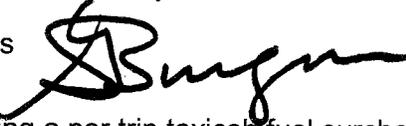


# Memorandum



**Date:** December 14, 2004

**To:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager 

**Subject:** Resolution approving a per trip taxicab fuel surcharge

Not On  
Agenda Item No. 7(C)(1)(A)

## RECOMMENDATION

It is recommended that the Board approve the attached resolution extending a 30 cent per trip taxicab fuel surcharge effective January 1, 2005, until either December 31, 2005, or the effective date of any taxicab meter rate adjustment that may be approved by the Board prior to December 31, 2005, or the average price of gasoline falls below \$1.75 per gallon for a period of fourteen (14) days, whichever occurs first.

## BACKGROUND

Section 31-87 of the Code sets forth the method for the establishment of taxicab rates in Miami-Dade County. These rates are set by resolution of the Board of County Commissioners following a public hearing. The current taximeter rate has been in effect since October 1, 2003, at which time the taximeter rate increased approximately 12% to keep pace with changes in the Consumer Price Index since the last adjustment made in 1997. The current taximeter rate is \$1.70 for the first 1/11th mile and 20 cents for each 1/11th mile thereafter. Flat fare rates for trips to and from the Airport were adjusted at that time and again in December 2003, to account for a \$1 increase in the Airport taxicab toll charge.

Section 31-87 (C) (6) of the Code, which is attached, contains a special provision that authorizes the County Manager to approve a per trip taxicab rate surcharge in addition to the existing rate. The surcharge may be imposed upon the occurrence of unforeseen changes in the petroleum market that cause an increase in the price of regular unleaded gasoline of 30 cents or more during any 90-day period. The surcharge is determined by applying the following formula rounded to the nearest penny:

$$\frac{\text{Fuel increase per gallon}}{\text{Trips per gallon}} = \text{Per Trip Surcharge}$$

The surcharge is required to be a fixed per trip amount and may be in effect for a period of up to six (6) months, unless extended by resolution of the Board. As authorized under this Code section, a 30 cent fuel surcharge was administratively approved for the period July 1, 2004, through December 31, 2004. Memoranda approving the surcharge in June of this year, and extending it in October, are attached.

The price of gasoline remains high. The attached resolution allows for the extension of the existing 30 cent surcharge beyond the six (6) month period. The resolution allows the surcharge to remain in place until December 31, 2005, or until the effective date of any taximeter rate adjustment that may be approved by the Board prior to December 31, 2005, or until the average price of regular unleaded gasoline as reported by the AAA Fuel Gauge Report falls below \$1.75 per gallon, whichever of these events occur first.

The price of gasoline on the date of the last taximeter rate adjustment was \$1.55 per gallon. On June 3, 2004, just before the administrative surcharge became effective, the average price of regular unleaded gasoline had increased to \$2.07 per gallon. Prices slightly moderated during the month of August with the State of Florida's sales tax break, but have again risen matching the previous high. As of October 20, 2004, the average price was \$2.06 per gallon. These price increases were not contemplated in the current taximeter rate and severely impact taxicab chauffeurs. Similar surcharges continue to be in place in other jurisdictions.

This proposed surcharge extension is supported by the Taxicab Advisory Group, which consists of industry, hospitality, and municipal representatives. Staff is currently evaluating whether the surcharge will continue to be displayed as a notice to passengers in the taxicab, or if it will also be added to the taximeter on a temporary basis as an extra charge. This determination will be made following additional input from industry and an evaluation of how much of the surcharge would be negated by the cost that would be borne by the chauffeur in paying the expense of reprogramming the taximeter.

Attachments



---

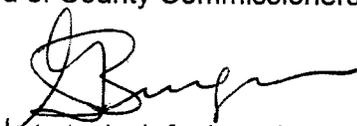
Alex Muñoz  
Assistant County Manager

# Memorandum

MIAMI-DADE  
COUNTY

**Date:** OCT 19 2004

**To:** Honorable Alex Penelas, Mayor  
Honorable Chairperson Barbara Carey-Shuler, Ed. D.  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager 

**Subject:** Approval of extension to taxicab fuel surcharge of 30 cents per trip

---

On June 24, 2004, I notified you that a taxicab fuel surcharge of \$.30 cents per trip had been approved for a four-month period through November 1, 2004. This is to advise you that I have approved a two-month extension of the temporary taxicab fuel surcharge of \$.30 cents per trip through December 31, 2004 to allow us to continue monitoring the price of gasoline.

