



Traffic Engineering Division

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Date: May 24, 2023
To: Transportation Commission Members
From: Yang Tao, City Traffic Engineer
Subject: 2023-2025 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, Inc.; Transit Solutions, Inc.; Union Cab of Madison Cooperative. 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 2021 and 2022; 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.

Also, Traffic Engineering staff used DMV records to make sure the fleet information provided by applicants is accurate and all vehicles are currently registered.

Lastly, the applicants submitted financial and statistical data from 2021 and 2022 in annual surveys (attached). These surveys included information about passengers, profits, crashes, complaints and other data.

INDIVIDUAL COMPANY INVESTIGATIONS

Affiliated Carriage Systems (DBA Madison Taxi)

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

Customer Complaints: Madison Taxi had no complaints filed with the City in 2021 and two in 2022. Both complaints were for late/no show rides. In 2021, not unlike many companies, Madison taxi struggled with hiring enough drivers and this contributed to delayed pickups. In 2022, Madison Taxi had 4 complaints. Two of these complaints were for late or no shows rides

(One of these late pickups occurred on a major holiday and the other was a result of confusion over passenger's specific pickup location). The other two complaints were regarding a rude/unprofessional dispatcher and a driver. Madison Taxi has worked with both employees to improve their customer relationship/communication skills and believes that these type of complaints are often the result of miscommunication

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.

Rates: See RATE CHANGES section

Comments: Management would like to have the ability to increase its rates due to inflation and fuel costs more than once every six months as allowed under current ordinance. Also, management would like "a slightly lower threshold as far as background checks for hiring new drivers." They feel MPD should be more lenient in determining who should be denied a taxi driver permit. Currently, MPD has the discretion to determine if driver' criminal activity is substantially related to the circumstances of taxicab or other public passenger vehicle operation to determine if an applicant will receive a taxi driver permit.

Madison Taxi general management believe their ridership/revenue has increased due to Green Cab's closure and has hired several Green Cab drivers, but at times, the number or ride requests exceed Madison Taxi capacity (short staffing issues). Also, Madison Taxi cab is concerned about the number of passenger who flee without paying their fare and MPD's lack of response.

Taxicab ridership/revenue have somewhat stabilized post Pandemic and TNC eras but is way down from pre-TNC era. Nighttime ridership is significantly down and revenue is now largely from daily contract work (school district rides etc). Management would like for taxis to be able to charge higher rates at night. This would make night shifts more appealing to its drivers and provide more service to customers.

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.

Customer Complaints: None reported.

Vehicle Registration: The fleet information was reviewed and found accurate.

Rates: Rates are contractually set with Metro.

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.

Customer Complaints: None reported.

Vehicle Registration: With the help of Transit Solutions management, City Staff was able to reconcile registration discrepancies (VIN/license plate) in the list of vehicles initially provided by the company.

Rates: Rates are contractually set with Metro.

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 (45) 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.

Customer Complaints: Union had no complaints in 2021 or 2022.

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.

Rates: See RATE CHANGES section

Comments: Union Cab is concerned that without third party financial assistance it will not be able to maintain its on-demand accessible taxi service to provide transportation services to individuals who may be restricted to a wheel chair. Note: the Transportation Department's 2023 Adopted Capital Budget (Leg ID# 75053) to establish a new grant program to provide grants (\$250,000) for City licensed taxi companies in Madison to purchase accessible taxi cabs.

Management feels the industry has not yet stabilized for riders as initially TNC caused a decrease in demand for taxis and post-pandemic the number of TNC drivers have decreased reducing overall TNC capacity. This scarcity was exacerbated by Green's Cab exit. Ridership is returning but staff are returning on a slower pace.

RATE CHANGES

Both Union Cab and Madison Taxi increased their rates in 2022. Definition of rates and changes are as follows:

Rate definitions:

Drop rate: minimal fee charged per ride, first 1/10 mile

Per mile charge: amount charge per mile traveled

Van rate: rate for taxi service for large 6 passenger (Madison Taxi only)

Wait/time not in motion: rate for time vehicle is waiting in traffic

Airport/Limousine rate: The City is divided into 9 zones and rate is determined by how many zones are traveled through during a trip.

Madison Taxi and Union Cab 2022 Change Rates:

Rate Type:

Drop/Flag Rate:

<u>Taxi Company</u>	<u>Old Rate</u>	<u>New Rate</u>
Madison Taxi	\$4.00 per 1/10 mi.	\$4.50 per 1/10 mi.
Union Cab	\$4.25 per 1/10 mi.	\$5.00 per 1/10 mi.

Per mile rate:

<u>Taxi Company</u>	<u>Old Rate</u>	<u>New Rate</u>
Madison Taxi	\$.30 per 1/10	\$.35 per 1/10
Union Cab	\$.35 per 1/10	\$.45 per 1/10

Wait Time/Time Not in Motion

<u>Taxi Company</u>	<u>Old Rate</u>	<u>New Rate</u>
Madison Taxi	\$.20 per 15 secs	\$.40 per 30 secs
Union Cab	\$.41 per 35 secs	\$.45 per 30 secs

Airport/Limousine Rate

Both companies increased zone rates by \$2 to \$3. See application for specific rates increases

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 2021 and 2022 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 four of the currently licensed carriers be renewed, and that the attached resolution be recommended for approval