
M E M O R A N D U M

DATE: December 6, 2005
TO: City Council Members
FROM: Russell Weeks
RE: Proposed Resolution to Change Method of Regulating Taxicabs and Proposed Amendments to Ordinances Regulating Ground Transportation Businesses
CC: Cindy Gust-Jenson, Rocky Fluhart, Sam Guevara, Ed Rutan, Tim Campbell, Alison McFarlane, Louis Zunguze, Gary Mumford, Orion Goff, Edna Drake, Larry Spendlove, Jodi Howick, Melanie Reif, Randy Berg, David Korzep, Larry Bowers, Laurie Donnell

This memorandum is intended to address items pertaining to a proposed resolution that would give notice of the City Council's intent to change the method of regulating taxicab businesses licensed in Salt Lake City from issuing certificates of public convenience and necessity to one of issuing contracts to firms. This memorandum also is intended to address items pertaining to a proposed ordinance to amend ordinances regulating ground transportation businesses in Salt Lake City.

Council staff has included written comment received this week pertaining to the proposed ordinance and resolution.

OPTIONS

- Adopt the proposed resolution and ordinance.
- Do not adopt the proposed resolution and ordinance.
- Amend either or both items.

POTENTIAL MOTIONS

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 and take more comment at the City Council meeting on (Council Members may select any date they wish to choose).
- I move that the City Council close the public hearing but defer further action on these issues until the City Council meeting on (Council Members may select any date they wish to choose).

PERTAINING TO THE PROPOSED AMENDMENTS AND RESOLUTION

1. I move that the City Council adopt the resolution regarding taxicab service in Salt Lake City and the ordinance amending and enacting specified sections of *Salt Lake City Code*

Chapters 5.71, 5.72, and 16.60 pertaining to ground transportation. (*This motion would adopt the ordinance and resolution as is – with an “upon publication” effective date and without any amendments*).

2. I move that the City Council consider the next item on the agenda. (*This motion would end consideration of the proposed ordinance and resolution*).
3. I move that the City Council adopt the resolution regarding taxicab service in Salt Lake City and the ordinance amending and enacting specified sections of *Salt Lake City Code* Chapters 5.71, 5.72, and 16.60 pertaining to ground transportation with the following amendment: That the proposed language of Section 5.71.090 be revised to read, ““At the time the application is filed, the applicant shall pay to the department a fee, in an amount to be determined by the mayor or his or her designee, but not to exceed sixty dollars (\$60).” (*This motion would codify the Administration’s notice that if the proposed ordinance is adopted it plans to charge no more than \$60 for an application fee*). [For more information about the Administration’s position, please see discussion of motion No. 5 below.]
4. I move that the City Council adopt the resolution regarding taxicab service in Salt Lake City and the ordinance amending and enacting specified sections of *Salt Lake City Code* Chapters 5.71, 5.72, and 16.60 pertaining to ground transportation with the following amendment, that the effective date of the ordinance be 30 days from the Council’s action tonight. (*The Administration has indicated that it would need 30 days to notify all parties affected by the ordinance. The amendment would give the Administration that time.*)
5. I move that the City Council adopt the resolution regarding taxicab service in Salt Lake City and the ordinance amending and enacting specified sections of *Salt Lake City Code* Chapters 5.71, 5.72, and 16.60 pertaining to ground transportation with the following amendments.
 - That the effective date of the ordinance be 30 days from the Council’s action tonight.
 - That the first paragraph of Section 5.72.240 titled *Application-Fee Required* be revised to read: “At the time the application is filed, the applicant shall pay to the department a fee of one hundred dollars (\$100).”

The last motion above was written for City Council consideration if any Council Member might not agree with a transmittal memorandum from the Administration (please see attachment) indicating that if the ordinance is adopted, the Administration would to continue to charge the existing \$30 application fee for six months and then increase the application fee to \$60. It should be noted that in meetings with the City Council Ground Transportation/Taxi Subcommittee members of the Administration indicated several times that a \$100 application fee was closer to the actual cost of processing applications and performing background checks but still not the actual total cost of doing either.

The current first paragraph of Section 5.71.090 reads: “At the time the application is filed, the applicant shall pay to the police department a fee, in an amount to be determined by the mayor or his or her designee, but not to exceed thirty dollars (\$30).

The proposed amendment to that section in the ordinance forwarded to the City Council for its November 15 briefing reads: “At the time the application is filed, the applicant shall pay to the department a fee, in an amount to be determined by the mayor or his or her designee, but not to exceed one hundred dollars (\$100).” That amendment eliminates the word “police” and increases the fee to \$100.

Motion No. 5 would eliminate the clause “in an amount to be determined by the mayor or his or her designee” and the words “but not to exceed.”

KEY POINTS

- The proposed resolution and ordinance are based on recommendations made in the *Ground Transportation Study, Salt Lake City, Utah*, by Ray A. Mundy, Ph.D. The study was published July 31, 2005, as the deliverable product under a contract between the City Council and Dr. Mundy.
- The proposed resolution contemplates giving notice of the City Council’s intent to change the method of regulating taxicab businesses licensed in Salt Lake City from issuing certificates of public convenience and necessity to one of issuing contracts to firms.
- The proposed resolution also contemplates that under the contract form of regulation the City would allow no more than 200 taxicabs to operate instead of the 268 authorized under the current regulatory method.
- It probably will take a minimum of nine months to change from a regulatory method of certificates of public convenience and necessity to a contract method of regulation.
- The proposed ordinance contemplates an increase in the cost of a ground transportation driver’s application fee from the current \$30 a year to \$100 a year. The cost reflects the City’s actual cost of issuing the license, including reviewing background checks. If ultimately the Airport instead of the Police Department conducts background checks, the cost is likely to increase again. (It should be noted that the Administration has indicated it plans to continue to charge the \$30 application fee for six months and then increase the application fee to \$60.)
- If the proposed ordinance is adopted, vehicles older than five years will not allowed to be licensed as taxicabs – if they had not been licensed under the current ordinance.
- The proposed ordinance assigns the “Airport Director” to “establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport ...”
- A new section, Section 5.71,415, would make it unlawful for anyone involved in the ground transportation industry to pay hotel or transportation industry employees – specifically hotel bellmen, doormen or transportation industry dispatchers – to furnish passengers or luggage. It also would make it unlawful for hotel or ground transportation industry employees to accept payment to furnish passengers or luggage.

ISSUES/QUESTIONS FOR CONSIDERATION

Do the proposed resolution and ordinance meet the City Council’s stated goal of changing the way taxicabs and other ground transportation businesses are regulated?

DISCUSSION/BACKGROUND

The proposed resolution and ordinance are based on direction from the City Council on September 6, 2005, after a discussion of outstanding issues pertaining to the publication of *Ground Transportation Study, Salt Lake City, Utah*, by Ray A. Mundy, Ph.D. in July. Dr. Mundy’s study included the following observations:

- A primary objective of the City Council’s request ... was to determine if there were alternate ways ... the City could regulate taxicabs and shuttle vans more effectively and at the same time improve the level of service (to people) currently being operated. (Page 2.)
- Existing taxi firm owners felt the City had not done its job to protect traditional taxicab markets from unlicensed taxi, shuttle and van operators. (Page 2.)
- There is an excess of ground transportation supply in the community. (Page 5.)
- Salt Lake City taxi firms are competing to lease ... city taxi permits to as many owner/operator drivers as possible, irrespective of a driver’s ability to earn a reasonable income. (Page 12.)
- Taxi firm owners agreed that the present structure of taxis in the Salt Lake City market condemns owners and drivers to anemic incomes. (Page 15.)
- Drivers are unable to achieve sufficient revenue to make driving a cab ... an attractive job, and present taxi lease fees are unable to generate profit margins to sustain long-term business or attract capital for needed improvements. (Page 15.)
- Owners said they preferred a more flexible permit system that allowed them to add or subtract vehicles as demand warranted. (Page 15.)
- Every driver interviewed said there were too many taxis and drivers in the taxi system for anyone to make a decent living ... Many drivers work 14- to 16-hour days to pay their taxi lease and take home \$70 or more. (Page 17.)
- The respective average ages of taxicabs for City, Ute and Yellow Cab are 14 years, 11 years and 10 years. (Page 27.) The ages make the Salt Lake City’s cab fleets some of the oldest Dr. Mundy said he ever had seen.
- There is no commercial walk-up, on-demand shuttle service at Salt Lake City International Airport. (Page 25.)
- Salt Lake City International Airport is the single major taxi demand generator in the area. (Page 48.) However, drivers at the airport complained about having to wait two or three hours for a fare. (Page 17.)
- Airport customers could be served most of the time by allowing a maximum of 20 taxis to be available for fares in the Airport taxi holding lot– if taxis arriving at the airport were encouraged to go into the t holding lot after dropping off passengers. (Page 32.)

The study also made a variety of recommendations. The recommendations have been listed on Page 4 of the proposed resolution as seven items under the phrase, “That the Council does hereby give notice of its intent.” The seven items are:

1. To change the taxicab system within Salt Lake City from a certificate of convenience and necessity system to another system to be set forth in detail in an ordinance to be enacted hereafter which system shall include the seeking of bids for contracts with the City to provide taxicab service;
2. That the aforementioned contracts be issued to two to four companies. Each of the companies would be required to operate a minimum of 50 taxicabs. In response to a City request for proposals each company would indicate the maximum number of taxicabs it would operate;
3. That the total number of taxicab permits issued by the City under all of such contracts be approximately 200;
4. That whatever additional steps may be necessary be taken, in addition to legislation already enacted, to insure that no more taxicabs operate at the airport than are appropriate to meet the needs of the traveling public and to insure that cab companies develop new markets and become more available in other parts of Salt Lake City;
5. That a “shared-ride exclusive walkup van concession at the airport” be developed, similar to that available at other U.S. airports; and
6. That City fees be revised to reflect the actual cost of City services with regard to taxicab companies, vehicles and drivers licensure and enforcement.

7. That all taxicabs in operation in the City be no older than five years from the date of manufacture.

PROPOSED ORDINANCE AMENDMENTS

Although the proposed resolution would give the City Council's notice of intent to change the method of regulating taxicab businesses holding certificates of public convenience and necessity, several issues would remain to be addressed before the City could issue a request for proposals for contracts. In addition, there remain some issues involving the regulation of other ground transportation businesses.

