \$1.80 to \$2.04 per mile (13 per cent increase);
3. Maintain the current waiting time charge of \$22.50 per hour; and
4. Maintain the currently permitted extra charges.

In combination, these changes increase the cost of a typical six-mile taxi trip from \$14.38 to \$15.78, approximately 10%. Assuming any increase in stand dues associated with a rate change will not exceed 20%, the recommended change in the base fare should provide an 8% to 12% increase in driver take-home earnings, providing reasonable opportunity for a full-time driver affiliated with an active dispatch company to continue earning a living wage.

I concur with the Traffic and Parking Board's findings on this matter and recommend that Council adopt the accompanying ordinance to revise the City's taxicab fares.

**ATTACHMENTS:**

Attachment 1: Proposed Ordinance.

Attachment 2: November 15, 2007, Memo to Chairman and Members of the Alexandria Traffic and Parking Board from Tom Culpepper on Taxicab Fares and Industry Fees

**STAFF:**

Thomas H. Culpepper, P.E., Transportation and Environmental Services

Christopher Spera, Esq., City Attorney's Office



*City of Alexandria, Virginia*

**MEMORANDUM**

DATE: November 15, 2007 (**Revised**)

TO: Chairman and Members of the Alexandria Traffic and Parking Board

FROM: Thomas H. Culpepper, P.E., Deputy Director  
Department of Transportation and Environmental Services

SUBJECT: Taxicab Fares and Industry Fees

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**Issue:** Review and consideration of changes to Alexandria's current taxi fare and charges, and to associated fees charged to the industry.

**Staff Recommendation:** Staff recommends the following with regard to Alexandria's current taxi fare and charges, and industry fees:

1. Taxi Fare Rates and Extra Charges
  - A. Maintain the current initial drop charge of \$2.75 for the first 1/6 mile;
  - B. Increase the mileage rate to ~~\$0.33~~ \$0.34 for each additional 1/6 mile (~~10%~~ 13% increase); and
  - C. Maintain the current wait time charge of \$0.30 per 48 seconds (\$22.50 per hour).
  - D. Maintain the currently permitted extra charges.
2. Maintain industry fees as currently charged.

**Discussion:** City Code section 9-12-31(g) (Attachment 1), requires that in every second year, starting in 2005, the annual review of the taxi industry include reviews of the city's taxicab fares and industry fees. Based on these reviews, the Board is to forward its findings and recommendations relative to taxi fares and industry fees to the City Manager as part of its annual report on conditions within the industry. Section 9-12-31(g) further stipulates that the following factors be considered in these reviews:

1. Driver income compared to the City of Alexandria adopted living wage;
2. Cost of industry-related regulatory and enforcement expenditures; and

3. Such factors listed in section 9-12-25(d) as the Board or city manager deem applicable.

Alexandria's taxi fares and permitted extra charges, as last revised in 2005, are set forth in City Code section 9-12-132 (Attachment 2). Fees charged by the city to certificate holders, taxicab vehicle owners and drivers are established by regulation. Alexandria's current industry fees (Attachment 3) were became effective January 1, 2006.

#### Taxicab Fares and Permitted Extra Charges

The last general review and adjustment of the city's taxi fare and charges occurred in 2005. Based on that review, the Board recommended and the City Council subsequently adopted the following changes in the city's base taxi fare:

1. The initial drop charge was increased from \$2.75 for the first 1/4 mile to \$2.75 for the first 1/6 mile;
2. The mileage rate was increased from \$0.40 for each additional 1/4 mile (\$1.60 per mile) to \$0.30 for each additional 1/6 mile (\$1.80 per mile);
3. The waiting time charge was increased from \$0.40 per 80 seconds (\$18.00 per hour) to \$0.30 per 48 seconds (\$22.50 per hour).

For purposes of this fare review, the 2005 fare schedule was used as the baseline condition for evaluating alternative fare structures.

In considering the need to revise Alexandria's taxi fare and charges, three factors indicate that some adjustment may be appropriate at this time:

1. The overall cost of living has increased during the past two years as reflected in changes in the Consumer Price Index (CPI);
2. The cost of gasoline has increased significantly above the baseline cost of \$2.00 per gallon set in the 2005 fare review; and
3. Driver income has decreased somewhat since the 2005 review, reducing the opportunity for full-time taxi drivers in the city to earn a living wage.