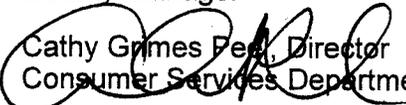
Section 31-87 (C) (6) of the Code pertaining to for-hire transportation authorizes the administrative imposition of a temporary per trip taxicab fuel surcharge for a period of up to six months to address unforeseen changes in the petroleum market causing an increase of \$.30 cents or more in the price of regular, unleaded gasoline. As required by the Code, any surcharge exceeding a six-month period will be presented to the Board of County Commissioners for approval.

I am attaching a report from the Director of the Consumer Services Department (CSD) requesting the extension. CSD will update the required notices to passengers that have been placed in every taxicab alerting passengers of the surcharge and the new expiration date, as well as coordinating public information to ensure public awareness of the new date.

Please do not hesitate to contact me or CSD Director Cathy Peel should you have any questions or need additional information.

Attachments

cc: Alex Muñoz, Assistant County Manager  
Cathy Grimes Peel, Director, Consumer Services Department  
Mario Goderich, Deputy Director, Consumer Services Department  
Joe Mora, Director, Passenger Transportation Regulatory Division

**Date:** October 1, 2004  
**To:** George M. Burgess  
County Manager  
**From:**  Cathy Grimes, Director  
Consumer Services Department  
**Subject:** Request for Approval to Extend the Taxicab Fuel Surcharge

---

This memorandum requests approval to extend the taxicab fuel surcharge of thirty cents (\$.30) per trip for an additional two-month period through December 31, 2004.

On June 17, 2004, you approved a surcharge for a four-month period. The surcharge became effective July 1, 2004, following the Consumer Services Department's (CSD) placement of passenger notices in taxicabs and distribution of public information, and will end on November 1, 2004. The Code authorizes you to approve an administrative surcharge for a period of up to six months before Board action is required, however, CSD limited its earlier request to four months in order to continue monitoring the price of gasoline. My June 7, 2004, memorandum indicated that a two-month extension might be requested if gasoline prices warranted such action.

Since the fuel charge was initiated, there was some short term relief due to the one month lifting of taxes on gasoline and the natural fluctuation that occurs with fuel prices. However, the tax moratorium has expired and as of October 1, 2004, the AAA Daily Fuel Gauge Report indicates that the average cost of regular unleaded gasoline in Miami-Dade County is \$1.97/gallon. This is more than \$.40 cents per gallon above the price that existed at the time of the last taximeter rate adjustment. Reports suggest that the price of gasoline is again moving upward and will again rise above \$2.00/gallon. As a result, it is appropriate to extend the surcharge to encompass the full six-month period authorized by the Code.

CSD has been reviewing Code provisions and gathering data from other jurisdictions to determine if another formula exists that will allow greater flexibility in dealing with the gas prices. Although several models have been considered, none seem to satisfactorily address this issue. In the near future, we will determine whether additional action should be proposed, such as a Code revision to the surcharge formula, a resolution to extend the surcharge beyond the six-month period, a resolution to adjust the taximeter rate to account for the increase in gas, or if the surcharge should simply be allowed to expire.

George M. Burgess  
County Manager  
Page 2

Based upon the above information, extension of the fuel surcharge is recommended. This will allow taxicab chauffeurs to continue collecting the additional \$.30 cents, at their option.

Surcharge Extension Approved:

  
\_\_\_\_\_  
George M. Burgess                      10/27/24  
County Manager                      Date

Attachments

- c: Alex Muñoz, Assistant County Manager
- Mario Goderich, Deputy Director, Consumer Services Department
- Joe Mora, Director, Passenger Transportation Regulatory Division



# MEMORANDUM

**TO:** Honorable Alex Penelas, Mayor  
Honorable Chairperson Barbara Carey-Shuler, Ed. D.  
and Members, Board of County Commissioners

**DATE:** June 24, 2004

**SUBJECT:** Approval of taxicab fuel surcharge  
of 30 cents per trip

**FROM:** George M. Burgess  
County Manager

Section 31-87 (C) (6) of the Code pertaining to for-hire transportation authorizes the administrative imposition of a temporary per trip taxicab fuel surcharge to address unforeseen changes in the petroleum market causing an increase of 30 cents or more in the price of regular, unleaded gasoline in a 90-day period. The price of gasoline has risen 57 cents per gallon since December 2003, and the formula provided in the Code supports a surcharge at this time.