The larger issues involving regulating taxicabs include determining which provisions of the current ordinances regulating taxicabs should remain as City ordinance and which could be included as performance items in any contract. In addition, a request for proposals would have to be prepared, companies would have to respond with proposals, and the City would have to award the contracts. Estimates within the City indicate that sorting out the regulations, preparing a request for proposals, and the process of awarding contracts would take at a minimum nine months.

Given that, the City Attorney's Office has prepared a proposed ordinance that would regulate companies during the period between the City Council's adoption of the proposed resolution and the award of contracts to operate taxicab services in Salt Lake City. The proposed ordinance would affect all ground transportation businesses in some respect.

The main item that would affect all ground transportation businesses involves changing the application fee for drivers of all ground transportation businesses from the current \$30 a year to \$100 a year. The larger figure is closer to the actual cost to the Police Department to process a driver's application. In addition, if the Department of Airports ultimately is assigned to process the application – including performing more detailed background checks – in the future the annual cost of an application could rise to more than \$170, according to some estimates, because federal law requires airports to charge actual costs for work related to airports. (It should be noted that the Salt Lake City International Airport is the largest generator of ground transportation traffic in the City.)

The proposed ordinance also would make it illegal (Section 5.71.415) for bellmen, doormen or vehicle dispatchers to receive "any remuneration" from drivers or companies "to furnish passengers or baggage" to a ground transportation vehicle. The section also would make it illegal for a driver or a company to provide "remuneration" to hotel employees or vehicle dispatchers "to furnish passengers or baggage" to a ground transportation vehicle.

Perhaps the major item in the proposed ordinance that pertains to taxicabs is a proposed amendment in Chapter 5.72.130. The proposed amendment again restates the City Council's intent to change the method of regulating taxicab operations. The section declares that certificates of public convenience and necessity will expire on January 31, 2006. After that, the three companies holding those certificates can renew the certificates "only on a renewal basis subject to termination." Before the City adopts a contractual method of regulating taxicab service, the City will provide notice to the certificate holders, and the certificates of public convenience and necessity "will terminate 180 days from the date when such notice is issued." Under the proposed amendment the process would repeat itself if having renewed a certificate of convenience and necessity, no action by the City has occurred within 12 months of the date of renewal.


An amendment to Section 5.72.315 would require that “no vehicle shall be licensed by the City as a taxicab that: (1) was not previously so licensed or (2) was manufactured more than five . . . years prior to application for licensure.” The section appears to give a certain amount of time for companies to replace aging cabs.

A proposed section 5.72.610 would assign the Director of Airports to “establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport, and thereby promotes the availability of taxicab service in other areas of the city.” The proposed section would address one of the observations in the *Ground Transportation Study* that while the International Airport is the main generator of ground transportation traffic, a large number of taxicab operators spend an inordinate amount of time at the Airport waiting for fares.


Finally, the proposed ordinance would:

- Require limousine drivers to provide passengers their picture identification issued by the City, the name of the company they work for, and their vehicle numbers whenever passengers ask them.
- Exempt charter buses from Airport vehicle inspections every six months because other agencies already inspect charter buses.
- Shorten the wheelbase in the definition of “limousine” from 120 inches to 110 inches.
- Eliminate the section in the current ordinance requiring cab companies to be in service a minimum of 104 cab days every six months. The *Ground Transportation Study* recommended that the section be eliminated because it was unenforceable.

COUNCIL TRANSMITTAL

TO: Rocky J. Fluhart 
Chief Administrative Officer

DATE: December 5, 2005

FROM: Sam Guevara 
Chief of Staff
535-7732

SUBJECT: Application Fees for Ground Transportation Drivers

STAFF CONTACT: Laurie Donnell
Department of Management Services
535-7766

DOCUMENT TYPE: Information

RECOMMENDATION: Amend Title 5 and Title 16, sections 5.71, 5.72, AND 16.60 regarding ground transportation.

BUDGET IMPACT: No budget changes are anticipated for six months. The current \$30 fee in section 5.71.290 will continue to be charged for a ground transportation driver's application for six months, but will be increased by \$30 (to a total of \$60) after six months.

BACKGROUND/DISCUSSION: The proposal before the City Council regarding changes to section 5.71.290 regarding application fees for ground transportation drivers would change the maximum fee from \$30 to \$100. The proposed change to this section is listed below:

5.71.290 Application-Fee Required:

At the time the application is filed, the applicant shall pay to the department a fee, in an amount to be determined by the mayor or his or her designee, but not to exceed one hundred dollars (\$100.00).

The ordinance currently allows the mayor to set the amount of this fee provided the amount is the maximum or less. The purpose of this memorandum is to inform the Council that the Mayor intends to continue to charge a fee of \$30 for the applications for the next six months and then increase it to \$60. This action would be allowed by both the current ordinance and the proposed ordinance, which sets the maximum fee at \$100.

-----Original Message-----

From: Clint Anderson [<mailto:cra711@comcast.net>]

Sent: Saturday, December 03, 2005 6:24 PM

To: Council Comments

Subject: Proposed changes to ground transportation ordinance

I would like to add my comments to the public input regarding proposed ground transportation ordinance. I have been connected with the taxi business in Salt Lake City since 1968. During that period, I have worked for all 3 major taxi companies in the capacity of driver, dispatcher, supervisor, and for a period, manager of Yellow Cab Co. during the early part of the 1970's,

In reviewing the proposal I agree that there are far too many taxis at the airport and that the number should be reduced to a more realistic figure. I also agree that the overall number of taxi licenses in SLC, should be reduced by 25%. I further agree that the additional cost of licensing should be increased from \$30.00 to \$100.00 in order to defray costs to the city. Having said this, I have only one other comment, or perhaps it is a question. What provision has Salt Lake City in mind for enforcement of the existing ordinance? All one has to do is walk through the driveway of any major hotel in the city and you will see vehicles from numerous transportation providers parked in the driveways providing "on demand service" to anyone looking for a taxi. None of these vehicles are licensed as "taxicabs" yet the practice continues daily, normally during business hours. (8:00 AM to 5:00 PM) These individuals and companies appear to be operating with impunity whereas legally licensed taxis are ignored when "on demand" service is requested. Far too often, the person requiring transportation is charged an excessive fare because the rate is decided by the driver of the vehicle and often is far greater than the metered charge of a taxi ride. Without enforcement by the city of Salt Lake, this practice will continue and likely proliferate as it has for the past several years. This practice is extremely unfair to visitors coming to Salt Lake City, who have no idea how the transportation business is regulated. Please, provide for some continuous and effective enforcement. Thank you for your interest.

Respectfully Submitted,

Clint Anderson
Ute Cab Co. Dispatcher



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GORDON R. STRONG
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December 6, 2005

Dale Lambert, City Council Chair
SALT LAKE CITY COUNCIL
City & County Building, Room 304
451 South State Street
Salt Lake City, Utah 84111

Via Hand Delivery

Re: ***Proposed Resolution and Proposed Amendments to Ordinances
Regulating Salt Lake City Taxicab Operators***

Dear Mr. Lambert and Council Members:

This letter is written on behalf of the 268 licensed Salt Lake taxicab operators in response to certain proposals now before the Council regarding limitations on taxi service at the Salt Lake City International Airport. If adopted, these proposals would greatly impact the way these operators currently do business in the City and greater metropolitan area. We genuinely believe these proposals are premature and would negatively affect the quality of transportation services available to the traveling public at the Airport.

Based on our review of the proposed resolution and amendments, it appears that great reliance has been placed on the *Ground Transportation Study, Salt Lake City, Utah*, prepared at the Council's request by Dr. Ray A. Mundy, Ph.D. earlier this year (herein the "Study"). While we applaud the efforts of the City to promote a higher quality ground transportation service and a more aesthetically pleasing Airport image, we nonetheless feel that certain recommendations included in the Study and now contemplated by the Council are unfortunately misguided. Of particular concern are certain long- and short-term goals recommended by the Study which include, among other things, (1) restricting the amount of taxicabs able to serve the Salt Lake City Airport; (2) prohibiting any vehicles older than five years from servicing the Airport; and (3) increasing the current driver's application fee of \$30 to \$100. Based on the following points we propose that the City recognize both new and previous critiques of the Study and reanalyze the data to achieve a more coherent proposal.

First, though almost inexplicably disregarded by Dr. Mundy, we believe in the time-tested maxim of economist Adam Smith that self-interest is the engine of an optimally functioning economy. Free market forces can and should most properly dictate the efficiencies of a ground transportation system at the Airport. With respect to the Airport in particular, the Study alludes to this phenomenon by noting certain inefficiencies including return trips to the Airport without passengers, and purported operator socializing in lengthy Airport queues in the staging area. Although these may create modest short-term problems, Dr. Mundy unfairly discredits the demonstrated ability of the free market to overcome them. His Study, in fact, erroneously suggests that increased limitations and other regulations on taxi service at the Airport will somehow magically increase the availability of on-demand transportation to other areas of the City. What the Study plainly fails to adequately contemplate, however, is that taxicab operators are financially intelligent and willing to risk such alleged inefficiencies. If there was a greater demand for cab services in any areas of the City, drivers acting in their own economic self-interest would ultimately be prompted by market forces to address that demand. To suggest that an artificial increase in supply of available cabs away from the Airport would somehow benefit either the traveling public or taxi drivers is nearly nonsensical, especially in light of Dr. Mundy's overall theme that there already exists an excess of vehicles. Governmental manipulation that attempts to shift business away from the Airport to other City areas such as the downtown is destined to force individual operators out of business. If the demand for taxi service increases in any area of the City, the taxi drivers will be motivated by their own self-interest to satisfy that demand. Prematurely manipulating the market will, as noted above, simply force individual operators out of business. This is the worst service that could be provided to the operators, the traveling public, and the City's economy.