Changes in the Consumer Price Index (CPI), adjusted to reflect the greater importance of the price of gasoline in the taxicab industry, were used to evaluate the need for increased taxi fare to offset increased costs of operation compared to the 2005 baseline condition. Since 2005, the general CPI (CPI-U for the Washington-Baltimore area) has increased 7.5 per cent. Adjusting for the greater influence of fuel prices on operating costs in the taxi industry, the gasoline-adjusted CPI increased 9.1 per cent during the same period, based on an increase in the cost of gasoline from \$2.00 to \$3.00 per gallon.

While the cost of gasoline has continued to fluctuate widely since 2005, it has also followed a generally increasing trend line. Over the last two years, the average price of gasoline in the Washington metropolitan area has increased from \$2.45 to \$2.80 per gallon. During this period, the overall weighted average price of gasoline has been \$2.65 per gallon compared to the 2005 baseline price of \$2.00 per gallon. Fuel surcharges of \$0.50 or \$1.00 per trip have been in effect approximately 80% of the time since the 2005 fare review, averaging \$0.74 per trip.

At the time of the last taxi fare review in 2005, the city's adopted living wage was \$11.80 per hour. Currently, this standard is \$12.75 per hour, approximately 8% higher than in 2005. The findings of the 2007 annual review of the taxicab industry found the estimated take-home earnings of a typical full-time driver affiliated with a company providing a meaningful level of dispatch service was slightly over \$13 per hour, marginally above the city's current living wage.

In reviewing Alexandria's taxi fares and charges, it is useful to compare our rates and charges to those in other jurisdictions. Not only do these comparisons provide guidance as to the reasonableness of Alexandria's fares and charges, if they differ significantly, it is possible that some consumers will choose to obtain services from out-of-jurisdiction taxi companies, either as permitted by the regional taxi compact or otherwise, thereby affecting the demand for service by our local companies. Attachment 4, Table 1 provides a summary of current taxi fares and charges in Alexandria and other jurisdictions within the Washington metropolitan area. Attachment 4, Table 2 compares the cost of a typical six-mile taxi trip, exclusive of extra charges, in Alexandria to the cost for an equivalent trip in other regional and national jurisdictions. These comparisons were made using Alexandria's current fares and show that while our fares are generally comparable to those in surrounding jurisdictions, they are above the average for the region and below the average for jurisdictions outside the Washington, DC metropolitan area. It can also be noted from the fares shown in this table that both Alexandria and the region overall have higher initial drop charges and lower mileage rates than other jurisdictions across the country.

Even though Alexandria's baseline fare rates are above average for the region, they do not reflect the approximate nine per cent increase in the cost of living for Alexandria drivers since 2005, nor are they based on reasonable estimate of gasoline cost. In light of these factors, a taxi fare rate adjustment appears to be appropriate at this time.

The basic components of the taxi fare rates are (1) the initial drop charge assessed at the onset of a trip, typically covering the first increment of mileage for the trip; (2) the mileage charge assessed for each increment of distance traveled during the trip; and (3) a waiting time charge assessed whenever the taxi is stopped or traveling below a specified speed during the trip. Various combinations of these base fare components will have

differing effects on the overall cost of trips that are of different lengths or are made under different traffic conditions (peak traffic periods vs. off-peak periods).

In developing and evaluating alternative base fare rates to compensate for the increased cost of providing taxi services, equitably distribute the increased costs over a range of trip lengths and maintain regional competitiveness, several combinations of changes in the initial drop charge, mileage rate and waiting time rate were considered. In general, these various combinations seek to (1) offset the increased cost of service delivery (primarily increased gasoline cost) and inflation with increases in the mileage charge only, or (2) reduce the initial drop charge to a rate more consistent with those in other national jurisdictions, while offsetting increased service delivery costs with increases in the mileage charge.

The impacts of each of the fare combinations that were considered on the overall costs of typical trips of differing length are summarized in Attachment 4, Table 3. In all cases, the alternative fare combinations considered provide fare increases that approach or exceed the 9% percent increase in the cost of providing service and maintain regionally comparable fares.

Staff recommendations relative to changes in the base taxi fare components are:

1. Maintain the current initial drop charge of \$2.75 for the first 1/6 mile;
2. Increase the mileage rate to ~~\$0.33~~ \$0.34 for each additional 1/6 mile (10% increase); and
3. Maintain the current wait time charge of \$0.30 per 48 seconds (\$22.50 per hour).

Staff does not recommend any changes to the permitted extra charges at this time.

As recommended, these changes will increase the cost of a typical six-mile taxi trip approximately 10%, from \$14.38 to ~~\$15.80~~ \$15.78.

