



Traffic Engineering Division

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Date: May 25, 2021
To: Transportation Commission Members
From: Yang Tao, City Traffic Engineer
Subject: 2021-2023 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.; Green Cab of Madison, Incorporated; Transit Solutions, Inc.; Union Cab of Madison Cooperative, Inc. Badger Cab went out of business at the end of March 2020 and Green Cab acquired its assets. 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 2019 and 2020; 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 2019 and 2020 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 2019 and two in 2020. 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 has not change it rate in 2019 or 2020 but will likely increase its rates to reflect increased fuel expenses.

Comments: Management would encourage the City to continue to lobby the State decrease the growth of TNCs and the TNC should be regulated to create a more “level playing field” in terms of competition with the taxi industry. COVID has been financially devastating to Madison Taxi. Currently, as the pandemic recedes, Madison Taxi is having difficulty replacing drivers who previously left due to lack of business and/or fear of COVID.

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.

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. Each Green cab has direct and shared-ride rates posted in inside the vehicle and the passenger is given there fare before taxi departs.

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 received one complaint in 2019 and three 2020. Two of these complaints were regarding a late arrival, one was about a fare dispute and other was about confusion regarding payment (driver unaware program paid for passenger's fare).

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 2019 to 2020 period.

Comments: Green Cab management believes that TNCs need to operate under the same regulations that Taxis do. Their ridership and revenues have fallen during the pandemic and the company has spent time and money keeping employees and customers as safe as practical.

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 its fares in November 2020 to:

\$4.25 Minimum (flag) **(previously \$4.00)**

\$3.50 per mile **(previously \$3.00)**

Comment: 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. Union Cab management explains that the effects of the pandemic reduced

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 2019 and 2020 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; e) refusal of service is rare; and f) 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 five of the currently licensed carriers be renewed, and that the attached resolution be recommended for approval