Second, as the Study correctly notes, Salt Lake International Airport is the largest generator of ground transportation in the City. While the City may not have created a so-called "airport only" permit, the free market certainly has. Consequently, any new regulations imposed will have significant consequences not only on taxicab services but in operators' behavior. While the Study anticipates this impact to include such desired effects as less traffic in holding areas and supposed increased efficiencies to and from the Airport, there are several other consequences which may be less anticipated. In particular are increased safety concerns. By limiting the number of vehicles able to access the holding lot at any given time, the City will create, in effect, a race to the Airport in times of high demand. Instead of carefully queuing in the Airport holding lot, drivers will hover off-site in surrounding areas waiting for that service call to begin their perhaps careless sprint to the Airport. Demand for taxi service at the Airport any given time of day ebbs and flows. While setting a maximum number of holding spaces may be more aesthetically pleasing to an arriving passenger in times of low demand, again, it is preposterous to conclude that operators will simply leave the Airport under such circumstances for greener pastures elsewhere. Times of high demand will remain and with it, those drivers willing to further increase their inefficiencies in speeding to the Airport. The Study alludes to the high turnover of waiting taxis at the Airport at certain times. An adoption of the proposed ordinances will only exacerbate the lack of taxis available.

Third, in this case, what really seems at issue to the City is the goal of more aesthetically pleasing atmosphere, not only at the Airport but in each Salt Lake taxicab. Though an old and well-worn vehicle may indeed be an eyesore, there are other less intrusive means to provide incentives for a newer cab, most of which are already more efficiently provided for by the free market.

Fourth, with respect to the current proposed amendments, it is recognized that the City is attempting to set in place the foundations for a long-term agenda which it wishes to implement. Bearing this in mind, some immediate legal hindrances should earnestly be considered. By granting an immediate power of "broad discretion" to the Airport Director to "establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport," there are concerns that the City is adopting an ordinance susceptible to constitutional attack on void for vagueness grounds and/or deprivation of due process. The proposed amendment to 5.72.610 provides no notice to taxicab drivers of what will be required of them in order to service the Airport, what exactly is or will be prohibited, or how the Airport Director will implement such restrictions. This loose and ambiguous amendment, though obviously intended to implement the recommendations of the Study, makes no mention thereof, and provides no definitive breadth of the Director's role, nor scope of the sole limitation that an "unreasonable burden" not be created, so as to become arbitrary.

Of more profound concern is the disparate impact which the immediate amendments and long-term aims of the resolution may work upon those primarily engaged in the taxicab industry; namely, operators of ethnic and racial minorities and other suspect classes. Special consideration should be taken as to the consequences of certain goals, which, more aesthetic in nature, may work upon such individuals. Though facially neutral, in application, the proposed amendments and resolutions may nonetheless work a discriminatory effect and be constitutionally unsound even in the absence of a demonstrated discriminatory intent.

Other issues such as an overnight increase in operator licenses of 333% from \$30 to \$100, possible price fixing, and other anti-trust concerns must be considered.

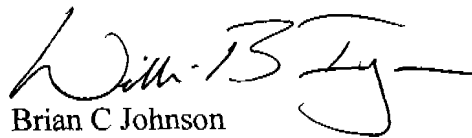
We are not asking the Council to completely disregard the recommendations of Dr. Mundy's Study, nor defeat the City's goals of promoting quality service to the public and a clean modern image of Salt Lake. We are simply requesting that the City take adequate time to analyze the situation and adopt a solution that preserves free market forces that benefit all of us—particularly the historically disadvantaged classes that operate taxis as a livelihood—and encourages rather than discourages better service for the traveling public. The City is growing, and should adopt a forward rather than backward looking approach to meeting the public's traveling demands. Governmentally managed industries rarely perform as efficiently as those controlled only by free market forces. Ordinances that negatively impact the economic opportunities available to racial minorities are never desirable. Consequently, we ask the City to table its proposed Resolutions and Amendments to ensure that such proposals are in fact

reasonable and the least intrusive means of accomplishing the City's stated aims. Though the above concerns represent those issues we believe most important, please be aware that we will be exploring all alternatives, both legal and political, to accomplish not only our own self-interest, but the interests of the public at large.

Thank you for your time.

Very truly yours,

STRONG & HANNI, P.C.

A handwritten signature in black ink, appearing to read "William B. Johnson" with a stylized flourish at the end.

Brian C Johnson

(on behalf of Mr. Johnson)

BCJ/WBI/jags

cc: Don Winder

DEC - 5 2005

1 of 2

To: Mr. Dale Lambert
City Council Chair
SLC Utah

December 05, 2005

Dear Sir,

I have very humble request to put before the city council regarding the ordinance about Private taxi or limo service.

I understand that there should be some rule regulation on this business. And every thing else is fine. But the condition of picking up one or two customer or convention of 5000 or more or pre-arrangements etc are something absolutely not benefiting any body rather creating frustration and inconvenience to everyone mean us, doormen, bellpersons, managers and mostly the customers who come from other cities. Let me explain why. (Then I will try to suggest some things).

1.US: We have obtained a license to drive a private cabs or limo. And according to ordinance, we cannot take any customer on demand. If we do we suppose to charge them minimum of \$ 30.00. I have talked to the effective people none of them are agree with these conditions at all. And call this ordinance or rather these conditions with different names.(I do not want to mention actual names they call of these conditions). We are suffering because no business. It is not a great business and the living we are trying to make it has been restricted. I hope you do not want us to go bankrupt. And let our family suffer tremendous loss of future. I hope you do not wish us to go on government aid. I think that you want us to be employed or self-employed. We are not after someone else's business. I would say live and let live.

2.Doormen and bell person:

Have anybody from the council ever been present at the hotels door when there are fifty or more checkouts and checkins,(It often happens at the Grand and Little America if my observation is right. The hotel managers can tell you better) and the checkouts need cars or cabs to go different places especially airports and their frustration when there are no cars and cabs? And us being there but cant take them because condition of one or two or convention of 5000 or minimum charge of 30.00 dollars. It is frustration for them to run back and forth, call the regular cab which most of the time do not arrive at times the customer need them. Please take survey from these people.

3.Managers: Customers definitely are not happy with the hotels or managers who cannot provide the facilities they need in order to accomplish their purpose to come here in our city. Managers do want to retain their customers in order to have them come back (which is good for the city and for themselves to retain their jobs). Please take survey from managers (front desk or bell managers and bell captains)

4. Customers: They come here for business or visit or ski etc. Let me tell you in my observation there are three kinds of customers. (A) Wealthy people: they will not use the

regular cars which we have. They will book or make reservation to have limousine service. No matter how much it would cost them. They wont hire us any way. (B) Middle class businessman or people: They have little less money then the wealthy people. They come here for business or visit. They want little better hotel, food and transportation. They cant afford limo and do not want regular cabs they want to use our cabs. Some time, they ask doormen for Lincoln town cars, which we have. If we are there why those people have to wait for thirty minutes pre-arrangements or to pay 30.00 dollars for go to down town from Grand or Little America? To every one and us involve here does not make any sense. Let them choose if they want to use us. Since we have better cars and better service we will not charge less then the taxicab. Please let them decide if they want to use us without any restrictions. We do not want to take advantage of their urgent need of car. This is dishonesty. This will not be fair to any body. Let customers have freedom to choose the greatest thing of great America. (C) People on budget: There are some people who are sent by their companies to accomplish their jobs. They have not enough money. They will not call us or use us any way. They will rather wait and use meter cab. Which is absolutely fine. Other and me involve in this work humbly request to lift up these restrictions as soon as possible.

Sir, right now this letter is only from me. Hopefully soon I will be able to send you signed request from victims of this ordinance.

Suggestions:

If we have to have restrictions (should not be):

Let customer use us on demand. And let us charge them fair amount. They will not use us if we do not provide them good service or our prices are not fair.

Let the bell people tell customers that our cars will charge them this much minimum of (depend on destination which can be discuss with us). And let customers choose.

Let managers of the hotel decide if they want us to take their guest here and there without any restrictions of number and destinataion and convention of 5000 etc. Let them decide base on the occupancy of hotel not convention in the city.

Sir, hopefully I am not offending you and any member of the council. I appreciate what you people are doing for us. Hopefully we will not let greed prevail over freedom. But every one will have chance to serve people come from other city and SLC will have increase in tax revenue and better service and will not loose business and customers or visitors.

I do not know this letter will serve the purpose, so give me or us some time (not two minutes in public hearing) so we can explain little better.

I thank you very much.

Daniel Siraj
 288 S Dempsey Ln
 SLC Utah 84104
 Home # (801)886-1883
 Cell # (801)652-9956

1193 Garnett
S.L.C. Wt. 84116

Salt Lake City Council

TO Whom It May Concern

I drove for City Cab and told my wife this is one meeting I want to attend.

But my wife said its Thursday the 8th the same night as our Family Xmas party.

So I'm offering my views about the increase in City Licenses through a letter

We had a license every year for a lot of years. We used to go in and get our license in 10 minutes. Now we are treated very rude and takes 3 to 4 weeks no wonder the price is going up. If you'd run a private business that way you'd go broke in a hurry.

How about some decent treatment and get our Licenses the way we used too. We're not a bunch of criminals.

That's a terrible increase we paid \$15.00 not long ago. We just get a break on the gas then we get this thrown at us.

It's all about greed and incompetence.

I'd like this letter read at your meeting. That'll be my 2 minutes.

Respectfully yours

Ray L. Morrison

December 5, 2005

Salt Lake City Council
Attn: Eric Jorgensen
450 S. State Street, Room 304
Salt Lake City, Ut. 84111

Dear City Council Members:

On November 17th, the cab companies met with Salt Lake Airport Authorities including Director of Operations-Tim Cambell. Mr. Cambell told the cab companies that based on recommendations from the Salt Lake City Council that he was reducing the size of the feeder line at the Salt Lake International Airport from 70-80 spots maximum to a maximum of 40 spots effective as of December 1, 2005. The date on this has been postponed until after the December 8th City Council Meeting.

To reduce the cabs at the feeder line is not a good idea, especially when considering that this is the beginning of the ski season, the winter season, and the holiday season. This is the busiest time of the whole year at the airport. Furthermore, while other airport operations are expanding, the Salt Lake Airport Authority wants to reduce the number of taxi's at the airport by up to 50 %. At the same time this proposal would not limit or reduce any other transportation companies in any way except the taxi companies. What is fair or logical about this? This would seem to be a deliberate attempt to increase market share for other transportation providers and decrease the market share for the taxi's. Prior to the Olympics taxi regulations allowed the taxicab companies increase by 50% during the busy ski season not decrease.

The longer waits for taxi drivers in the staging area all seemed to occur when the spots allowed taxi's in front of the terminals were reduced to only one spot in front of each terminal where previously there were three. Taxi fares are lost each day as the parked taxi loads and leaves the taxi stand, and the spot is vacant until another taxi can fight through the traffic and land on the taxi stand. If these spots were returned, the customers would be serviced better, and the long lines in the feeder line would be reduced.