An important consideration in any change in the fare structure is the impact on driver income. In revising the city's taxi ordinance, Council specifically identified driver income compared to the city's adopted living wage as a factor to be considered. Effective July 1, 2007, the adopted living wage is \$12.75 per hour. The 2007 industry review found that full-time Alexandria drivers affiliated with an active dispatch company earns an estimated net income of approximately \$13 per hour, marginally above the city's adopted living wage standard. Depending on the specific combination of base rate increases that may be implemented and the size of any corresponding increase in driver stand dues, the potential increase in net driver income will vary. Assuming no more than a 20% increase in stand dues, the recommended changes should provide reasonable opportunity for a full-time driver affiliated with a company providing a meaningful level

of dispatch service to earn \$14 to \$15 per hour, an increase of 7% to 12% in take-home earnings.

Permitted additional charges for a various extra services were also reviewed by staff. No change in these charges as currently adopted is recommended at this time.

#### Industry Fees

Fees currently charged to taxicab companies, vehicle owners and drivers were reviewed in light of the overall cost of industry regulation. This review found that the city's regulatory costs are reasonably offset by industry fees as adopted in January 2006. No changes in current industry fees are recommended by staff at this time.

Attachments (4)

**Sec. 9-12-31 Annual review of taxi industry.**

(g) Every second year, starting in 2005, the annual review of the taxicab industry shall also include a review of the fares and industry fees, including a review of the base fare, permitted additional charges and all fees charged to and by the certificate holders, owners and drivers. The public hearing before the board shall include comments on such fares, charges and fees and any recommended changes thereof. The board shall forward its conclusions, recommendations and findings of fact as to such fares, charges and fees as part of its report pursuant to subsection (f) of this section. In reviewing such fares, charges and fees, the board and city manager shall, without limitation, take the following factors into consideration:

- (1) driver income compared to the City of Alexandria adopted living wage;
- (2) cost of industry related regulatory and enforcement expenditures; and
- (3) such factors listed in section 9-12-25(d) as the board or city manager deem applicable.

**Sec. 9-12-132 Amount of fare to be charged.**

- (a) The rates to be charged to passengers in taxicabs shall be as follows. It shall be unlawful to make any greater or lesser charge:
- (1) For the initial meter charge (referred to as the first drop), \$2.75.
  - (2) For the second and for each additional passenger who is five years of age or older, \$1.25.
  - (3) For each one-sixth mile or fraction thereof for one or more passengers, \$0.30.
  - (4) For each one hour of waiting time for one or more passengers, \$22.50. The incremental cost of this charge shall be \$0.30 for each 48 seconds. Waiting time shall include time consumed while the taxicab is waiting and available to passengers beginning three minutes after the time of arrival at the place to which it has been called, time consumed while the taxicab is stopped or slowed for traffic to a speed of less than seven miles per hour and time consumed for delays or stopovers en route at the direction of a passenger. No time shall be allowed for a premature response to a call. There shall be no charge for mileage when time is being charged for a taxicab that is stopped or slowed for traffic to a speed of less than seven miles per hour. Waiting time shall not include time lost on account of the inefficiency of a taxicab.
  - (5) For each suitcase or similar piece of travel luggage in excess of two bags placed in the trunk, \$0.50 if handled by the driver, plus an additional \$1, if carried by the driver to the door of a single-family residence, or the main entrance of any building other than a single-family residence. There shall be no charge made for fewer than three suitcases or pieces of luggage. The maximum charge for all such items shall be \$2.
  - (6) For each trunk, footlocker, duffel bag or other bulky or heavy item, \$2, if handled by the driver, provided that there will be no charge for wheelchairs, walkers, crutches or other items used to assist persons with disabilities.
  - (7) For three or more grocery and/or shopping bags, \$1 if handled by the driver in the immediate vicinity of the taxicab, plus an additional \$1, if carried by the driver to the door of a single-family residence, or the main entrance of any building other than a single-family residence. There shall be no charge made for fewer than three grocery and/or shopping bags. The maximum charge for all such items shall be \$2.
  - (8) For each animal, \$1; provided, that there shall be no charge for guide dogs or service animals assisting persons with disabilities.
  - (9) For each trip originating at Ronald Reagan Washington National Airport, the fee required to be paid to the airport for the privilege of picking up passengers.
  - (10) Taximeter fares shall be increased by \$5 during any period in which a snow emergency plan is in effect in the city, as declared by the city manager or his authorized representative. In addition, taximeter fares shall be increased by \$5 in the event that the director of transportation and environmental services determines that driving conditions in the city are, or are reasonably expected to become, unduly hazardous due to the accumulation of snow, sleet or ice on the streets. The transportation division of the department of transportation and environmental services will notify each taxicab company by telephone of the exact time any such taximeter fare increase is to go into effect and the exact time that such fare increase is terminated.