This is to advise you that I have therefore approved the imposition of a temporary taxicab fuel surcharge of 30 cents per trip. The surcharge will remain in effect for a four-month period until November 1, 2004, unless market conditions support the cancellation of the surcharge earlier or the extension of the surcharge for a longer period of time. As required by the Code, any surcharge exceeding a six-month period will be presented to the Board of County Commissioners for approval.

I am attaching a report from the Director of the Consumer Services Department (CSD) that further describes the issue and the formula used to arrive at the surcharge amount. CSD is preparing the required notices to passengers that will be placed in every taxicab alerting passengers of the surcharge, as well as coordinating public information to ensure public awareness of the surcharge.

Please do not hesitate to contact me or CSD Director Cathy Peel should you have any questions or need additional information.

## Attachments

c: Alex Muñoz, Assistant County Manager  
Cathy Grimes Peel, Director, Consumer Services Department  
Mario Goderich, Deputy Director, Consumer Services Department  
Joe Mora, Director, Passenger Transportation Regulatory Division



## MEMORANDUM

**TO:** George M. Burgess  
County Manager

**DATE:** June 7, 2004

**SUBJECT:** Request for Approval of Taxicab Fuel  
Surcharge

**FROM:** Cathy Grimes Peel, Director  
Consumer Services Department

This memorandum requests your approval of a taxicab rate surcharge of 30 cents (\$.30) effective June 15, 2004, through October 15, 2004, in response to the increase in the price of gasoline. The surcharge will be manually added to the fare shown on the taximeter and to the flat fares. Notice of the surcharge will be posted in a conspicuous place in each taxicab to alert passengers that a surcharge is in effect. In the event fuel prices return to previous levels during this period or continue to remain high at the end of the period, your approval will be sought to rescind or extend the surcharge, as appropriate.

Section 31-87 of the Code sets forth the method for the establishment of taxicab rates in Miami-Dade County. Such rates are set by resolution of the Board of County Commissioners following a public hearing. The current taximeter rate has been in effect since October 1, 2003, at which time the taximeter rate increased approximately 12% to keep pace with changes in the Consumer Price Index since the last adjustment made in 1997. The current taximeter rate is \$1.70 for the first 1/11<sup>th</sup> mile and 20 cents for each 1/11<sup>th</sup> mile thereafter. Flat fare rates for trips to and from the Airport were adjusted at that time and again in December 2003, to account for the \$1 increase in the Airport taxicab toll charge.

Section 31-87 (C) (6) contains a special provision that authorizes the County Manager to approve a per trip taxicab rate surcharge in addition to the existing rate. The surcharge may be imposed upon the occurrence of unforeseen changes in the petroleum market that causes an increase in the price of regular unleaded gasoline of 30 cents or more during any 90-day period. The surcharge is required to be a fixed per trip amount and may be in effect for a period of up to six (6) months, unless extended by resolution of the Board. This provision, which replaced an earlier surcharge formula, was adopted by Ordinance No. 00-88 on July 6, 2000.

Based on Code provisions, the fuel surcharge is determined by dividing the fuel increase per gallon of regular, unleaded gasoline in the 90 day period by the average number of taxicab trips per gallon. Although gasoline prices have fluctuated since the new formula was adopted, a surcharge has never been implemented since the formula threshold had not previously been met.

The Consumer Services Department (CSD) has been closely monitoring the steadily increasing gasoline prices to determine when/if the surcharge threshold would be reached. Data regarding the average price of gasoline is obtained from the AAA Daily Fuel Gauge Report. The number of trips per gallon is calculated using survey data obtained directly from taxicab drivers attending CSD chauffeur training programs. Despite the fact that gas has increase 57 cents per gallon since December 2003, the fuel surcharge formula did not

2

derive the required 30 cent threshold until the end of May because the formula restricts the price comparison to a 90-day period.

