

 <p style="text-align: center;"><b>Council</b> <b>Communication</b> Office of the City Manager</p>	<b>Date:</b>	February 27, 2012
	<b>Agenda Item No.</b>	<b>52</b>
	<b>Roll Call No.</b>	[ _____ ]
	<b>Communication No.</b>	<b><u>12-076</u></b>
	<b>Submitted by:</b>	<b>Jeb E. Brewer, P.E.</b> <b>City Engineer</b>

**AGENDA HEADING:**

Review of application by United Cab Ltd. to increase the number of taxicabs operated under their Certificate of Public Convenience and Necessity to Operate a Taxicab Service in the City of Des Moines from five (5) taxicabs to ten (10) taxicabs.

**SYNOPSIS:**

Mohamed Habib, d/b/a United Cab Ltd., 2500 Martin Luther King Jr. Parkway, Suite 4, Des Moines, Iowa, applied for a Certificate of Public Convenience and Necessity to operate a taxicab service in the City of Des Moines, with a total of five vehicles on October 25, 2010. As required by ordinance, a public hearing was held prior to the certificate being issued.

Since its initial licensure in 2010, United Cab Ltd. has provided cab stand service at the airport, local hotels, Court Avenue, and metro wide dispatch service. Mohamed Habib explained to Traffic and Transportation staff, that United Cab Ltd. has been limited in their ability to provide the level of service that they promised to provide their customers when first application for their license was made in 2010, which was a wait time of around 10-15 minutes. With the limitation of only five vehicles, they often have to turn away dispatch service as they have three cabs reserved for transports to/from the airport. Airport trips must be booked and guaranteed in advance as customers need reliable on-time transportation to the airport. With granted expansion from five to ten cabs, United Cab Ltd. will be able to increase their ability to supply more timely dispatch service and meet their company goals. To this date, neither Traffic and Transportation Staff or Des Moines International Airport Staff has received complaints regarding United Cab Ltd.'s operations from their customers or other cab companies.

United Cab Ltd. has provided a complete application for a certificate of public convenience and necessity, and submitted supplemental information regarding their financial, business and existing taxicab operation. They have the existing financial ability to provide five more cabs and hire five more drivers. Staff's review of the application and the liability insurance certificate determined that United Cab Ltd. met the requirements for providing taxicab service. Based on a thorough review of all the information submitted, staff believes that United Cab Ltd. is fit, willing and able to provide additional public transportation as a taxicab company, if the City Council approves the increased number of licensed taxicabs on their certificate of public convenience and necessity from five taxicab vehicles to ten. As always, if United Cab Ltd. does not operate in compliance with the City of Des Moines ordinance requirements, the City Code contains adequate provisions to suspend or revoke their certificate for violations.

**FISCAL IMPACT:**

Amount: Increase from \$625 to \$1,050. The ordinance provides for annual license fees of \$250 per company and \$75 per vehicle.

Funding Source: Revenue to Traffic and Transportation Division, 2011-2012 Operating Budget, Page 100, ENG100419

## **ADDITIONAL INFORMATION:**

### Taxicab Companies in Des Moines

Des Moines has for many years regulated taxicab service, with entry qualifications for both drivers and companies and a determination of the need for additional taxicab service. Prior to operating on the streets of Des Moines, any taxicab company must obtain a “Certificate of Public Convenience and Necessity” as well as an annual company license and annual license for each vehicle. A certificate can only be issued after the City Council has held a public hearing and considered the information from the applicant. If the Council determines that further taxicab service is required for the public convenience and necessity, and that the applicant is fit, willing and able to provide public transportation, then they direct the city traffic engineer to issue a certificate. If the Council denies the application, they must state the reason for the denial.

The current regulations require that a taxicab company must provide an overall service to the public, and further require that they shall: maintain a central place of business, properly zoned; provide taxicab service to the public 24 hours a day, seven days a week and have a phone that is answered 24 hours a day, seven days a week; dispatch taxicabs using any method which accurately records and retains detailed information about each call for service and each trip; answer all calls for service inside the city; provide a minimum of six qualified drivers and five qualified vehicles, with a minimum of four vehicles available to respond into operation at all times; and cannot refuse to accept a call or deny service to any orderly passenger; along with a number of other requirements. These requirements are in close conformance with the recommendations of the Taxicab, Limousine and Paratransit Association, and are important in having quality taxicab service for the public, including service in residential neighborhoods, for short trips and to elderly, frail or disabled passengers.

The current regulations also require that any taxicab vehicle comply with the Motor Vehicle Code, State and City laws; be clean and sanitary, inside and outside; be in excellent mechanical condition, with no defects; properly inflated, safe tires; have a maximum age of 10 years (based on model year of production); shall include all standard safety features to be in proper working order, and some other requirements.

### Taxicab Service in Des Moines

Des Moines has historically not limited the number of taxicabs or taxicab companies that obtain a certificate, but has used the entry qualifications for drivers and companies to enhance the safety of passengers, ensure that a fair price is charged for the service, and to provide quality taxicab service for all segments of the public.

There are currently five holders of certificates to operate taxicab service in Des Moines: Yellow Cab has been in operation for over 90 years in Des Moines, and operated 45 cabs at the end of 2011; Capitol Cab has been in operation for over 55 years in Des Moines, with 55 cabs at the end of 2011; Freedom Cab has operated in Des Moines since May of 2009, with a total of eight cabs; City Cab has operated since May of 2011, with a total of five cabs; and United Cab has operated since October of 2010, with a total of five cabs. The total equates to 118 cabs for the Des Moines metro area of approximately 450,000 residents.

**PREVIOUS COUNCIL ACTION(S):**

Date: October 25, 2010

Roll Call Number: 10-1771

Action: [United](#) Cab, Ltd. for Mohamed Habib. ([Council Communication No. 10-650](#)) Moved by Hensley to adopt; refer to the City Manager to work with the cab companies on a process to share costs associated with managing multiple cab locations (Court Avenue and Downtown Library). Motion Carried 7-0.

Date: October 11, 2010

Roll Call Number: 10-1679

Action: [United](#) Cab, Ltd. for Mohamed Habib, (Taxicab). ([Council Communication No. 10-574](#)) Moved by Coleman to continue to October 11, 2010 at 5:00 PM. Motion Carried 6-1.

Date: September 27, 2010

Roll Call Number: 10-1588

Action: [United](#) Cab, Ltd. for Mohamed Habib, (Taxicab). ([Council Communication No. 10-574](#)) Moved by Coleman to continue to October 11, 2010 at 5:00 PM. Motion Carried 6-1.

Date: September 13, 2010

Roll Call Number: 10-1463

Action: [United](#) Cab, Ltd. for Mohamed Habib, (Taxicab). Moved by Hensley to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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