(11) Taximeter fares may be increased by a surcharge authorized by the city manager, in the event that the city manager determines that a sudden increase in the cost of gasoline requires a surcharge to maintain stability in the provision of taxicab services in the city and to prevent the gas cost increase from having a serious adverse financial impact on the drivers of taxicabs. The surcharge shall continue in effect for such period, not to exceed one year, as the city manager shall determine, but may be terminated sooner if the manager determines that the surcharge is no longer warranted. The determination of the city manager shall be based on information provided by taxicab companies, and from such other sources as the city manager deems appropriate. The transportation division of the department of transportation and environmental services will notify each taxicab company in writing of any such surcharge. Such notice shall indicate the amount of the surcharge, and the period during which such surcharge shall be permitted. The hack inspector shall furnish to the driver of each taxicab operated under this article a copy of such notice, which shall be displayed within the vehicle in addition to the rate card required under section 9-12-134.

(b) This section shall not apply when any taxicab is operated pursuant to a contract provided for in section 9-12-133 of this chapter.

(c) Nothing contained herein shall prevent a certificate holder from establishing a coupon or reward program for its customers where a discount coupon, customer loyalty certificate or some other marketing device is accepted as part of the allowed fare set forth herein. (Ord. No. 4402, 6/14/05, Sec. 1; Ord. No. 4434, 12/17/05, Sec. 1)

**City of Alexandria, Virginia  
Taxicab Regulations**

**6.2. Taxicab Industry Fees**

The following taxicab industry fees are effective beginning January 1, 2007.

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**Certificates of Public Convenience and Necessity**

Application for or transfer of CPCN .....	\$4,000
Issuance and renewal of CPCN	
Certificate .....	\$4,000
Each authorized vehicle .....	\$150
Renewal of grandfathered CPCN .....	\$150
Duplicate CPCN .....	\$25

**Driver Permits**

Application .....	\$100
Initial and renewal permits (2 year)	
Permit .....	\$150
Manifest books <sup>1</sup> .....	\$50
Duplicate permit .....	\$25

**Vehicle Permits**

Initial inspection and certification .....	\$100
Annual renewal .....	\$150
Transfer of vehicle permit .....	\$100
Duplicate vehicle permit .....	\$25

**Miscellaneous**

Annual taximeter inspection .....	\$20
Fare cards (interior and exterior) .....	\$1

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1. Fee for manifest books is suspended until further notice. (June 20, 2006)

(1/1/07)

**2007 Taxi Fare Review**

**Alexandria, Virginia**

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Table 1. Regional Taxicab Fare Rates and Charges

Jurisdiction	Initial Charge	Additional Mileage	Wait Time	Extras	
Alexandria	\$2.75 first 1/6 mile	\$0.30 each 1/6 mile (\$1.80 per mile)	\$0.30 each 48 sec. (\$22.50 per hour)	\$1.25	Each additional passenger over 4 years
				\$0.50	Each suitcase or similar piece of travel luggage
				\$2.00	Each trunk, footlocker, duffel or similar item
				\$1.00	Three or more grocery or shopping bags
				\$1.00	Carry bags to front door or building entrance
				\$2.00	Maximum for all grocery and shopping bags
				\$1.00	Each pet
				\$5.00	Snow surcharge (when authorized)
				Varies	Fuel surcharge (when authorized)
			As charged	Airport dispatch fee (currently \$1.75)	
Arlington County	\$2.75 first 1/6 mile	\$0.30 each 1/6 mile (\$1.80 per mile)	\$0.30 each 48 sec. (\$22.50 per hour)	\$1.00	Each additional passenger over 6 years
				\$2.00	Each trunk, footlocker, duffel or similar item
				\$0.50	Each bag over two
				As charged	Airport dispatch fee (currently \$1.75)
Fairfax County	\$2.75 first 1/5 mile	\$0.35 each 1/5 mile (\$1.75 per mile)	\$0.35 each 60 sec. (\$21.00 per hour)	\$1.00	Each additional passenger over 12 years
				\$2.00	Each trunk, footlocker, duffel or similar item
				\$0.50	Each suitcase or similar piece of travel luggage
				\$0.25	Each grocery bag over two
				\$4.00	Cleaning (if left unsanitary)
				\$1.00	Each pet
				Varies	Fuel surcharge (when authorized)
Montgomery County	\$4.00 first 1/4 mile	\$0.40 each 1/4 mile (\$1.60 per mile)	\$0.40 each 60 sec. (\$24.00 per hour)	\$1.00	Each additional passenger
				\$1.00	Personal service
				\$2.00	Pick up and delivery
				\$2.50	Snow surcharge (when authorized)
				Varies	Tolls and surcharges as paid or authorized
Prince George's County	\$1.50 first 1/7 mile	\$0.25 each 1/7 mile (\$1.75 per mile)	\$0.20 each 60 sec. (\$12.00 per hour)	\$1.00	Each additional passenger over 5 years
				\$1.00	Each trunk, footlocker, duffel or similar item
				\$1.00	Use of trunk or personal service
				\$1.00	Evening service 8 pm to 6 am
				\$3.00	Snow surcharge (when authorized)
				\$1.00	Fuel surcharge (when authorized)
District of Columbia	\$4.00 first 1/6 mile	\$0.25 each 1/6 mile (\$1.50 per mile)	\$0.25 each 60 sec. (\$15.00 per hour)	Recently converted from zone to meter system. Extras not yet established	