If this policy stays in place, I see four problems. The first and most important is that the airport will not be serviced properly in high arrival periods. Secondly, this will force more and more of these airport cabs to jam up the taxi stands downtown causing a "dog eat dog" situation where cab drivers will be steeling each others "loads", speeding and driving unsafe to get cab fares creating a bad situation overall. Thirdly, some airport drivers have told me that they would rather quit than be forced downtown. And finally fourth, cab drivers will quit and become shuttle drivers as they are forced out of the airport which increases the hostility further between the cab companies and the shuttle companies.

The result of this policy will be that during the big conventions and peak times there will not be the adequate taxi force to handle the load at the airport which would not show well for the Salt Lake Convention Bureau, Utah Travel Council, the Airport, or Salt Lake City.

Mr. Cambell mentioned that the feeder line could be expanded during big convention days but the problem is that airport drivers like all of us have to eat every day, and have daily bills and needs and need to work every day not just on the peak days.

To regulate only the taxi cabs and let other transportation for hire companies to go unregulated and uncontrolled does not benefit Salt Lake City or paying riders and not the fair thing or the right thing to do. All transportation companies should be put under one governing body and regulated for price, safety and public convience and necessity. New companies should not be allowed to start up at will and flood the market any further.

Thanks again for your attention, and we appreciate all the Salt Lake City Council does in keeping our beautiful city operating so smoothly.



Dave Jackson
City Cab Company
887-7792

December 6, 2005

Salt Lake City Council
Attn: Nancy Saxton
450 S. State Street, Room 304
Salt Lake City, Ut. 84111

Dear City Council Members:

I just reviewed notice in the mail the other day from a letter dated November 29, 2005 regarding increasing the price of Salt Lake City Taxi licenses from \$30.00 to \$100.00 and also reducing the number of taxicabs servicing the airport and downtown to be reduced. These are both bad proposals. Here we are in the beginning of the winter season, the ski season and the holiday season, the busiest time of the year for the airport and the cabs drivers and we have this proposal reducing fleet size and size of the feeder line at the airport. This goes against all logic, especially when considering that pre-Olympics it was always the taxi policy to let fleets increase by 50 % during the busy winter months not decrease them.

Regarding the taxi license increase, this would be a devastating blow to the taxi drivers. These latest meter increases to offset the dramatic gas price increase have all been to help the struggling drivers. In every City Council Meeting, the question always asked by the Council Members to the taxi companies is "Will the taxi drivers get the benefit from this meter increase or will the leases the drivers pay go up and offset the increase"? The taxi companies have said and have all agreed that the cab drivers would be the ones to benefit not considering the fact that lease prices have not increased for ten years.

So, as discouraging as it is for the taxi drivers. seeing more and more of their business eaten up by unregulated transportation providers, then to have this 333 % increase in all their other licenses and fees piled on top of every thing else, makes it very difficult to hire and retain drivers.

Then of course, if the Salt Lake City Council decides to adopt the franchise system, with the 1% to 5% kickback program, this will have to come from increase in drivers leases hurting them once again.

If anything, the drivers deserve a rebate from Salt Lake City, not more costs and restrictions.

The taxi industry for all its bad rap it has gotten lately is a vital part of this city, and need to be allowed to stay healthy as part of a program to keep the city as a whole healthy and positive. It's a shame that all the good the taxi drivers do every day doesn't get the attention it deserves. Every cab is not dirty, late, every driver rude, and every taxi ride a bad experience as some would like you to believe. Most of these drivers are good honest hard working people, trying to make a living like all of us, and they deserve that chance. They deserve to have the airport trip, the ski trip and the long trips because they can't make a living on grocery trips and transporting the drinking public alone.

In a sense of fairness, all transportation for hire should be regulated and under one governing body to protect the paying public. Other transportation for hire companies cut the rate for a single rider but charge considerably more than the taxi meter on multiple rider trips, where if these trips were all regulated by taxi meters, the playing field would be leveled and the paying public not over charged.

Thanks for your attention and your support. We at City Cab Company are trying hard to provide a good service and appreciate your efforts. We are working hard to upgrade our fleet, and keep our level of service high.

Thanks again;

A handwritten signature in cursive script that reads "Dave Jackson".

Dave Jackson
City Cab Company
887-7792

Voicemail messages from Taxi Drivers: Dec. 5, 2005

Three taxi drivers left voice mails asking the City Council not to limit the number of taxis. One person remarked, "Don't interfere with our lives."

Tim Roberts, another taxi driver, called expressing his frustration concerning an increase in license fees. He also stressed that the airport taxi situation should be left as it is. He feels things are great just as they are. "If it's not broke, don't fix it."

M E M O R A N D U M

DATE: November 15, 2005
TO: City Council Members
FROM: Russell Weeks
RE: Proposed Resolution to Change Method of Regulating Taxicabs and Proposed Amendments to Ordinances Regulating Ground Transportation Businesses
CC: Cindy Gust-Jenson, Rocky Fluhart, Sam Guevara, Ed Rutan, Tim Campbell, Alison McFarlane, Louis Zunguze, Gary Mumford, Orion Goff, Edna Drake, Larry Spendlove, Jodi Howick, Melanie Reif, Randy Berg, David Korzep, Larry Bowers, Laurie Donnell

This memorandum is intended to address items pertaining to a proposed resolution that would give notice of the City Council's intent to change the method of regulating taxicab businesses licensed in Salt Lake City from issuing certificates of public convenience and necessity to one of issuing contracts to firms. This memorandum also is intended to address items pertaining to a proposed ordinance to amend ordinances regulating ground transportation businesses in Salt Lake City.

The City Council Ground Transportation and Taxicab Subcommittee is scheduled to brief the full Council on the two documents at the Council's work session Thursday. This memorandum assumes that the City Council on Tuesday set a December 8 date for a public hearing on the proposed resolution and ordinance.

It might be noted that City Council staff has discussed the proposed resolution with the City's Business Advisory Board. However, the proposed ordinance was unavailable for that discussion. Council staff plans to work with the Administration to provide information to the Business Advisory Board so the Board might make a recommendation to the City Council by the December 8 public hearing.

OPTIONS

- Adopt the proposed resolution and ordinance.
- Do not adopt the proposed resolution and ordinance.
- Amend either or both items.

POTENTIAL MOTIONS

City Council staff will prepare potential motions after the Council discussion at its work session.

KEY POINTS

- The proposed resolution and ordinance are based on recommendations made in the *Ground Transportation Study, Salt Lake City, Utah*, by Ray A. Mundy, Ph.D. The study was published July 31, 2005, as the deliverable product under a contract between the City Council and Dr. Mundy.
- The proposed resolution contemplates giving notice of the City Council's intent to change the method of regulating taxicab businesses licensed in Salt Lake City from issuing certificates of public convenience and necessity to one of issuing contracts to firms.
- The proposed resolution also contemplates that under the contract form of regulation the City would allow no more than 200 taxicabs to operate instead of the 268 authorized under the current regulatory method.
- It probably will take a minimum of nine months to change from a regulatory method of certificates of public convenience and necessity to a contract method of regulation.
- The proposed ordinance contemplates an increase in the cost of a ground transportation driver's application fee from the current \$30 a year to \$100 a year. The cost reflects the City's actual cost of issuing the license, including reviewing background checks. If ultimately the Airport instead of the Police Department conducts background checks, the cost is likely to increase again.
- If the proposed ordinance is adopted, vehicles older than five years will not allowed to be licensed as taxicabs – if they had not been licensed under the current ordinance.
- The proposed ordinance assigns the "Airport Director" to "establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport ..."

ISSUES/QUESTIONS FOR CONSIDERATION

Do the proposed resolution and ordinance meet the City Council's stated goal of changing the way taxicabs and other ground transportation businesses are regulated?

DISCUSSION/BACKGROUND

The proposed resolution and ordinance are based on direction from the City Council on September 6, 2005, after a discussion of outstanding issues pertaining to the publication of *Ground Transportation Study, Salt Lake City, Utah*, by Ray A. Mundy, Ph.D. in July. Dr. Mundy's study included the following observations:

- A primary objective of the City Council's request ... was to determine if there were alternate ways ... the City could regulate taxicabs and shuttle vans more effectively and at the same time improve the level of service (to people) currently being operated. (Page 2.)
- Existing taxi firm owners felt the City had not done its job to protect traditional taxicab markets from unlicensed taxi, shuttle and van operators. (Page 2.)
- There is an excess of ground transportation supply in the community. (Page 5.)
- Salt Lake City taxi firms are competing to lease ... city taxi permits to as many owner/operator drivers as possible, irrespective of a driver's ability to earn a reasonable income. (Page 12.)
- Taxi firm owners agreed that the present structure of taxis in the Salt Lake City market condemns owners and drivers to anemic incomes. (Page 15.)

- Drivers are unable to achieve sufficient revenue to make driving a cab ... an attractive job, and present taxi lease fees are unable to generate profit margins to sustain long-term business or attract capital for needed improvements. (Page 15.)
- Owners said they preferred a more flexible permit system that allowed them to add or subtract vehicles as demand warranted. (Page 15.)
- Every driver interviewed said there were too many taxis and drivers in the taxi system for anyone to make a decent living ... Many drivers work 14- to 16-hour days to pay their taxi lease and take home \$70 or more. (Page 17.)
- The respective average ages of taxicabs for City, Ute and Yellow Cab are 14 years, 11 years and 10 years. (Page 27.) The ages make the Salt Lake City's cab fleets some of the oldest Dr. Mundy said he ever had seen.
- There is no commercial walk-up, on-demand shuttle service at Salt Lake City International Airport. (Page 25.)
- Salt Lake City International Airport is the single major taxi demand generator in the area. (Page 48.) However, drivers at the airport complained about having to wait two or three hours for a fare. (Page 17.)
- Airport customers could be served most of the time by allowing a maximum of 20 taxis to be available for fares in the Airport taxi holding lot- if taxis arriving at the airport were encouraged to go into the t holding lot after dropping off passengers. (Page 32.)

