

**Special Taxicab Board Meeting Minutes
April 9, 2008**

Members Present: Barbara Krick Sarah Singleton Mike Anglin
 Robert Snider Margie Teall Tom Crawford

Members Absent: Faith Meadows

Guests: John Etter, Blue Cab
 Richard Clark, Amazing Blue Taxi
 Dave Reid, Select Ride
 Anthony Maldonado, Campus Cab
 Officer Sean Lee, Ann Arbor Police Dept.
 Kristen Larcom, City Attorney's Office

CALLED TO ORDER

The meeting was called to order at 8:33 a.m. by Robert Snider.

PUBLIC COMMENTARY – None

OLD BUSINESS

Taxicab Rate Increase

David Reid discussed his request for an increase in meter rates. He stated that his main concern is the volatility of fuel cost. He stated that if they rely solely on a rate increase every couple of years, they will jeopardize their viability as a service in the city. Fuel cost has increase \$.35 to \$.40 per gallon more than when the current rates were set. It has been forecast that fuel will increase an additional \$.50 to \$1.00 in the next few months. He proposes that the city provide some measure for a reactive fuel surcharge that automatically come into play with varying prices of gas.

Sarah Singleton stated that we have had temporary surcharges instituted but not a permanent surcharge as Mr. Reid is requesting.

Tom Crawford said that the proposed change that Mr. Reid is bringing would change the meter rate monthly or as the fuel rate changes. Council must approve fee changes and if the meter rate changes monthly, it would have to go to council monthly as the Ordinance is written. Mr. Crawford stated that he has an email from other taxicab companies that does not support the proposed change in meter rates.

Tom Crawford passed out a rate comparison table that shows meter rate for cities in the Detroit metropolitan area. The table shows Ann Arbor as being higher then all other communities and other communities are not considering a rate increase at this time.

Anthony Maldonado of Campus Cab said that it cost more to operate in Ann Arbor. One of the contributing factors is the cost of insurance. Most cities require \$300,000 in insurance whereas, by Ordinance, Ann Arbor is required to maintain \$500,000 and if under contract, the requirement is \$1 million. Tom Crawford said that he would look into why Ann Arbor requires a higher insurance coverage.

Tom Crawford said that as he looks at the comparison table, he wonders why the city isn't considering a reduction in rates. People that use taxicab services cannot afford to have rate continue to go up. For a staff perspective, he is struggling with recommending an increase to council.

David Reid states that another factor that contributes to higher rates in Ann Arbor is due to higher rent, property taxes and wages in Ann Arbor. Tom Crawford asked that he and David Reid do research to find out wages and other cost comparison in other cities.

Mike Anglin said that it is important to find out what our customer services response would be to a rate increase. He has noticed how customers in the Ann Arbor area are serviced by taxicab. He has not received any complaints about taxicab service. We pay for service, politeness and punctuality. If our taxicab companies are providing a great service, he would like to see them supported.

Barbara Krick stated that we may not get City Council support. Sarah Singleton stated in addition to a reason supporting an increase, Council also ask that we provide information on how many cab companies actually agree with increasing rates. Margie Teall said that she would like to see something worked out among the cab companies present. It was stated that two companies do not want an increase, a letter from All Points Taxi that is not supporting an increase and Yellow Cab and Blue Cab are in support of an increase. John Etter stated that although he supports David Reid, he does not need a fuel surcharge to be profitable. But he would like to see a system in place to deal with the continuing increase in fuel cost.

Tony Maldonado and other drivers discussed the possibility of deregulating taxicabs. Tom Crawford said that from a market perspective, deregulating will drive the fare down. All taxicabs will benefit from a flat rate. David Reid said that he would highly prefer deregulation.

Barbara Krick moved to have staff look into deregulating taxicabs. Margie Teall seconded. The motion passed.

David Reid asked that, in the meantime, the Board consider a \$.25 temporary rate increase on the flag drop. The Board said that a temporary increase will be discussed at the next Taxicab Board meeting.

ADJOURNMENT

Ms. Krick moved to adjourn the meeting, supported by Ms. Teall. The motion carried and the meeting was adjourned at 9:47 a.m.