**Table 2. Costs of Typical Taxi Trips**

City	Initial Drop Charge	Mileage		Wait Time		Trip Fare <sup>1</sup>	
		Rate	Increment	Rate	Increment		
Washington Metro Area							
Alexandria, VA	\$2.75	\$1.80	1/6 mile	\$22.50	48 sec	\$14.38	
Arlington County	\$2.75	\$1.80	1/6 mile	\$22.50	48 sec	\$14.38	
Fairfax County, VA	\$2.75	\$1.75	1/5 mile	\$21.00	60 sec	\$13.95	
Montgomery County, MD	\$4.00	\$1.60	1/4 mile	\$24.00	60 sec	\$14.40	
Prince George's County, MD	\$1.50	\$1.75	1/7 mile	\$12.00	60 sec	\$12.16	
District of Columbia	\$4.00	\$1.50	1/6 mile	\$15.00	60 sec	\$13.50	
Minimum	\$1.50	\$1.50		\$12.00		\$12.16	
	Maximum	\$4.00		\$1.80		\$24.00	\$14.40
	Average	\$2.96		\$1.70		\$19.50	\$13.79
Other U.S. Cities							
Anchorage, AK	\$3.00	\$2.50	1/10 mile	\$45.00	20 sec	\$20.00	
Austin, TX	\$2.05	\$2.10	1/7 mile	\$25.00	1 hour	\$15.60	
Baltimore, MD	\$1.80	\$2.00	1/10 mile	\$24.00	30 sec	\$14.80	
Boston, MA	\$1.75	\$2.40	1/8 mile	\$24.00	1 hour	\$17.05	
Charlotte, NC	\$2.00	\$2.00	1/5 mile	\$24.00	60 sec	\$14.80	
Chicago, IL	\$2.25	\$1.80	1/10 mile	\$20.00	1 hour	\$13.87	
Dallas, TX	\$2.25	\$1.80	1/9 mile	\$54.00	30 sec	\$15.55	
Detroit, MI	\$2.50	\$1.60	1/10 mile	\$18.00	1 hour	\$12.84	
Indianapolis, IN	\$1.25	\$2.00	1/5 mile	\$24.00	60 sec	\$14.05	
Los Angeles, CA	\$2.45	\$2.45	1/7 mile	\$26.50	47.5 sec	\$18.13	
Milwaukee, WI	\$2.25	\$2.00	1/8 mile	\$15.00	60 sec	\$14.75	
San Francisco, CA	\$3.10	\$2.25	1/5 mile	\$27.00	60 Sec	\$17.50	
Minimum	\$1.25	\$1.60		\$15.00		\$12.84	
	Maximum	\$3.10		\$2.50		\$54.00	\$20.00
	Average	\$2.22		\$2.08		\$27.21	\$15.74

