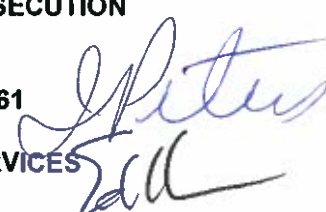



TO: GENERAL COMMITTEE

SUBJECT: TAXI TARIFFS AND TAXI INDUSTRY CONSULTATION

PREPARED BY AND KEY CONTACT: B. RUSSELL, MANAGER, MUNICIPAL LAW AND PROSECUTION SERVICES, EXT. 4586

SUBMITTED BY: I. PETERS, DIRECTOR OF LEGAL SERVICES, EXT. 4561 

GENERAL MANAGER APPROVAL: E. ARCHER, GENERAL MANAGER, CORPORATE SERVICES 

CHIEF ADMINISTRATIVE OFFICER APPROVAL: C. LADD, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That By-law 2006-265, Section 9.3.0.0.0 regarding taxi tariffs be amended by deleting the following:
 - b) for each additional 1/10 kilometer or part thereof - \$0.30
 - c) waiting time \$31.00 per hour. Such time shall be calculated from the time of pickup of the first passenger to the time of discharge of the taxicab of the last passenger.

And replacing it with the following:

 - b) for each additional 1/10 kilometer or part thereof - \$0.25
 - c) waiting time \$30.00 per hour. Such time shall be calculated from the time of pickup of the first passenger to the time of discharge of the taxicab of the last passenger.
2. That By-law 2006-265, Section 9.3.0.0.0 – “Taxi Tariff Rates and Fares” be amended to provide for a 10% discount on any fare in excess of \$10.00 to any person providing proof of senior citizenship by producing a federally issued Senior Citizens card.
3. That By-law 2006-265, Section 9.2.13.0.0 with respect to a Taxi Company be amended to require that all trip records include the amount of the meter fare upon arrival at the destination, any discount (in \$) applied and the total fare charged for each call answered by the taxi driver.
4. That By-law 2006-265, Section 8.2.8.0.0 with respect to a Taxi Driver be amended to require that all trip records include the amount of the meter upon arrival at the destination, any discount (in \$) applied and the total fare charged for each call answered by the taxi driver.
5. That By-law 2006-265, Section 7.0.0.0.0 with respect to a Taxi Cab be amended to require that every taxi cab owner be required to post a decal advising all customers that a 10% discount will be applied to all fares over \$10.00 for senior citizens providing proof of senior citizenship, such decal to be on or near the taxi meter and posted in such a manner so as to be visible to any customer in the taxi cab.
6. That a “floating fare” structure not be implemented.

PURPOSE & BACKGROUND

7. The purpose of this staff report is to consider amending current taxi tariff fees and to provide an update regarding a consultation process for the taxi industry in future.
8. The Municipal Act, S.O. 2001, c. 25, section 156(1), in part, provides "without limiting sections 9, 10 and 11, a local municipality, in a by-law under section 151 with respect to the owners and drivers of taxicabs, may,
 - (a) establish the rates or fares to be charged for the conveyance of property or passengers either wholly within the municipality or from any point in the municipality to any point outside the municipality;" and,
 - "(b) provide for the collection of the rates or fares charged for the conveyance".
9. Taxi tariffs were increased in 2006 (Staff Report CLK074-06) at the request of the taxi industry which had expressly requested an increase in tariffs and rates to more accurately reflect operating costs and in particular increasing fuel and maintenance costs.
10. In 2010, the tariffs were last adjusted as a result of the implementation of the H.S.T.
11. During various communications with the industry in 2011, and in particular during Mayor Lehman's open house with the industry in November 2011, one of the factors identified by the industry to be of concern was the current meter rates which were identified as being too high.
12. On April 30, 2012, City Council adopted motion 12-G-108, as amended by Resolution 12-A-062 regarding the Taxi Industry – Transportation By-law 2006-265 which read in part as follows:

"12-G-108 6. That staff in the Legal Services Department review the potential to alter the taxi tariff rate structure to achieve rates that are equal or less than comparator municipalities and the feasibility of providing a discount rate for seniors, and/or a floating rate structure and report back to General Committee before the end of May 2012."

and,

"12-A-062 That staff in the Legal Services Department propose measures for ongoing consultation with the Taxi Industry as part of the report referenced in paragraph 6."

ANALYSIS

13. Due to the compressed time frame available to collect data, an electronic survey product was utilized to survey twenty-one comparator municipalities. Twelve municipalities responded with the following results.