The study also made a variety of recommendations. The recommendations have been listed on Page 4 of the proposed resolution as seven items under the phrase, "That the Council does hereby give notice of its intent." The seven items are:

1. To change the taxicab system within Salt Lake City from a certificate of convenience and necessity system to another system to be set forth in detail in an ordinance to be enacted hereafter which system shall include the seeking of bids for contracts with the City to provide taxicab service;
2. That the aforementioned contracts be issued to two to four companies. Each of the companies would be required to operate a minimum of 50 taxicabs. In response to a City request for proposals each company would indicate the maximum number of taxicabs it would operate;
3. That the total number of taxicab permits issued by the City under all of such contracts be approximately 200;
4. That whatever additional steps may be necessary be taken, in addition to legislation already enacted, to insure that no more taxicabs operate at the airport than are appropriate to meet the needs of the traveling public and to insure that cab companies develop new markets and become more available in other parts of Salt Lake City;
5. That a "shared-ride exclusive walkup van concession at the airport" be developed, similar to that available at other U.S. airports; and
6. That City fees be revised to reflect the actual cost of City services with regard to taxicab companies, vehicles and drivers licensure and enforcement.
7. That all taxicabs in operation in the City be no older than five years from the date of manufacture.

Proposed Ordinance Amendments

Although the proposed resolution would give the City Council's notice of intent to change the method of regulating taxicab businesses holding certificates of public convenience and necessity, several issues would remain to be addressed before the City could issue a request for proposals for contracts. In addition, there remain some issues involving the regulation of other ground transportation businesses.

The larger issues involving regulating taxicabs include determining which provisions of the current ordinances regulating taxicabs should remain as City ordinance and which could be included as performance items in any contract. In addition, a request for proposals would have to be prepared, companies would have to respond with proposals, and the City would have to award the contracts. Estimates within the City indicate that sorting out the regulations, preparing a request for proposals, and the process of awarding contracts would take at a minimum nine months.

Given that, the City Attorney's Office has prepared a proposed ordinance that would regulate companies during the period between the City Council's adoption of the proposed resolution and the award of contracts to operate taxicab services in Salt Lake City. The proposed ordinance would affect all ground transportation businesses in some respect.

The main item that would affect all ground transportation businesses involves changing the application fee for drivers of all ground transportation businesses from the current \$30 a year to \$100 a year. The larger figure is closer to the actual cost to the Police Department to process a driver's application. In addition, if the Department of Airports ultimately is assigned to process the application – including performing more detailed background checks – in the future the annual cost of an application could rise to more than \$170, according to some estimates, because federal law requires airports to charge actual costs for work related to airports. (It should be noted that the Salt Lake City International Airport is the largest generator of ground transportation traffic in the City.)

The proposed ordinance also would make it illegal (Section 5.71.415) for bellmen, doormen or vehicle dispatchers to receive "any remuneration" from drivers or companies "to furnish passengers or baggage" to a ground transportation vehicle. The section also would make it illegal for a driver or a company to provide "remuneration" to hotel employees or vehicle dispatchers "to furnish passengers or baggage" to a ground transportation vehicle.

Perhaps the major item in the proposed ordinance that pertains to taxicabs is a proposed amendment in Chapter 5.72.130. The proposed amendment again restates the City Council's intent to change the method of regulating taxicab operations. The section declares that certificates of public convenience and necessity will expire on January 31, 2007. After that, the three companies holding those certificates can renew the certificates "only on a renewal basis subject to termination." Before the City adopts a contractual method of regulating taxicab service, the City will provide notice to the certificate holders, and the certificates of public convenience and necessity "will terminate 180 days from the date when such notice is issued." Under the proposed amendment the process would repeat itself if having renewed a certificate of convenience and necessity, no action by the City has occurred within 12 months of the date of renewal.

An amendment to Section 5.72.315 would require that "no vehicle shall be licensed by the City as a taxicab that: (1) was not previously so licensed or (2) was manufactured more than five ... years prior to application for licensure." The section appears to give a certain amount of time for companies to replace aging cabs.

A proposed section 5.72.610 would assign the Director of Airports to "establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport, and thereby promotes the availability of taxicab service in other areas of the city." The proposed section would address one of the observations in the *Ground Transportation Study* that while the International Airport is the

main generator of ground transportation traffic, a large number of taxicab operators spend an inordinate amount of time at the Airport waiting for fares.

Finally, the proposed ordinance would:

- Require limousine drivers to provide passengers their picture identification issued by the City, the name of the company they work for, and their vehicle numbers whenever passengers ask them.
- Exempt charter buses from Airport vehicle inspections every six months because other agencies already inspect charter buses.
- Shorten the wheelbase in the definition of “limousine” from 120 inches to 110 inches.
- Eliminate the section in the current ordinance requiring cab companies to be in service a minimum of 104 cab days every six months. The *Ground Transportation Study* recommended that the section be eliminated because it was unenforceable.

RESOLUTION NO. _____ OF 2005
(Regarding Taxicab Service in Salt Lake City)

WHEREAS, Salt Lake City regulates ground transportation that serves the public, including taxicabs that currently operate under certificates of public convenience and necessity granted by the City; and

WHEREAS, the City Council wants to promote quality service to the public, promote a clean modern image of the City to tourists and travelers, create a competitive but fair environment where the public can choose among quality ground transportation providers, and that strengthens the economic viability of taxicab drivers in particular to facilitate quality service; and

WHEREAS, the City Council has attempted to address these goals by enacting several ordinances during the last two years, including Ordinance Nos. 69, 70, and 92 of 2004 and Nos. 4, 39 and 45 of 2005.

WHEREAS, the City Council finds that the current method of regulating taxicabs in particular is contentious, archaic, and difficult to enforce with piecemeal amendments to those regulations; and

WHEREAS, in order to obtain an independent analysis of the issues pertaining to ground transportation in the City, including the taxicab industry, the City Council, in December 2004, commissioned a study by Dr. Ray Mundy, the director of the Center for Transportation Studies at the University of Missouri – St. Louis and the principal partner of the Tennessee Transportation & Logistics Foundation; and

WHEREAS, following a detailed investigation of the ground transportation industry in the City, including numerous interviews with a wide variety of persons involved in or affected by that industry, including taxi firm owners, taxi drivers, airport officials, city officials, and hotel managers, Dr. Mundy, on March 8, 2005, gave a presentation to this Council describing in detail his preliminary findings regarding Salt Lake City's current ground transportation industry. On April 19, 2005 he presented recommendations addressing numerous ground transportation issues he had identified. Dr. Mundy subsequently met on two occasions with the Ground Transportation/ Taxi Subcommittee appointed by this Council. During an August 3 meeting with the Subcommittee, Dr. Mundy presented his final report and recommendations ("Ground Transportation Study – Salt Lake City" dated July 31, 2005, hereafter "Report"). That Report was then provided by the Subcommittee to the entire Council; and

WHEREAS, the City Council invited and received public written comments during the period of April 19, 2005 to June 7, 2005. The Council further conducted formal public hearings on June 7, 2005 and on August 9, 2005 to obtain public and industry comment regarding the aforementioned findings and recommendations of Dr. Mundy and proposed legislative solutions by the Council; and

WHEREAS, the findings of Dr. Mundy's Report include, among other things, the following:

- A primary objective of the City Council's original request of Dr. Mundy was to determine if there were alternative methods by which the City could regulate taxicabs and shuttle vans more effectively than under the current system and at the same time improve the level of service currently being achieved. (Report, Page 2)
- Existing taxi firm owners felt the City had not done its job to protect traditional taxicab markets from unlicensed taxi, shuttle and van operators. (Report, Page 2.)
- There is an excess of ground transportation supply in the community. (Report, Page 5)
- Salt Lake City taxi firms are competing to lease city taxi permits to as many owner/operator drivers as possible, regardless of a driver's ability to earn a reasonable income. (Report, Page 12)
- Taxi firm owners agreed that the present structure of taxis in the Salt Lake City market condemns owners and drivers to anemic incomes. (Report, Page 15)
- Drivers are unable to achieve sufficient revenue to make driving a cab an attractive job, and current taxi lease fees are unable to generate profit margins to sustain long-term business or to attract capital for needed improvements. Report, (Page 15)
- Taxi company owners said they preferred a more flexible permit system that allowed them to add or subtract vehicles as demand warranted. (Report, Page 15)
- Every driver interviewed said there were too many taxis and drivers in the taxi system for anyone to make a decent living. Many drivers work 14- to 16-hour-days to pay their taxi lease and take home \$70 or more. (Report, Page 17)
- The respective average ages of taxicabs for City, Ute and Yellow Cab are 14 years, 11 years and 10 years. (Report, Page 27.) The ages make the Salt Lake City's cab fleets some of the oldest that Dr. Mundy said he ever had seen.
- City code enforcement personnel expressed frustration at the difficulty of enforcing City taxi ordinances due to lack of personnel and funding problems. They stated that they would prefer more competition in the provision of taxi services in order to improve the quality of taxi services offered to visitors and residents alike. (Report, Page 22)
- Hotel managers in the downtown area expressed considerable frustration with constant guest complaints of taxicabs that never showed up, were old and dirty and often driven by rude drivers. (Report, Page 23)
- There is no commercial walk-up, on-demand shuttle service at the Salt Lake City International Airport. (Report, Page 25)
- Shuttle owners felt that the existing taxi shuttle regulation of the City severely restricted their ability to offer innovative services and pricing to the traveling public. (Report, Page 26)
- Salt Lake City International Airport is the single major taxi demand generator in the area. (Report, Page 48) However, drivers at the airport complained about having to wait two or three hours for a fare. (Report, Page 17)
- Airport customers could be served most of the time by allowing a maximum of 20 taxis to be available for fares in the Airport taxi holding lot- if taxis arriving at the

airport were encouraged to go into the holding lot after dropping off passengers. (Report, Page 32); and

WHEREAS, Dr. Mundy's study recommended various changes to the City's taxicab service within the City, including the following long-term recommendations:

- Change the way in which the City regulates the taxicab industry from its current method of issuing certificates of public convenience and necessity to a method of seeking bids for contracts with the City to provide taxicab service. Dr. Mundy's study recommended that the contracts be issued to two to four companies. Each of the companies would be required to operate a minimum of 50 taxicabs. In response to a City request for proposals each company would indicate the maximum number of taxicabs it would operate. According to the study, requiring a minimum of 50 taxis would provide enough business "to support investment in GPS (global positioning system) dispatching and other technologies for improving the delivery of service to the traveling public." (Report, Page 62, No. 1)
- Reduce the total number of taxicab permits issued by the City by 25 percent to about 200 permits. Currently, there are 268 total permits.
- Reduce the number of taxicabs waiting to pick up passengers at the Salt Lake City International Airport. The study contends that there are too many taxicabs waiting too long to pick up passengers at the airport. It contends that airport customers could be served most of the time by allowing a maximum of 20 taxis to be available for fares in the Airport taxi holding lot— if taxis arriving at the airport were encouraged to go into the holding lot after dropping off passengers. Long-term the number of taxis could be restricted by Automatic Vehicle Identification electronic tracking that, according to Dr. Mundy, is being installed at the airport. (Report, Pages 62 and 63) The study contends that restricting the number of taxicabs at the airport would force cab companies to develop new markets, including being available in other parts of Salt Lake City.
- Develop a "shared-ride exclusive walkup van concession at the airport." (Report, Page 63) The study notes that "with very few exceptions" most U.S. airports have more than one walk up alternative for arriving airline passengers. The study notes that the Salt Lake City Airport has no alternative. Passengers seeking on-demand service must take a taxicab.
- Revise City fees to reflect the actual cost of City services. The study indicates that business license and driver permit fees "are not adequate for the services being performed." (Report, Page 63).