1. 6 mile trip with 3 minutes wait/delay time

**Table 3 (corrected). Current and Alternative Fare Structures**

Fare Structure	Initial Drop	Mileage		Wait Time		Trip Length (miles)					
		Rate	Increment	Rate	Increment	1	3	6	9	12	15
<b>Current</b>	<b>\$2.75</b>	<b>\$0.30</b>	<b>1/6</b>	<b>\$0.30</b>	<b>48</b>	<b>\$4.44</b>	<b>\$8.41</b>	<b>\$14.38</b>	<b>\$20.34</b>	<b>\$26.30</b>	<b>\$32.26</b>
<b>Alternative A</b>	<b>\$2.75</b>	<b>\$0.32</b>	<b>1/6</b>	<b>\$0.30</b>	<b>48</b>	<b>\$4.54</b>	<b>\$8.75</b>	<b>\$15.08</b>	<b>\$21.40</b>	<b>\$27.72</b>	<b>\$34.04</b>
	0.0%	6.7%		0.0%		2.3%	4.0%	4.9%	5.2%	5.4%	5.5%
<b>Alternative B</b>	<b>\$2.75</b>	<b>\$0.33</b>	<b>1/6</b>	<b>\$0.30</b>	<b>48</b>	<b>\$4.59</b>	<b>\$8.92</b>	<b>\$15.43</b>	<b>\$21.93</b>	<b>\$28.43</b>	<b>\$34.93</b>
	0.0%	10.0%		0.0%		3.4%	6.1%	7.3%	7.8%	8.1%	8.3%
<b>Alternative C (Recommended)</b>	<b>\$2.75</b>	<b>\$0.34</b>	<b>1/6</b>	<b>\$0.30</b>	<b>48</b>	<b>\$4.64</b>	<b>\$9.09</b>	<b>\$15.78</b>	<b>\$22.46</b>	<b>\$29.14</b>	<b>\$35.82</b>
	0.0%	13.3%		0.0%		4.5%	8.1%	9.7%	10.4%	10.8%	11.0%
<b>Alternative D</b>	<b>\$2.50</b>	<b>\$0.33</b>	<b>1/6</b>	<b>\$0.30</b>	<b>48</b>	<b>\$4.34</b>	<b>\$8.67</b>	<b>\$15.18</b>	<b>\$21.68</b>	<b>\$28.18</b>	<b>\$34.68</b>
	-9.1%	10.0%		0.0%		-2.3%	3.1%	5.6%	6.6%	7.1%	7.5%
<b>Alternative E</b>	<b>\$2.50</b>	<b>\$0.34</b>	<b>1/6</b>	<b>\$0.30</b>	<b>48</b>	<b>\$4.39</b>	<b>\$8.84</b>	<b>\$15.53</b>	<b>\$22.21</b>	<b>\$28.89</b>	<b>\$35.57</b>
	-9.1%	13.3%		0.0%		-1.1%	5.1%	8.0%	9.2%	9.8%	10.3%

Wait time of 30 seconds per mile assumed for fare calculations.

Introduction and first reading:	12/11/2007
Public hearing:	12/15/2007
Second reading and enactment:	12/15/2007

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE to amend and reordain Section 9-12-132 (AMOUNT OF FARE TO BE CHARGED), of Division 6 (FARES), Article A.1 (TAXICABS), Chapter 12 (TAXICABSAND OTHER VEHICLES FOR HIRE), Title 9 (LICENSING AND REGULATION), of the Code of the City of Alexandria, Virginia, 1981, as amended.

Summary

The proposed ordinance increases the incremental distance charge component of taxicab fares, from \$ 0.30 to 0.34 per one-sixth mile, and the incremental waiting time or traffic congestion charge portion of such fares from \$ 0.30 per 48 seconds, to \$ 0.34 per 54 seconds.

Sponsor

Staff

Richard Baier, Director, T&ES  
Christopher Spera, Assistant City Attorney

Authority

§§ 2.04(d), 2.04(t), Alexandria City Charter

Estimated Costs of Implementation

See memorandum from the City Manager

Attachments in Addition to Proposed Ordinance and its Attachments (if any)

None

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE to amend and reordain Section 9-12-132 (AMOUNT OF FARE TO BE CHARGED), of Division 6 (FARES), Article A.1 (TAXICABS), Chapter 12 (TAXICABSAND OTHER VEHICLES FOR HIRE), Title 9 (LICENSING AND REGULATION), of the Code of the City of Alexandria, Virginia, 1981, as amended.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Section 9-12-132 of The Code of the City of Alexandria, 1981 as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 9-12-132 Amount of fare to be charged.

(a) The rates to be charged to passengers in taxicabs shall be as follows. It shall be unlawful to make any greater or lesser charge:

- (1) For the initial meter charge (referred to as the first drop), \$2.75.
- (2) For the second and for each additional passenger who is five years of age or older, \$1.25.
- (3) For each one-sixth mile or fraction thereof for one or more passengers, \$ ~~0.30~~ 0.34.
- (4) For each one hour of waiting time for one or more passengers, \$22.50. The incremental cost of this charge shall be \$ ~~0.30~~ 0.34 for each ~~48~~ 54 seconds. Waiting time shall include time consumed while the taxicab is waiting and available to passengers beginning three minutes after the time of arrival at the place to which it has been called, time consumed while the taxicab is stopped or slowed for traffic to a speed of less than seven miles per hour and time consumed for delays or stopovers en route at the direction of a passenger. No time shall be allowed for a premature response to a call. There shall be no charge for mileage when time is being charged for a taxicab that is stopped or slowed for traffic to a speed of less than seven miles per hour. Waiting time shall not include time lost on account of the inefficiency of a taxicab.
- (5) For each suitcase or similar piece of travel luggage in excess of two bags placed in the trunk, \$0.50 if handled by the driver, plus an additional \$1, if carried by the driver to the door of a single-family residence, or the main entrance of any building other than a single-family residence. There shall be no charge made for fewer than three suitcases or pieces of luggage. The maximum charge for all such items shall be \$2.