The price per gallon of unleaded, regular gasoline on June 2, 2004 was 2.07/gallon. The price per gallon 90-days earlier on March 2, 2004, was \$1.72/gallon, a difference of 35 cents. Utilizing this data and the surcharge formula, the fuel surcharge is calculated as follows:

$$\frac{\text{Fuel increase per gallon}}{\text{Trips per gallon}} = \frac{.35}{1.17} = .299 \text{ cents}$$

Section 31-87 (C) (6) requires rounding up to the nearest penny; therefore, the surcharge is 30 cents.

Every taxicab shall have posted in a conspicuous place, readily visible to the occupants, a printed notice informing passengers that 30 cents will be added to the taximeter or flat fare rate. CSD will coordinate distribution of this notice as well as public information regarding the surcharge. A copy of the passenger notice is attached.

A number of other jurisdictions have implemented taxicab fuel surcharges (Seattle, Montgomery County Maryland, Rhode Island, and Los Angeles) ranging from 25 to 80 cents per trip. Other jurisdictions have incorporated gas hikes in recent taximeter fare adjustments (Las Vegas and New York).

In addition to recommending the surcharge, CSD is reviewing Code provisions and will be developing an ordinance amendment to revise the existing surcharge formula to allow for greater flexibility in dealing with gas price increases that rise over a time period exceeding the 90-days.

Based upon the above information, approval of the fuel surcharge is recommended. This recommendation was reviewed and approved by our taxicab advisory group comprised of representatives of industry, municipalities, and hospitality interests. Staff also reviewed the surcharge and applicable Code provisions with Assistant County Attorney Gerald Sanchez.

Attached for your signature is a memorandum to the Mayor and Board of County Commissioners advising them of the surcharge.

Surcharge Approved:

  
\_\_\_\_\_  
George M. Burgess  
County Manager

6/17/04  
\_\_\_\_\_  
Date

Attachments

c: Alex Muñoz, Assistant County Manager  
Mario Goderich, Deputy Director, Consumer Services Department  
Joe Mora, Director, Passenger Transportation Regulatory Division

## MIAMI-DADE COUNTY CONSUMER SERVICES DEPARTMENT



A fuel surcharge in the amount of \$0.30 is hereby authorized until November 1, 2004. For inquiries regarding this surcharge please call the Passenger Transportation Regulatory Division at (305) 375-3677.

Miami-Dade County Code  
Section 31-87(C)(6)

133\_01-80 5/04

133\_01-80 Fuel Surcharge.indd 1

6/24/2004 3:02:51 PM

ant to this article. Rates established by this article shall be applicable through Miami-Dade County, both in the incorporated and unincorporated areas, without regard to any municipal boundaries.

(C) Except as otherwise provided herein, the Board of County Commissioners of Miami-Dade County, Florida, shall establish all rates for taxicabs and for-hire vehicles operating in Miami-Dade County. From and after the effective date of this article, rates shall be established, altered, amended, revised, increased or decreased in accordance with the following procedures:

- (1) The CSD, upon request of the Commission or the County Manager, shall investigate and prepare a report concerning the existing rates. In the case of taxicab rates, said investigation shall specify the relative changes in the consumer price index over the preceding two-year period and shall quantify what rates would be if the currently approved uniform taxicab meter rates were adjusted for such change. Such investigation shall also consider any additional matters, or review of special service rates when requested by the Commission or Manager. For ratemaking purposes, the CSD will not consider any costs incurred in the acquisition of a license and political contributions. Costs which will be considered in rate studies will include vehicle operating, maintenance and repair expenses, salaries of drivers, dispatchers and supervisors, insurance costs, taxes and license fees, and administrative and general expenses as prescribed on CSD financial and operating report forms.
- (2) The CSD's report shall be forwarded to the County Manager who shall prepare a recommendation to the Board of County Commissioners.
- (3) A public hearing concerning rates shall be scheduled. At such hearing, all interested parties shall have an opportunity to be heard. The Board of County Commissioners shall consider the CSD's report, the County Manager's recommendation, and

all evidence produced at the hearing and, by resolution, shall determine and set the appropriate rates as may be in the public interest. Appeals of the Board of County Commissioners' decision shall be in accordance with the Florida Rules of Appellate Procedure for review of administrative action.