NOW, THEREFORE, in order to meet the City Council's goals of:

- Promoting quality services to the public (i.e. timely, cost effective, clean, courteous, and always available),
- Promoting a clean, modern image of the City to travelers,
- Creating a fair environment for traditional taxicab providers and potential new entrants,
- Strengthening the economic vitality of taxicab drivers to facilitate quality service,

- Making taxicab requirements clear, and applying uniform requirements to providers,
- Providing meaningful ways to examine and address service complaints,
- Providing for ease of taxicab administration,
- Minimizing city costs and liabilities,
- Clearly defining types of ground transportation providers to aid administration and consumer choice,
- Requiring financial accountability to verify that cost effective taxicab services are offered to the public,
- Imposing fees that make regulation self sustaining,
- Optimizing the benefits of competition in the system to the extent feasible,
- Facilitating the upgrading and maintaining of taxicab service levels,
- Easing the impacts of transition to a new system,
- Providing adequate Airport coverage to accommodate passenger needs,
- Emphasizing safety, and
- Updating the regulatory structure to better address changed business practices in the industry;

BE IT RESOLVED by the City Council of Salt Lake City, Utah:

That the Council does hereby give notice of its intent:

1. To change the taxicab system within Salt Lake City from a certificate of convenience and necessity system to another system to be set forth in detail in an ordinance to be enacted hereafter which system shall include the seeking of bids for contracts with the City to provide taxicab service;

2. That the aforementioned contracts be issued to two to four companies. Each of the companies would be required to operate a minimum of 50 taxicabs. In response to a City request for proposals each company would indicate the maximum number of taxicabs it would operate;

3. That the total number of taxicab permits issued by the City under all of such contracts be approximately 200;

4. That whatever additional steps may be necessary be taken, in addition to legislation already enacted, to insure that no more taxicabs operate at the airport than are appropriate to meet the needs of the traveling public and to insure that cab companies develop new markets and become more available in other parts of Salt Lake City;

5. That a "shared-ride exclusive walkup van concession at the airport" be developed, similar to that available at other U.S. airports; and

6. That City fees be revised to reflect the actual cost of City services with regard to taxicab companies, vehicles and drivers licensure and enforcement.

7. That all taxicabs in operation in the City be no older than five years from the date of manufacture.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2005.

SALT LAKE CITY COUNCIL

By _____
CHAIRPERSON

ATTEST:

CHIEF DEPUTY CITY RECORDER

I:\Resolut\Taxicabs & Ground Transportation\Resolution re Taxicab Service in Salt Lake City - 11-09-05 final

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 11/9/2005
By [Signature]

SALT LAKE CITY ORDINANCE
No. _____ of 2005
(Ground Transportation Amendments)

AN ORDINANCE AMENDING AND ENACTING SPECIFIED SECTIONS OF
CHAPTERS 5.71, 5.72, AND 16.60, *SALT LAKE CITY CODE*, PERTAINING TO GROUND
TRANSPORTATION.

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

SECTION 1. That Subsection M of Section 5.71.010, *Salt Lake City Code*, pertaining to
definition of "Limousine" be, and the same hereby is, amended to read as follows:

5.71.010 Definitions:

M. "Limousine" means any motor-propelled vehicle which is a Rolls Royce or other
automobile described by its manufacturer as a limousine or luxury vehicle having a wheel base in
excess of one hundred ~~ten~~twenty inches (~~110-120~~"), operated on the streets and highways for hire,
with a driver furnished who is dressed in a chauffeur's uniform (defined as a jacket and tie for a
man or a pants suit or dress for a woman) or tuxedo while on duty, and licensed as required by
city code.

SECTION 2. That Subsection H of Section 16.60.090, *Salt Lake City Code*, pertaining to
definition of "Limousine" be, and the same hereby is, amended to read as follows:

16.60.090 Definitions For Article II:

H. "Limousine" means any motor propelled vehicle which is a Rolls Royce or other
automobile described by its manufacturer as a limousine or luxury vehicle having a wheel base in
excess of one hundred ~~ten~~twenty inches (~~110-120~~"), operated on the streets and highways for hire,
with a driver furnished who is dressed in a "chauffeur's uniform" (defined as a jacket and tie for a

man or a pants suit or dress for a woman) or tuxedo while on duty, operated on a scheduled or prearranged basis, and licensed as required by this code.

SECTION 3. That Section 5.71.180, *Salt Lake City Code*, pertaining to periodic inspections be, and is hereby amended to read as follows:

5.71.180 Periodic Inspections:

With the exception of busses operated by charter bus companies in interstate commerce,
Every vehicle subject to the requirements of this Chapter shall be inspected by the City every six (6) months in order to make certain that such vehicles and their drivers comply with the requirements of this Chapter and that each such vehicle is being maintained in a safe and efficient operating condition in accordance with the following inspection requirements:

A. Vehicle Exterior: Vehicle exteriors shall meet the requirements set forth in Sections 5.71.150 and 5.71.160 of this Chapter and shall meet the following requirements:

1. Tires: Tire tread depth shall be not less than one-sixteenth of an inch (1/16") for rear tires, nor less than one-eighth of an inch (1/8") on any front tire when measured on any portion of the tire's tread grooves of an original, regrooved or retreaded tire, with no cuts or breaks in sidewalls. Measurements shall not be made where any tie bar, hump, or filet is located. No regrooved, recapped, or retreaded tires shall be used on the front axles of the vehicle, but may be used on the rear axles.

2. Signage: All vehicles shall be properly and adequately numbered and identified in conformance with this Chapter and other applicable statutes and ordinances. When present, identifying signage shall be in good repair.

3. Cleanliness: The engine and engine compartment shall be reasonably clean and

free of uncontained combustible materials.

4. Mufflers: Mufflers shall conform to the requirements of Section 12.28.100 of this Code, or its successor.

5. Door Latches: All door latches shall be operable.

6. Suspension System: The vehicle suspension system shall be maintained so that there are no sags because of weak or broken springs, and no excessive motion when the vehicle is in operation because of weak or defective shock absorbers. All parts affixed to the undercarriage of the vehicle shall be permanently affixed and in good repair.

B. Vehicle Interior: The interior of all vehicles shall be maintained as set forth in Sections 5.71.150 and 5.71.160 of this Chapter and shall be maintained as follows:

1. Lights: All interior lights shall be operable, and must otherwise conform to applicable ordinances and statutes.

2. Brakes: The foot brake pedal must not be capable of being depressed beyond a point one inch (1") from the floor of the car.

3. Steering: Excessive play in the steering mechanism shall not exceed three inches (3") free play in turning the steering wheel from side to side.

4. Display Information: With the exception of limousines, the following materials shall be easily readable, and shall be displayed in the vehicle in an area which is in full view of and is accessible by passengers in the vehicle: the comment forms required to be maintained in each vehicle; the name, photograph and number (if any) of the driver operating the vehicle; the name of the authorized ground transportation business with which the driver or vehicle is associated; and the vehicle number. Every limousine driver shall exhibit to any

passenger of such driver requesting the same the name, photograph and number (if any) of the driver operating the vehicle; the name of the authorized ground transportation business with which the driver or vehicle is associated; and the vehicle number.

C. Meter Inspections: Any meter used in a ground transportation vehicle to calculate the fare for transportation shall be inspected as set forth in Chapter 5.72, Article V, of this Division, or its successor.

SECTION 4. That Section 5.71.190, *Salt Lake City Code*, pertaining to inspection stickers be, and the same hereby is, amended to read as follows:

5.71.190 Inspection Sticker:

When the City finds that a vehicle has met the standards established by this Chapter, including that the vehicle is operated by a company duly licensed by the city, an officer of the City shall issue a sticker signifying the same. No ground transportation vehicle shall operate without such sticker. Such sticker shall be affixed to the lower left portion of the rear window/windshield of the vehicle, extending no more than three inches to the right of the left edge or more than four inches above the bottom edge of the window in an area approved by the City.

SECTION 5. That Section 5.71.290, *Salt Lake City Code*, pertaining to application fee required for a driver of a ground transportation vehicle be, and the same hereby is, amended to read as follows:

5.71.290 Application-Fee Required:

At the time the application is filed, the applicant shall pay to the department a fee, in an amount to be determined by the mayor or his or her designee, but not to exceed one hundred~~thirty~~

dollars (~~\$100.00~~30.00).

SECTION 6. That Section 5.71.415, *Salt Lake City Code*, pertaining to payment for furnishing of passengers be, and the same hereby is, enacted to read as follows:

5.71.415 Payment for Furnishing of Passengers:

It shall be unlawful for any person operating a ground transportation vehicle, business, driver, independent contractor or employee to pay any remuneration to another person, specifically including bellman, doorman and vehicle dispatcher, for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. It shall be unlawful for any person, specifically including bellmen, doormen and vehicle dispatcher, to receive any remuneration from any person operating a ground transportation vehicle, business, driver, independent contractor or employee for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. Nothing herein shall prohibit hotels and motels from contracting or invoicing for, and being paid or making payment for, the transportation of customers and/or baggage, which payment may include a portion thereof being distributed by the hotel or motel to a bellman or doorman as a gratuity.

