



# City of Ann Arbor

301 E. Huron St.  
Ann Arbor, MI 48104  
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## Legislation Text

File #: 08-0466, Version: 1

### Resolution Approving an Increase in the Standard Taximeter Rates for the City of Ann Arbor

On April 28, 2008, a meeting of the Taxicab Board was held. A meeting notice was posted and all taxicab companies were notified. Five taxicab companies were present.

The Taxicab Board received a request from Yellow Cab to increase taxicab fares to cover the increased cost of fuel. All companies present supported an increase in rates. The Board listened to comments and discussed the proposal at length. The Board voted unanimously to recommend to council an increase in taxicab rates.

The existing rate structure was approved by Council October 15, 2007 when gas was approximately \$2.93 per gallon. Since that time, gas prices have risen to \$3.65 per gallon and are expected to continue to rise, resulting in an increased cost to do business.

The current and proposed rate increase is shown as follows:

<u>Service</u>	<u>Current</u>	<u>Proposed</u>
<b>Flag Drop</b>	<b>\$2.50</b> (first 1/7 mile)	<b>\$3.00</b> (first 1/7 mile)
Mileage	\$2.10 (\$ .30 per 1/7 mile)	\$2.25 (\$ .321 per 1/7 mile)
<b>Temp. Surcharge</b>	<b>None</b>	<b>\$.25 per trip</b>
Waiting Time	\$24.00 per hour	\$24.00 per hour

The Taxicab Board recommends a \$.50 increase at the flag drop and a temporary \$.25 surcharge per trip. It is also recommended that this increase go into effect upon Council's approval and that all rate cards reflect the new standard taximeter rates.

Prepared by: Sarah Singleton, Taxicab Board Secretary

Reviewed by: Tom Crawford, Chief Financial Officer

Whereas, On April 28, 2008, the Taxicab Board met at a Taxicab Board meeting to discuss a proposed rate change for the City of Ann Arbor standard taximeter rates;

Whereas, All taxicab companies licensed to operate in the City of Ann Arbor were notified and five taxicab companies were present;

Whereas, The current standard taximeter rates have been in effect since October 15, 2007;

Whereas, Since the last rate increase in October 2007, gas prices has continued to increase and are

expected to continue to rise causing an increase in fuel and general operating cost for taxicabs;

Whereas, The Taxicab Board received a request from Yellow Cab to increase taxicab fares;

Whereas, All five taxicab companies supported the proposed fare increase;

Whereas, No objection was made to the motion to approve the proposed increase;

Whereas, City Council held a public hearing on May 19, 2008; and

Whereas, The Ann Arbor Taxicab Board recommends that City Council approve a \$.50 flag drop increase as well as a temporary \$.25 per trip charge.

<u>Service</u>	<u>Current</u>	<u>Proposed</u>
<b>Flag Drop</b>	<b>\$2.50</b> (first 1/7 mile)	<b>\$3.00</b> (first 1/7 mile)
Mileage	\$2.10 (\$ .30 per 1/7 mile)	\$2.25 (\$ .321 per 1/7 mile)
<b>Temp. Surcharge</b>	<b>None</b>	<b>\$.25 per trip</b>
Waiting Time	\$24.00 per hour	\$24.00 per hour

RESOLVED, That City Council approved the recommended increase to the standard taximeter rates as stated above, effective May 19, 2008; and

RESOLVED, That all rate cards issued on or after May 19, 2008 reflect the new standard taximeter rates and be filed in the City Clerk's Office available to the public.