(6) For each trunk, footlocker, duffel bag or other bulky or heavy item, \$2, if handled by the driver, provided that there will be no charge for wheelchairs, walkers, crutches or other items used to assist persons with disabilities.

(7) For three or more grocery and/or shopping bags, \$1 if handled by the driver in the immediate vicinity of the taxicab, plus an additional \$1, if carried by the driver to the door of a single-family residence, or the main entrance of any building other than a single-family residence. There shall be no charge made for fewer than three grocery and/or shopping bags. The maximum charge for all such items shall be \$2.

(8) For each animal, \$1; provided, that there shall be no charge for guide dogs or service animals assisting persons with disabilities.

(9) For each trip originating at Ronald Reagan Washington National Airport, the fee required to be paid to the airport for the privilege of picking up passengers.

(10) Taximeter fares shall be increased by \$5 during any period in which a snow emergency plan is in effect in the city, as declared by the city manager or his authorized representative. In addition, taximeter fares shall be increased by \$5 in the event that the director of transportation and environmental services determines that driving conditions in the city are, or are reasonably expected to become, unduly hazardous due to the accumulation of snow, sleet or ice on the streets. The transportation division of the department of transportation and environmental services will notify each taxicab company by telephone of the exact time any such taximeter fare increase is to go into effect and the exact time that such fare increase is terminated.

(11) Taximeter fares may be increased by a surcharge authorized by the city manager, in the event that the city manager determines that a sudden increase in the cost of gasoline requires a surcharge to maintain stability in the provision of taxicab services in the city and to prevent the gas cost increase from having a serious adverse financial impact on the drivers of taxicabs. The surcharge shall continue in effect for such period, not to exceed one year, as the city manager shall determine, but may be terminated sooner if the manager determines that the surcharge is no longer warranted. The determination of the city manager shall be based on information provided by taxicab companies, and from such other sources as the city manager deems appropriate. The transportation division of the department of transportation and environmental services will notify each taxicab company in writing of any such surcharge. Such notice shall indicate the amount of the surcharge, and the period during which such surcharge shall be permitted. The hack inspector shall furnish to the driver of each taxicab operated under this article a copy of such notice, which shall be displayed within the vehicle in addition to the rate card required under section 9-12-134.

(b) This section shall not apply when any taxicab is operated pursuant to a contract provided for in section 9-12-133 of this chapter.

1 (c) Nothing contained herein shall prevent a certificate holder from establishing a  
2 coupon or reward program for its customers where a discount coupon, customer loyalty  
3 certificate or some other marketing device is accepted as part of the allowed fare set forth herein.  
4

5 Section 2. That this ordinance shall become effective January 1, 2008.  
6  
7  
8

9 William D. Euille  
10 Mayor  
11

12 Introduction: 12/11/07

13 First Reading:

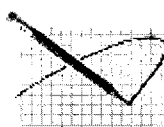
14 Publication:

15 Public Hearing:

16 Second Reading

17 Final Passage:  
18

#15 ✓  
12-11-07



Tom Culpepper/Alex

12/10/2007 03:54 PM

To Jackie Henderson/Alex@Alex

cc Jim Hartmann/Alex@Alex, Mark Jinks/Alex@Alex, Michele Evans/Alex@Alex, rich.baier@alexandriava.gov, Christopher Spera/Alex@Alex

bcc

Subject Please Forward to Council Re: Taxicab Hearing

History:

 This message has been forwarded.

This is to give Council a brief update on current action related to the revocation of certificates of public convenience and necessity issued to Columbus, King and VIP taxicab companies.

This evening at 7:30 PM, the Traffic and Parking Board will conduct a hearing on the disposition of taxicab vehicle authorizations that are currently affiliated with the three companies whose certificates have been revoked. The sole purpose of this hearing is to determine if there are any public interests in the disposition of these authorizations that would override the code presumption that the taxicab owner/operators currently driving under these authorizations will be permitted to transfer to another company that is willing to accept them as affiliated drivers. Based on the testimony that is received this evening, the Board will submit its recommendation on the disposition of these authorizations to the City Manager for final determination.

