



Traffic Engineering Division

Yang Tao, PhD, PE, City Traffic Engineer

Madison Municipal Building
215 Martin Luther King Jr Blvd
Suite 109
P.O. Box 2986
Madison, Wisconsin 53701-2986
Phone: (608) 266-4761
Fax: (608) 267-1158
www.cityofmadison.com

Date: June 12, 2019
To: Transportation Commission Members
From: Yang Tao, City Traffic Engineer
Subject: 2019-2021 Taxicab Operator License Renewals

OVERVIEW

The following taxicab companies applied to renew their operator licenses: Affiliated Carriage Systems, Inc. DBA Madison Taxi; Badger Bus Lines, Badger Cab Co., Inc.; Green Cab of Madison, Incorporated; Transit Solutions, Inc.; Union Cab of Madison Cooperative, Inc. There are no new taxicab operator license applicants.

In accordance with the criteria articulated in Madison General Ordinances, Traffic Engineering staff conducted an investigation of taxicab operators. The companies were required to answer a series of written questions. The written questions were developed based on: relevant ordinances; complaints received by the Traffic Engineering Division in 2017 and 2018; and lastly, current public safety and service issues associated with the taxicab industry.

All companies were asked about vehicle maintenance, driver rest periods, customer/driver complaints, driver/passenger safety, operations, taxicab rates, refusal of service, and financial results.

Lastly, the applicants submitted financial and statistical data from 2017 and 2018 in annual surveys (attached). These surveys included information about passengers, profits, crashes, complaints and other data.

INDIVIDUAL COMPANY INVESTIGATIONS

Affiliated Carriage Systems (Madison Taxi)

Type of Service: Madison Taxi operates a corporately owned, metered taxi operation.

MDOT Complaints: Madison Taxi had no complaints filed with the MDOT in 2017 and two in 2018. Both complaints were for rude or unprofessional drivers. Madison Taxi has worked with both drivers to improve their customer relationship skills and believes that these type of complaints are often the result of miscommunication. Madison Taxi has been using GPS technology along with driver logs to make certain drivers are charging correct fares and driving safely.

Vehicle Registration: With the help of Madison Taxi management, City Staff was able to reconcile registration discrepancies in the list of vehicles initially provided by the company.

Other Information: None applicable.

Rates: Madison Taxi did increase rates to:
\$4.00 Minimum (flag)
\$2.80 per mile (**previously \$2.60**)
\$.60 Per minute-time not in motion.

Comments: Management made some requests to change rules to help taxis better compete with TNCs (Uber and Lyft): 1. Allow peak time pricing; 2. Allow taxi to serve other communities during special events such as Summerfest, Packer games etc. (nothing in MGO prohibiting licensees can go elsewhere, but other cities have their own laws); Eliminate the 24 hours a day/7 days a week requirement.

Badger Bus

Type of Service: Badger Bus is a privately-owned specialized transportation service providing services to Madison Metro and local school districts. Madison Metro requires that each of its paratransit contractors be licensed by the City as a Taxicab operator.

MDOT Complaints: None reported.
Reported Crashes: None applicable.

Badger Cab

Type of Service: Badger Cab is a zoned-rate taxicab business. Badger has filed a zone map with the City Clerk and this map shows the city is divided into zones. Generally, a customer's fare is based on the number of zones he or she travels through on the way to his or her destination. Traditionally, shared-ride cabs have provided a shared-ride service. Shared-ride means that a taxicab driver may pick up a customer and subsequently transport an additional customer before taking the original passenger to his or her requested destination. A zone-rate operation works well with shared-ride rates as it is not necessary to track the distance a customer is transported in order to calculate his or her fare.

Badger is a leased-cab operation and each driver is an independent contractor and leases a vehicle from the company on a daily basis. Drivers retain the revenues collected during their shift but must make a lease payment to Badger for the vehicle and other services provided. The City does not regulate these lease arrangements. There are no driver-owned vehicles.

MDOT Complaints: The City received two Badger Cab driver complaints in 2017 and two complaints in 2018. Two were for rude or unprofessional drivers or dispatchers, and two were for unsafe driving, and three were for cab being late or not arriving.

Vehicle Registration: With the help of Badger Cab management, City Staff was able to reconcile registration discrepancies in the list of vehicles initially provided by the company.

Rates: Badger Cab did not change its rates in 2017 or 2018 and claim it "remains the lowest cost for like service in Madison, and significantly less than meter cab service.