Municipality	Drop Rate	Per km Rate	Standby Rate	Floating Rate (range)	Daytime/Night time rate	Senior's Discount
Barrie	\$3.25 for 1 st 1/10 km	.30 for each addn'l 1/10 km	\$31.00 per hour			
Whitby	\$2.80 for 1 st 1/10 km	.22 per 1/10 km	.10 per 12 seconds (\$30.00 per hour)	No	No	No
Richmond Hill	\$4.25 for 1 st 143 m	.25 per 143 m	.25 per 30 seconds (\$27.00 per hour)	No	No	No
Kingston	\$2.30 for 1 st 77 m	.10 per 77 m	.10 per 13 seconds (\$27.70 per hour)	No	No	No
Reg. Of Waterloo	\$3.50 for 1 st km	\$2.10 per km (or part)	Not specified	No	No	No
Ottawa	\$3.45 for 1 st 150 m	.16 per 86 m	.16 per 24 seconds (\$24.00 per hour)	No	No	No
Orillia	\$3.00 for 1 st 1/10 km	.25 per 1/10 km	Not specified	No	No	20% on all fares over \$10.00
Oakville	\$4.42 for 1 st 140 m	.27 per 140 m	.27 per 30 seconds (\$32.40 per hour)	No	No	10% on request
Burlington	\$3.25 for 1 st km	\$1.85 per km	.50 per 60 seconds (\$30.00 per hour)	No	No	No
Innisfil	\$3.25 for 1 st 100 m	.30 for each additional 100 m (or part)	\$31.00	No	No	No

14. Based on the tariffs as reported by each comparator municipality the fare charged for the first kilometer has been set out below. Staff have also included, for example purposes, the projected fare for a 10 km trip.

	Fare for 1 st km	Fare for 10 km trip
Whitby	\$5.78	\$25.58
Richmond Hill	\$5.75	\$21.50
Kingston	\$3.50	\$15.20
Waterloo	\$4.40	\$23.30
Ottawa	\$5.03	\$21.77
Orillia	\$4.75	\$27.25
Oakville	\$6.08	\$23.45
Burlington	\$5.10	\$21.75
Innisfil	\$5.95	\$32.95
Barrie (current)	\$5.95	\$32.95
Average Fare	\$5.15	\$24.87
Recommended Fare	\$5.50	\$28.00

15. The average drop rate for the reporting municipalities is \$3.28 with the average fare for the first kilometer being \$5.15.
16. Each company currently licensed to operate within the City of Barrie was invited to provide input on the issue of taxi tariffs based on its current business operations, including whether the current taxi tariffs were satisfactory or alternatively what tariff they would recommend and why. This process was engaged through fax communications to expedite input due to the limited time available to prepare this report.
17. Taxi companies provided a variety of comments including their satisfaction with the current tariffs, concern that the current tariffs were too high therefore making it an unaffordable means of transportation for the public and consequently negatively impacting the taxi industry, concern that the approved tariff consider the current economic climate in the taxi industry, comments that the tariff is not high enough to cover costs, increasing fixed costs which must be covered by every taxicab owner (inc. Insurance, vehicle maintenance and repairs, gasoline, industry fees, etc).

18. The results are as follows:

Company	Recommended Drop Rate (Current: \$3.25)	Recommended per km rate (Current: .30 per 1/10 km)	Recommended Waiting Time Rate (Current \$31.00)
All current and recommended rates are inclusive of H.S.T.			
A1-Georgian Taxi	No response at time of preparing this report		
Alliance Taxi	No response at time of preparing this report		
Alpha Taxi	\$3.25	.30 per 1/10 km	\$31.00
Barrie Central Taxi	\$3.25	.30 per 1/10 km	\$25.00
Barrie Eco Taxi	No response at time of preparing this report		
Barrie Taxi	\$3.25	.25 per 1/10	\$30.00
Deluxe Taxi (Barrie)	\$3.25	.25 per 1/10	\$30.00
Downtown Taxi	No response at time of preparing this report		
E Barrie Taxi	No response at time of preparing this report		
Prime Taxi	\$3.25	.30	\$31.00
Simcoe Taxi & Delivery	\$3.25	.25 per 1/10	\$30.00
Viau Taxi	No response at time of preparing this report		

19. Regarding the ongoing consultation process with the taxi industry, staff are continuing to investigate a mechanism that would provide an appropriate framework and will report back on this matter under a separate report.

ENVIRONMENTAL MATTERS

20. There are no environmental matters related to the recommendation.

ALTERNATIVES

21. There are two alternatives available for consideration by General Committee:

Alternative #1

General Committee could maintain the current taxi tariffs. Staff and members of Council heard from the industry during open house that high fares in Barrie were negatively impacting the taxi business. Members of the public have also expressed concerns about excessively high fares they have encountered when engaging the services of a taxi.

This alternative is not recommended as it does not respond to the concerns expressed by the industry and members of the public.

Alternative #2

General Committee could alter the proposed recommendation by establishing a taxi tariff based on an alternative formula.

Based on the input from the industry on the specific subject of taxi tariffs, it is unlikely that any formula will totally satisfy the industry and the public. The recommended fee is in line with the suggestions received from the industry in Barrie as well as the average tariffs in comparator municipalities.

This alternative is therefore not recommended.

FINANCIAL

22. There are not direct costs to the municipality as a result of the implementation of the recommended taxi tariffs. Changes to the meters to reflect the new tariffs will be tested by existing staff to confirm that calibration of the meter is accurate and in accordance with the recommended tariff.

LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN

23. The recommendation(s) included in this Staff Report are not specifically related to the goals identified in the 2010-2014 City Council Strategic Plan.