The attached document summarizes several key issues and FAQs that may be of interest and use as you are contacted regarding these revocations.



FAQs Re Revocations.pdf

Tom Culpepper, Deputy Director  
Transportation & Environmental Services  
City of Alexandria, Virginia  
703.838.4966 Phone  
703.519.3356 Fax

## **Issues and FAQs Concerning Certificate Revocations**

### **Which certificates have been revoked?**

*The certificates held by Columbus Cab, King Cab and VIP Cab companies have been revoked effective February 1, 2008.*

### **Why were these certificates revoked?**

*For the companies' failures to meet the minimum level of dispatch service required by City Code Section 9-12-32(C) - no less than two dispatch calls per driver per day.*

### **How many drivers may be affected?**

*176 taxicabs are authorized by the revoked certificates. Exactly how these drivers may be affected is not yet known. Code includes a specific presumption that these drivers will be permitted to transfer to another company that is willing to accept them as an affiliated driver, unless there is a determination that the transfers would not be in the best interest of the public convenience and necessity. The Traffic and Parking Board will hold a public hearing on this matter on December 10 and forward its recommendations to the City Manager for final determination.*

### **Is it possible to reinstate these certificates?**

*No. Code requires that if the condition of probation is not satisfied (in this case increasing the dispatch call volume to no less than two calls per driver per day), the certificate shall be revoked. No lesser or more lenient penalty is provided.*

### **Why is dispatch the only type city-based taxi service that included in the service requirement?**

*At the time the taxicab ordinance was being developed, the city wanted specific and measurable service standards which could be objectively applied to all companies. Dispatch service records are independently maintained by both companies and drivers, and customer verification can be readily obtained. This is not the case for other city-based services, such as stand pick ups, street hails and driver personals. These trips are not independently documented by multiple parties and customer contact information is typically not available for after-the-fact verification.*

**Issue: The probation period should have been longer to give companies more time to increase their dispatch call volumes.**

*The minimum dispatch call volume requirement was first introduced in the ordinance revision discussions in November 2004, and the revised ordinance was adopted in June 2005. Since adoption of the revised ordinance, the minimum dispatch call volume requirement has been known with certainty. These companies were placed on probation 18 months after adoption of the ordinance for a period not to exceed nine months. In total, companies had over two years (27 months) in which to comply with this requirement before the revocations.*

**Issue: When the taxi ordinance was revised, there were 615 cabs in the city, now there are 719 (VIP).**

*When the ordinance was adopted in June 2005, 673 cabs were authorized to operate in Alexandria. Today, there are 736. In 2006, 40 additional cabs were authorized with the issuance of a certificate of public convenience and necessity to Union Taxi Cooperative. In the same year, 21 additional authorizations were granted to Alexandria Yellow Cab to replace one-half the number lost due to owner transfers and 10 were granted to White Top Cab for the same reason.*

**Issue: Putting VIP on probation was unfair because:**

**(1) VIP and King both have accessible vehicles as required by code, but Yellow, Diamond, and White Top, companies charging \$180 a week, don't have accessible vehicles and should also be on probation;**

*Yellow Cab and White Top Cab both have accessible taxicab vehicles. Diamond Cab has arranged to serve accessible taxicab requests through Yellow Cab until such time as accessible vehicles that are currently on order are delivered by the manufacturer.*

**(2) Yellow and Diamond are owned by the same person and have the same dispatch; and**

*Yellow and Diamond are not owned by the same person. The revised ordinance included a prohibition against any one person having ownership interests in more than one Alexandria-regulated cab company and provided a period of 18 months following adoption for the joint ownership of Yellow and Diamond to be resolved. This matter was resolved within that time period.*

*There is no code prohibition against shared dispatch service.*

December 10, 2007

**(3) White Top in Alexandria and Fairfax are owned by the same person, calls are dispatched from the same place and they are sharing dispatch calls.**

*Code is silent regarding ownership interests in cab companies not regulated by the City of Alexandria and again, shared dispatch is not prohibited by code. There have been no complaints filed with nor any information provided to the city that would indicate that calls to White Top are not being served by the proper company.*

**Issue: VIP has completed the paperwork to be included on the bidders list for the DOT program contract, but has never received a letter or e-mail from the city about this.**

*The DOT contract was last awarded in 2005, at which time all taxicab companies in the city, including VIP, were invited to submit a bid. VIP chose not to submit. This contract has not been reissued since that time.*