SECTION 7. That Section 5.72.130, *Salt Lake City Code*, pertaining to certificates of convenience and necessity required for operation of taxicabs be, and the same hereby is, amended to read as follows:

5.72.130 Required For Operation:

A. No person shall operate or permit a taxicab owned or controlled by such person to be operated as a vehicle for hire upon the streets of Salt Lake City without first having obtained a certificate of public convenience and necessity from the city in accordance with chapter 5.05 of

this title, or its successor.

B. The City is considering alternate methods of regulation, and intends to adopt alternate methods at a future date. Certificates of convenience and necessity issued by the City are terminable by the City, and in order to prepare for changes in regulation, all such certificates issued under this Chapter shall expire at the same time that the certificate holder's current business license expires, which shall be no later than January 31, 2006. Future certificates of convenience and necessity under this Chapter will be issued only on a renewal basis to existing certificate holders upon submission of an acceptable renewal application, and shall remain subject to termination. Prior to adopting regulatory changes, the City will provide notice to these certificate holders, and all such certificates will terminate 180 days from the date when such notice is issued. Upon any final termination, a pro rata refund of that portion of the annual business license fee and certificate of convenience and necessity fee shall be given to those persons whose licenses and certificates have been terminated according to the portion of the year remaining at the time of said termination. In the event no termination occurs as provided herein within twelve (12) months of the issuance of any renewal certificate of convenience and necessity and business license, a renewal certificate and business license shall be reissued to such persons or entities applying therefor under the same conditions as provided hereinabove unless or until there is a termination as provided above in this subparagraph, or unless such certificate or license is terminated for other causes as set forth in Chapter 5.05 or other sections of this Code. All certificate holders as of the date of this ordinance that remain in good standing shall have an opportunity to compete for any future certificates, contracts or other similar authorizations from the City.

CB. For the purpose of this section, the term "operate for hire upon the streets of Salt Lake City" shall not include the transporting, by a taxicab properly licensed in a jurisdiction outside the corporate limits of the city, of a passenger or passengers for hire where a trip shall originate with the passenger or passengers being picked up outside of the corporate limits of the city and where the destination is either within or beyond the city corporate limits. The term "operate for hire upon the streets of Salt Lake City" means and shall include the soliciting or picking up of a passenger or passengers within the corporate limits of the city, whether the destination is within or outside of the corporate limits of the city.

DC. Taxicabs may operate as provided in Section 5.71.028 and Section 16.60.097 or their successors.

SECTION 8. That Section 5.72.150, *Salt Lake City Code*, pertaining to required minimum use of taxicabs be, and the same hereby is, amended to read as follows:

5.72.150 Minimum Use Of Taxicabs Required Certificate Not a Franchise and Not Irrevocable:

~~A. — No certificate issued in accordance with section 5.72.130 of this article, or its successor, shall be construed to be either a franchise or irrevocable. It is the intent of the city council that all taxicabs authorized be actually used for the transportation of passengers for hire.~~

~~In order to implement that intent, the city council hereby imposes the following requirements:~~

- ~~1. Each taxicab authorized under a certificate must be in service a minimum of one hundred four (104) cab days during any calendar six (6) months.~~
- ~~2. Within thirty (30) days after the end of each calendar six (6) months, a holder of a certificate must file a report with the city license supervisor's office. Such report shall be in writing, signed~~

~~by the holder or by some person authorized to sign the same on behalf of the holder, and must be properly verified. The report shall contain the following information:~~

~~a. A list of all vehicles licensed under a certificate during the preceding calendar six (6) months, showing the serial or engine number, the state license plate number and the city business license sticker number for each vehicle. Such list shall include any vehicle which has been salvaged or otherwise removed from the fleet, as well as the replacement thereof;~~

~~b. The number of cab days each such vehicle was in service during the preceding calendar six (6) months;~~

~~c. The holder may also file with such report a written statement of the circumstances that caused any taxicab to be in service for less than one hundred four (104) cab days.~~

~~d. A statement that the information contained in the report was obtained from the company records, and that all statements contained in the report are true and accurate.~~

~~C. — In the event any taxicab or a replacement or substitution for the taxicab licensed under the provisions of this chapter is not actually in service for the minimum required one hundred four (104) cab days during any calendar six (6) months, the right to operate that taxicab may, upon at least ten (10) days' notice to the holder, and upon the hearing had therefor before a mayoral hearing examiner as provided by chapter 5.02 of this title, be revoked by the city. The holder may appear in person or be represented by counsel at such hearing to show cause, if any he or she has, why the right to operate such taxicab should not be revoked. If, at the conclusion of the hearing, the city shall find that the holder has shown extenuating circumstances, the city may grant continuance of authority.~~

~~D. — Upon revocation by the city of such authority, the certificate shall be modified to reflect~~

~~the number of taxicabs actually in service for one hundred four (104) cab days during such calendar six (6) months, and the unused portion of the license fee will be refunded. "Unused portion", for the purposes of this section, means any remaining full calendar quarter in the calendar year in which the revocation takes place. The refund shall be one-fourth (1/4) of the fee paid for each such calendar quarter. Such forfeited right to operate any vehicle may be reissued only upon application required by section 5.05.105 of this title, or its successor, and by a showing of public convenience and necessity as required by section 5.05.140 of this title, or its successor.~~

SECTION 9. That Section 5.72.240, *Salt Lake City Code*, pertaining to application fee required for operators of taxicabs be, and the same hereby is, amended to read as follows:

5.72.240 Application-Fee Required:

At the time the application is filed, the applicant shall pay to the Police Department a fee, in an amount to be determined by the Mayor or his or her designee, but not to exceed one hundredthirty dollars (~~\$100.00~~30.00).

SECTION 10. That Section 5.72.315, *Salt Lake City Code*, pertaining to vehicle inspection prior to licensing of taxicabs be, and the same hereby is, amended to read as follows:

5.72.315 Vehicle Inspection Prior To Licensing:

Prior to the use and operation of any vehicle under the provisions of this Chapter, the vehicle shall be thoroughly examined and inspected as set forth in Chapter 5.71, Article V of this Division, or its successor, and found to comply with the requirements thereof. In addition, the vehicle shall at all times in which it is in operation as a taxicab within the City be maintained in conformity with the safety inspection requirements of Utah and Federal law. Following the effective date of this ordinance, no vehicle shall be licensed by the City as a taxicab that: (1) was

not previously so licensed or (2) was manufactured more than five (5) years prior to application for licensure.

SECTION 11. That Section 5.72.610, *Salt Lake City Code*, pertaining to limitations on taxicab operations at the airport be, and the same hereby is, enacted to read as follows:

5.72.610 Limitations on Taxicab Operations at the Airport

The Airport Director shall establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport, and thereby promotes the availability of taxicab service in other areas of the city. Such restrictions shall be imposed in a manner that does not create unreasonable burdens among the different taxicab companies authorized to provide services. Among other things, the Airport Director shall have broad discretion to determine airport needs and the measures necessary to address them, and may waive or alter any such rules on any reasonable basis to respond to airport conditions as they may occur.

SECTION 12. That Section 16.60.110, *Salt Lake City Code*, pertaining to ground transportation vehicle fees and per use charges be, and the same hereby is, amended to read as follows:

16.60.110 Fees and Per Use Charges:

~~A. All ground transportation vehicles shall use the airport's commercial ground transportation lanes and shall be subject to a per use fee. Use of the ground transportation lanes shall include pick up and drop off of passengers.~~

~~B. There are hereby established the following fees for the following time periods:~~

~~Per Use Charge~~

Type Of Vehicle — From August 1, 1996

Automobile or station wagon \$0.49

Taxicab 0.54

Limousine 0.61

Van 0.61

Minibus 0.92

Bus 1.22

1. Taxicab rates include new taximeter amortization fee of \$0.05/trip.

C. — The fees to be assessed from August 1, 1996, to June 30, 1997, are established in order to recover ninety percent (90%) of actual costs related to the operation, maintenance and improvement of the commercial ground transportation lanes. The annual fees effective July 1, 1997, and thereafter shall represent a one hundred percent (100%) cost recovery rate, and shall be established by the director of airports, upon the advice and counsel of the airport board, when the 1997 costs are determined. Fees for each successive fiscal year may not exceed the previous annual fee by more than ten percent (10%). A schedule of the established fees shall be made available by the director of airports to operators of commercial ground transportation vehicles at least ninety (90) days prior to any adjustment in fees.

D. — With advice and counsel from the airport board, the director of airports may establish the methods of payment and collection of the fee.

The Airport Enterprise Fund imposes commercial charges for the use of airport facilities and services, and all such charges imposed on ground transportation providers shall be limited to the recovery of costs incurred by the fund for providing facilities and services to ground

transportation providers.

SECTION 13. 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 _____, 2005.

CHAIRPERSON

ATTEST:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

CITY RECORDER

(SEAL)

Bill No. _____ of 2005.

Published: _____.

ATTEST: _____

SALT LAKE CITY ORDINANCE
No. _____ of 2005
(Ground Transportation Amendments)

AN ORDINANCE AMENDING AND ENACTING SPECIFIED SECTIONS OF CHAPTERS 5.71, 5.72, AND 16.60, *SALT LAKE CITY CODE*, PERTAINING TO GROUND TRANSPORTATION.

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

SECTION 1. That Subsection M of Section 5.71.010, *Salt Lake City Code*, pertaining to definition of "Limousine" be, and the same hereby is, amended to read as follows:

5.71.010 Definitions:

M. "Limousine" means any motor-propelled vehicle which is a Rolls Royce or other automobile described by its manufacturer as a limousine or luxury vehicle having a wheel base in excess of one hundred ten inches (110"), operated on the streets and highways for hire, with a driver furnished who is dressed in a chauffeur's uniform (defined as a jacket and tie for a man or a pants suit or dress for a woman) or tuxedo while on duty, and licensed as required by city code.

SECTION 2. That Subsection H of Section 16.60.090, *Salt Lake City Code*, pertaining to definition of "Limousine" be, and the same hereby is, amended to read as follows:

16.60.090 Definitions For Article II:

H. "Limousine" means any motor propelled vehicle which is a Rolls Royce or other automobile described by its manufacturer as a limousine or luxury vehicle having a wheel base in excess of one hundred ten inches (110"), operated on the streets and highways for hire, with a driver furnished who is dressed in a "chauffeur's uniform" (defined as a jacket and tie for a man or a pants suit or dress for a woman) or tuxedo while on duty, operated on a scheduled or

prearranged basis, and licensed as required by this code.

