



Information Item

Date: July 5, 2010

To: Mayor and City Council
From: Carol Swindell, Director of Finance
Subject: Additional Information on Taxi Franchise Selection Process

Introduction

On [June 22, 2010](#), Council was scheduled to consider staff's recommendation for award of taxicab franchises. Santa Monica Charter Section 1601 requires a second hearing after 20 but not more than 60 days from Council declaring its intention to award franchises. Due to summer scheduling conflicts, Council's consideration of the franchise award was withdrawn by staff and will be rescheduled in September. The staff report provides the same level of detail that is typical for award of contracts following a Request for Proposals (RFP) process. Each proposal was carefully evaluated by the committee using the criteria outlined in the RFP document and Santa Monica Municipal Code Section 6.49.040(b). The June 22 staff report reflects the recommendation of the review committee and the same recommendation will be considered by Council in September.

Discussion

Since the June 22, 2010 staff report was withdrawn, staff has received numerous requests for information from the Council, public, taxicab companies and the press regarding the specific ranking of companies and the weight of the various factors that were considered by the committee in its evaluation. Although the previous staff report provides the level of detail that is typical for contractual documents resulting from an RFP process, staff has determined that due to the nature, size and complexity of this franchise award, additional information may be helpful for the Council and community.

The evaluation criteria used by the committee was outlined in the RFP and included:

- Proof of financial viability, demonstrating ability to provide taxi services in compliance with City ordinances and regulations and the bidder's proposal.(20%)
- Experience in providing taxicab services during the last ten years, including demonstrated quality of service and safety. (20%)
- Proposed business and management plan. (20%)
- Fleet composition, including age and condition of taxicabs, annual minimum number of vehicles meeting Ultra Low Emission Vehicle and Super Ultra Low Emission Vehicle (ULEV/SULEV) and other low-emission standards. (15%)
- Local preference. (8%)
- Character of operator's owners/members/principals/partners, verifying criminal/civil record, taxicab regulatory, franchising, licensing, insurance and litigation history. (5%)
- Proposed discount fares for senior and mobility impaired customers. (3%)
- Dispatch and communication system. (3%)
- Driver training, testing, supervision and life/health/disability benefit plans. (3%)
- Operator/driver financial relationships including leasing, fees, memberships and all other relationships. (3%)

Based on the written responses provided by individual taxicab companies and the weighting of criteria, the specific rankings generated by the committee's evaluation are as follows:

| | |
|----------------------------------------|--------|
| 1) Metro Cab Co. | 79.04% |
| 2) Yellow Cab | 78.82% |
| 3) Independent Cab Co. (ITOA) | 72.43% |
| 4) Bell Cab | 72.15% |
| 5) TMAP Corp. dba Taxi Taxi | 67.66% |
| 6) All Yellow Taxi Inc. | 65.46% |
| 7) Beverly Hills Cab Co. | 64.23% |
| 8) San Gabriel Transit Inc./City Cab | 62.13% |
| 9) L.A. Checker Cab Co. | 53.60% |
| 10)S.M Yellow Cab | 49.03% |
| 11)Euro Taxi | 45.21% |
| 12)SMCC Yellow Cab | 40.21% |
| 13)Lady's Yellow Cab dba Yellow United | 25.88% |

Next Steps

Staff will return to Council in late September with a recommendation for Council to adopt of a Resolution of Intention to establish taxicab franchises with Bell Cab Company, Independent Taxi Owners Association, Metro Cab Company, Taxi Taxi, and Yellow Cab Company and to set a public hearing in late October or early November. Staff plans to have the new franchises effective by January 1, 2011.

Prepared By: Donald P. Patterson, Business & Revenue Operations Manager