Comment: Badger management notes that TNCs have caused significant decrease in Badger ridership especially during night shifts and driver incomes have been reduced accordingly.

Green Cab of Madison, Incorporated

Type of Service: Green Cab began operation in September 2010. It is a zoned-rate taxicab business. Green Cab has filed a zone map with the City Clerk and this map shows the city is divided into over 250 zones. Generally, a customer's fare is based on the number of zones he or she travels through on the way to his or her destination. Traditionally, shared-ride cabs have provided a shared-ride service. Shared-ride means that a taxicab driver may pick up a customer and subsequently transport an

additional customer before taking the original passenger to his or her requested destination. A zone-rate operation works well with shared-ride rates as it is not necessary to track the distance a customer is transported in order to calculate his or her fare.

Beginning in 2011, Green cab began allowing passengers to choose between a direct or shared ride. In order to avoid confusion, passengers must request a direct or shared ride at the time service is ordered via dispatch or as a passenger gets in a cab. A direct ride means that a passenger is taken to his or her destination without picking up another passenger. The direct rate is one and one-half times greater than the shared rates (Shared ride: \$3.00 first zone and \$1.00 additional zone; Direct ride: \$4.50 first zone and \$1.50 additional zone). Each Green cab has direct and shared-ride rates posted on the door of each taxicab.

Green Cab is a leased-cab operation where each driver is an independent contractor and leases a vehicle from the company on a daily basis. Drivers retain the revenues collected during their shift but must make a lease payment to Green Cab for the vehicle and other services provided. The City does not regulate these lease arrangements. There are no driver-owned vehicles.

MDOT Complaints: The City has not received any complaints in 2017 or 2018.

Vehicle Registration: With the help of Green Cab management, City Staff was able to reconcile registration discrepancies in the list of vehicles initially provided by the company.

Other Information:

Green cab has not changed its rates in the 2017 to 2018 period.

Comments: Green Cab management eluded to changes in the transportation industry and need to change laws to regulate all under one entity. Management discussed TNC share of the industry being at 55%-65% of transportation business previously supported by taxis.

Transit Solutions

Type of Service: Transit Solutions is a privately-owned specialized transportation service providing services to Madison Metro. Madison Metro requires that each of its paratransit contractors be licensed with the City as a Taxicab operator.

MDOT Complaints: None reported.

Reported Crashes: None applicable.

Union Cab

Type of Service: Union Cab is a worker cooperative, whose employees make up the board that oversees the company. Union is a metered-cab operation. Union operates more vehicles (61) than any other taxicab company. They are the only company providing non-medical on-demand accessible taxicab service, and receive no financial assistance from the other metered or zoned taxicab companies or the City of Madison for this service.

Union Cab is the only City of Madison licensed taxi company that provides fully-accessible on-demand taxicab service. Non-ambulatory individuals (not able to get out of wheelchair) may request a ride 24/7. Management explained that there was increase demand for this service due to Family Care (federal disability program) requested rides. Unable to receive federal grants as they have in the past, Union Cab was able to secure a loan to purchase additional accessible vehicles.

MDOT Complaints: Union had no complaints in 2017 or 2018.

Reported Crashes: All of the crashes reported were reviewed, and no systematic safety issues or crashes involved drivers who were cited for usage of controlled substances.

Rates: Union Cab increase it fares in August 2017 to:
\$4.00 Minimum (flag) (**previously \$3.80**)

\$3.00 per mile (**previously \$2.50**)
\$.375 Per 35 seconds not in motion

Comment: Union cab, not unlike the other traditional taxis, have felt the loss of business due to TNCs especially on nights and weekend. Union Cab Management would like to see the State regulator's increase consumer safety regulations for the TNCs they license. Union Cab would like to be able to use GPS-based meter as was originally permitted in City TNCs ordinances (now defunct). Lastly, they would like an ordinance change to require other taxicab companies to add a surcharge to their fares to help subsidize Union's accessible taxi program.

CONCLUSIONS

Staff finds the responses to all questions acceptable. It is apparent from these questions and visual inspections that: a) vehicles are being maintained properly (there were no maintenance-related crashes in 2017 and 2018 by licensed carriers); b) drivers appear to be getting adequate rest periods; c) there has been relatively few MDOT complaints; d) driver and passenger safety is a high priority among carriers; d) refusal of service is rare; and e) the vehicles listed in each operation are currently registered or the company is in the process of replacing a vehicle listed.

RECOMMENDATIONS

It is recommended that the operating licenses for all six of the currently licensed carriers be renewed, and that the attached resolution be recommended for approval