



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
August 19, 2008

Honorable Mayor and
Members of the City Council

Title: Taxi Rate Adjustment

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** repealing Resolution No. 2008-504 and approving an adjustment to the maximum rates, fares and charges for taxicabs and taxicab service.

Contact: Dafna Gauthier, Business Permit Manager, 808-7800

Presenters: N/A

Department: Finance

Division: Revenue

Organization No: 1124

Description/Analysis

Issue: On July 22, 2008 City Council approved the maximum rates, fares and charges for taxicab services. After the adoption, staff discovered a technical error in the calculation of those rates. Staff is requesting to adjust the maximum Per 1/5 Mile rate of \$0.55 to \$0.60, so that it is compatible with the \$3.00 Per Mile rate previously adopted by the City Council. Rate comparisons are included in Attachment A.

Policy Considerations: City Code authorizes the City Council to establish maximum rates, fares and charges for taxicabs and taxicab service.

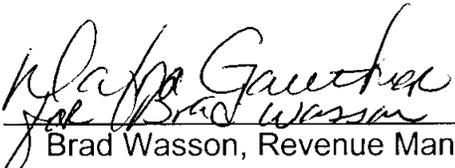
Environmental Considerations: This report concerns administrative activities that are not subject to California Environmental Quality Act (CEQA) because they will not result in a direct or reasonably foreseeable indirect physical change in the environment, and they do not constitute a "project" as defined under the CEQA Guidelines. (CEQA

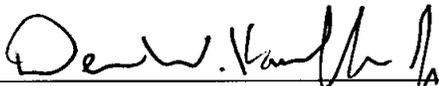
Guidelines §§ 15060, 15378)

Rationale for Recommendation: For each taxicab trip, the taxicab rates are calculated by taximeter devices. These devices are calibrated and certified by the Sacramento County Department of Weights & Measures. According to the County, taximeter devices can only be adjusted so that the Per 1/5 Mile rate is at least 1/5 of the Per Mile rate. As a result, taximeters cannot be adjusted to the maximum Per Mile rate of \$3.00 (as adopted by the City Council on July 22, 2008), unless the maximum Per 1/5 Mile rate is at least \$0.60. Therefore, staff recommends that the maximum Per 1/5 Mile rate is adjusted to \$0.60 to both comply with the technical limitations of the taximeter devices and be compatible with the adopted \$3.00 Per Mile rate.

Financial Considerations: This report does not result in any financial impact to the City.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Brad Wasson, Revenue Manager

Approved by: 
Dennis Kauffman, Acting Director of Finance

Recommendation Approved:


Ray Kerridge
City Manager

Table of Contents:

Report	pg. 1
Attachments	
1 Background	pg. 3
2 Resolution	pg. 4
3 Taxi Ordinance 5.136.060	pg. 6

Attachment 1

Background

On July 22, 2008 City Council approved the maximum taxi rates, fares and charges. After discussion with Sacramento County staff, who are responsible for calibrating the calculations for the meters, staff was informed that taximeter devices can only be adjusted so that the Per 1/5 Mile rate is at least 1/5 of the Per Mile rate. As a result, taximeters cannot be adjusted to the maximum Per Mile rate of \$3.00 (as adopted by the City Council on July 22, 2008), unless the maximum Per 1/5 Mile rate is at least \$0.60. Therefore, staff recommends that the maximum Per 1/5 Mile rate is adjusted to \$.60 to both comply with the technical limitations of the taximeter devices and be compatible with the adopted \$3.00 Per Mile rate.

The new rate comparisons are follows:

Approved Rates 7/22/2008		Proposed Adjusted Rates	
Flag Drop	\$4.00	Flag Drop	\$4.00
Per Mile	\$3.00	Per Mile	\$3.00
Per Hour	\$28.00	Per Hour	\$28.00
Per Mile increment	1/5 mile \$.55	Per Mile increment	1/5 mile \$.60

RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING MAXIMUM RATES, FARES AND CHARGES FOR
TAXICABS AND TAXICAB SERVICE**

BACKGROUND

- A. In 2006, the City Council adopted the Taxicab Fleet Operation Ordinance (Sacramento City Code, Chapter 5.136) which regulates the maximum rates, fares and charges for taxicabs and taxicab service.
- B. Pursuant to Section 5.136.060 of the Sacramento City Code, the City Manager has reviewed the Consumer Price Index ("CPI") to determine whether maximum rates, fares and charges should be adjusted.
- C. The CPI change for 2007 and 2008 are 1.71 % and 15.93% respectively.
- D. Based on the changes in the CPI, the City Manager has determined that the maximum rates, fares and charges for taxicabs and taxicab service should be increased at this time.
- E. On July 22, 2007, the City Council increased the maximum rates, fares and charges by adopting Resolution No. 2008-504. In that Resolution, it was established that the maximum Per Mile rate is \$3.00 and the Per 1/5 Mile rate is \$0.55.
- F. As adopted, the maximum Per 1/5 Mile rate is incompatible with the Per Mile rate because taximeters cannot be adjusted to the maximum \$3.00 Per Mile rate, where the maximum Per 1/5 Mile rate is not at least \$0.60, i.e. 1/5 of the Per Mile rate.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through F are true.
- Section 2. Resolution No. 2008-504, adopted on July 22, 2008, is repealed.
- Section 3. The City Council approves the City Manager's recommendation to increase the maximum rates, fares and charges for taxicabs and taxicab service, and determines that such rates, fares and charges shall be as follows:

Flag Drop	\$4.00
Per Mile	\$3.00
Per Hour	\$28.00
Per Mile Increment	\$.60 per 1/5 mile

Taxi City Ordinance

5.136.060 Maximum rates.

A. The maximum rates, fares, and charges for taxicabs and taxicab service shall be annually reviewed by the City Manager. The City Manager shall submit to the City Council a determination as to increases or decreases in the maximum rates based upon changes in the Consumer Price Index which have taken place since the prior review.

B. The City Manager's determination as to increases or decreases in the maximum fare shall be implemented and remain in effect unless and until the City Council by resolution determines that the City Council should hold a hearing on the City Manager's determination to either disapprove or modify the City Manager's determination. (Ord. 2006-011 § 2 (part))