SECTION 3. That Section 5.71.180, *Salt Lake City Code*, pertaining to periodic inspections be, and is hereby amended to read as follows:

5.71.180 Periodic Inspections:

With the exception of busses operated by charter bus companies in interstate commerce, every vehicle subject to the requirements of this Chapter shall be inspected by the City every six (6) months in order to make certain that such vehicles and their drivers comply with the requirements of this Chapter and that each such vehicle is being maintained in a safe and efficient operating condition in accordance with the following inspection requirements:

A. Vehicle Exterior: Vehicle exteriors shall meet the requirements set forth in Sections 5.71.150 and 5.71.160 of this Chapter and shall meet the following requirements:

1. Tires: Tire tread depth shall be not less than one-sixteenth of an inch (1/16") for rear tires, nor less than one-eighth of an inch (1/8") on any front tire when measured on any portion of the tire's tread grooves of an original, regrooved or retreaded tire, with no cuts or breaks in sidewalls. Measurements shall not be made where any tie bar, hump, or filet is located. No regrooved, recapped, or retreaded tires shall be used on the front axles of the vehicle, but may be used on the rear axles.

2. Signage: All vehicles shall be properly and adequately numbered and identified in conformance with this Chapter and other applicable statutes and ordinances. When present, identifying signage shall be in good repair.

3. Cleanliness: The engine and engine compartment shall be reasonably clean and free of uncontained combustible materials.

4. Mufflers: Mufflers shall conform to the requirements of Section 12.28.100 of this Code, or its successor.

5. Door Latches: All door latches shall be operable.

6. Suspension System: The vehicle suspension system shall be maintained so that there are no sags because of weak or broken springs and no excessive motion when the vehicle is in operation because of weak or defective shock absorbers. All parts affixed to the undercarriage of the vehicle shall be permanently affixed and in good repair.

B. Vehicle Interior: The interior of all vehicles shall be maintained as set forth in Sections 5.71.150 and 5.71.160 of this Chapter and shall be maintained as follows:

1. Lights: All interior lights shall be operable, and must otherwise conform to applicable ordinances and statutes.

2. Brakes: The foot brake pedal must not be capable of being depressed beyond a point one inch (1") from the floor of the car.

3. Steering: Excessive play in the steering mechanism shall not exceed three inches (3") free play in turning the steering wheel from side to side.

4. Display Information: With the exception of limousines, the following materials shall be easily readable, and shall be displayed in the vehicle in an area which is in full view of and is accessible by passengers in the vehicle: the comment forms required to be maintained in each vehicle; the name, photograph and number (if any) of the driver operating the vehicle; the name of the authorized ground transportation business with which the driver or vehicle is associated; and the vehicle number. Every limousine driver shall exhibit to any passenger of such driver requesting the same the name, photograph and number (if any) of the driver operating

the vehicle; the name of the authorized ground transportation business with which the driver or vehicle is associated; and the vehicle number.

C. Meter Inspections: Any meter used in a ground transportation vehicle to calculate the fare for transportation shall be inspected as set forth in Chapter 5.72, Article V, of this Division, or its successor.

SECTION 4. That Section 5.71.190, *Salt Lake City Code*, pertaining to inspection stickers be, and the same hereby is, amended to read as follows:

5.71.190 Inspection Sticker:

When the City finds that a vehicle has met the standards established by this Chapter, including that the vehicle is operated by a company duly licensed by the city, an officer of the City shall issue a sticker signifying the same. No ground transportation vehicle shall operate without such sticker. Such sticker shall be affixed to the lower left portion of the rear window of the vehicle, extending no more than three inches to the right of the left edge or more than four inches above the bottom edge of the window.

SECTION 5. That Section 5.71.290, *Salt Lake City Code*, pertaining to application fee required for a driver of a ground transportation vehicle be, and the same hereby is, amended to read as follows:

5.71.290 Application-Fee Required:

At the time the application is filed, the applicant shall pay to the department a fee, in an amount to be determined by the mayor or his or her designee, but not to exceed one hundred dollars (\$100.00).

SECTION 6. That Section 5.71.415, *Salt Lake City Code*, pertaining to payment for furnishing of passengers be, and the same hereby is, enacted to read as follows:

5.71.415 Payment for Furnishing of Passengers:

It shall be unlawful for any person operating a ground transportation vehicle, business, driver, independent contractor or employee to pay any remuneration to another person, specifically including bellman, doorman and vehicle dispatcher, for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. It shall be unlawful for any person, specifically including bellmen, doormen and vehicle dispatcher, to receive any remuneration from any person operating a ground transportation vehicle, business, driver, independent contractor or employee for the furnishing of passengers and/or baggage to be transported by a ground transportation vehicle. Nothing herein shall prohibit hotels and motels from contracting or invoicing for, and being paid or making payment for, the transportation of customers and/or baggage, which payment may include a portion thereof being distributed by the hotel or motel to a bellman or doorman as a gratuity.

SECTION 7. That Section 5.72.130, *Salt Lake City Code*, pertaining to certificates of convenience and necessity required for operation of taxicabs be, and the same hereby is, amended to read as follows:

5.72.130 Required For Operation:

A. No person shall operate or permit a taxicab owned or controlled by such person to be operated as a vehicle for hire upon the streets of Salt Lake City without first having obtained a certificate of public convenience and necessity from the city in accordance with chapter 5.05 of this title, or its successor.

B. The City is considering alternate methods of regulation, and intends to adopt alternate methods at a future date. Certificates of convenience and necessity issued by the City are terminable by the City, and in order to prepare for changes in regulation, all such certificates issued under this Chapter shall expire at the same time that the certificate holder's current business license expires, which shall be no later than January 31, 2006. Future certificates of convenience and necessity under this Chapter will be issued only on a renewal basis to existing certificate holders upon submission of an acceptable renewal application, and shall remain subject to termination. Prior to adopting regulatory changes, the City will provide notice to these certificate holders, and all such certificates will terminate 180 days from the date when such notice is issued. Upon any final termination, a pro rata refund of that portion of the annual business license fee and certificate of convenience and necessity fee shall be given to those persons whose licenses and certificates have been terminated according to the portion of the year remaining at the time of said termination. In the event no termination occurs as provided herein within twelve (12) months of the issuance of any renewal certificate of convenience and necessity and business license, a renewal certificate and business license shall be reissued to such persons or entities applying therefor under the same conditions as provided hereinabove unless or until there is a termination as provided above in this subparagraph, or unless such certificate or license is terminated for other causes as set forth in Chapter 5.05 or other sections of this Code. All certificate holders as of the date of this ordinance that remain in good standing shall have an opportunity to compete for any future certificates, contracts or other similar authorizations from the City.

C. For the purpose of this section, the term "operate for hire upon the streets of Salt

Lake City" shall not include the transporting, by a taxicab properly licensed in a jurisdiction outside the corporate limits of the city, of a passenger or passengers for hire where a trip shall originate with the passenger or passengers being picked up outside of the corporate limits of the city and where the destination is either within or beyond the city corporate limits. The term "operate for hire upon the streets of Salt Lake City" means and shall include the soliciting or picking up of a passenger or passengers within the corporate limits of the city, whether the destination is within or outside of the corporate limits of the city.

D. Taxicabs may operate as provided in Section 5.71.028 and Section 16.60.097 or their successors.

SECTION 8. That Section 5.72.150, *Salt Lake City Code*, pertaining to required minimum use of taxicabs be, and the same hereby is, amended to read as follows:

5.72.150 Certificate Not a Franchise and Not Irrevocable:

No certificate issued in accordance with section 5.72.130 of this article, or its successor, shall be construed to be either a franchise or irrevocable.

SECTION 9. That Section 5.72.240, *Salt Lake City Code*, pertaining to application fee required for operators of taxicabs be, and the same hereby is, amended to read as follows:

5.72.240 Application-Fee Required:

At the time the application is filed, the applicant shall pay to the Police Department a fee, in an amount to be determined by the Mayor or his or her designee, but not to exceed one hundred (\$100.00).

SECTION 10. That Section 5.72.315, *Salt Lake City Code*, pertaining to vehicle inspection prior to licensing of taxicabs be, and the same hereby is, amended to read as follows:

5.72.315 Vehicle Inspection Prior To Licensing:

Prior to the use and operation of any vehicle under the provisions of this Chapter, the vehicle shall be thoroughly examined and inspected as set forth in Chapter 5.71, Article V of this Division, or its successor, and found to comply with the requirements thereof. In addition, the vehicle shall at all times in which it is in operation as a taxicab within the City be maintained in conformity with the safety inspection requirements of Utah and Federal law. Following the effective date of this ordinance, no vehicle shall be licensed by the City as a taxicab that: (1) was not previously so licensed or (2) was manufactured more than five (5) years prior to application for licensure.

SECTION 11. That Section 5.72.610, *Salt Lake City Code*, pertaining to limitations on taxicab operations at the airport be, and the same hereby is, enacted to read as follows:

5.72.610 Limitations on Taxicab Operations at the Airport

The Airport Director shall establish procedures that restrict the access of taxicabs doing business at the airport in a manner that reduces the number of unnecessary taxicabs waiting at the airport, and thereby promotes the availability of taxicab service in other areas of the city. Such restrictions shall be imposed in a manner that does not create unreasonable burdens among the different taxicab companies authorized to provide services. Among other things, the Airport Director shall have broad discretion to determine airport needs and the measures necessary to address them, and may waive or alter any such rules on any reasonable basis to respond to airport conditions as they may occur.

SECTION 12. That Section 16.60.110, *Salt Lake City Code*, pertaining to ground transportation vehicle fees and per use charges be, and the same hereby is, amended to read as

follows:

16.60.110 Fees and Per Use Charges:

The Airport Enterprise Fund imposes commercial charges for the use of airport facilities and services, and all such charges imposed on ground transportation providers shall be limited to the recovery of costs incurred by the fund for providing facilities and services to ground transportation providers.

SECTION 13. 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 _____, 2005.

CHAIRPERSON

ATTEST:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 11/9/2005
By [Signature]

CITY RECORDER

(SEAL)

Bill No. _____ of 2005.

Published: _____.

ATTEST: _____

I:\Ordinance 05\Taxicabs & Ground Transportation #2\Amending Chapters 5.71, 5.72 & 16.60 re Taxicabs & Ground Transportation 11-09-05 final