- (4) As part of the rate-making procedure, the Board of County Commissioners may authorize special service rates such as shared rides, group rides, contract services, pre-arranged service, services to an identified segment of the population, flat rates for all licensed vehicles from one (1) point or area to another, or package delivery.
- (5) Operators who desire to provide service at a rate other than that established under the preceding provisions of this section may request approval of such special rates by filing an application with the CSD. Within forty-five (45) days after receipt of the request, the CSD shall conduct an administrative hearing on the proposed rate, after written notice to the public and all operators, investigate the proposed rate and forward its analysis and recommendations to the County Manager. The CSD shall, among other things, consider:
  - (a) The effect of the proposed rate on increased public use of for-hire motor vehicles.
  - (b) The ability of the operator to provide the proposed service.
  - (c) The operator's ability to manage the proposed rates.
  - (d) All information contained in the rate request application.
  - (e) Improved transportation in Miami-Dade County.
  - (f) The economic impact on the industry and the general public.
- (6) The County Manager shall be authorized to approve a per trip taxicab rate surcharge in addition to the existing rates then in effect. Such surcharge shall be in effect for a period up to six months unless

extended by resolution of the Commission. Such surcharge, which is to be a fixed amount, may be imposed upon the occurrence of an unforeseen change in petroleum market conditions which, utilizing the surcharge formula provided for herein ("surcharge formula"), causes an increase in the price of regular unleaded gasoline of 30 cents or more during any ninety (90) day period. The surcharge formula is as follows: divide the fuel increase per gallon of regular, unleaded gasoline by the average number of taxicab trips per gallon. The gasoline surcharge shall be rounded up to the nearest penny. Notice of a surcharge approved pursuant to this section must be prominently displayed within the taxicab, as required by regulations promulgated by CSD.

The County Manager is authorized to approve proposed rates that result in lower fares being charged by operators. All other proposed rates must be reviewed and approved by the Commission.

Any approved special rates must be filed with the CSD and be posted in each for-hire motor vehicle of the operator for which said rate applies, and copies provided to anyone requesting same. All approved special rates may not be modified or altered without prior written approval of the County Manager, in the case of reductions, or the Commission, in the case of increases. An operator may eliminate special rate(s) by thirty (30) days' advance notice to the CSD and posting thirty (30) days' written notice of the changes in all vehicles. (Ord. No. 81-85, § 3, 7-21-81; Ord. No. 87-12, § 2, 3-17-87; Ord. No. 89-83, § 1, 9-12-89; Ord. No. 90-141, § 1, 12-6-90; Ord. No. 00-88, § 1, 7-6-00; Ord. No. 00-139, § 1, 11-14-00)

Annotation—CAO 76-2.

#### Sec. 31-88. Insurance requirements.

(a) No for-hire motor vehicle shall be permitted to operate without the license holder or entity providing passenger services having first obtained and filed with the CSD a certificate of insurance on forms provided by the CSD for each for-hire motor vehicle showing the federal vehicle identification number, a vehicle description and

the for-hire license number, and shall list the for-hire license holder, each chauffeur the entity providing passenger services allows to operate the vehicle, the passenger service company, where applicable, and the owner of the vehicle as insureds under an automobile liability insurance policy with limits of liability no less than fifty thousand dollars (\$50,000) per person, and one hundred thousand dollars (\$100,000) per occurrence for bodily injury, and twenty thousand dollars (\$20,000) per occurrence for property damage. Additionally, the certificate of insurance shall specify coverage for complete 24-hour vehicle operations for all drivers who have a Miami-Dade County chauffeur's registration, regardless of where operated or whether engaged in for-hire operations, and shall state the limits of automobile liability and property damage coverage. Failure to provide current certificates of insurance or to maintain appropriate insurance coverage for each for-hire vehicle shall be grounds for revocation of that vehicle's for-hire license.

(b) Scope of insurance. The insurance required in this section shall be issued by an insurer that is a member of the Florida Insurance Guaranty Association. Insurance coverage shall be for a policy term of at least six (6) months. Nothing in the insurance policy or declaration shall permit binders, deductibles, self-insurance or any provision requiring the insured to reimburse the insurance company for claims.

(c) Each automobile liability insurance policy shall be endorsed to provide for thirty (30) days' notice by registered mail to the CSD of any material change, cancellation, or expiration. No policy will be accepted for a shorter period than six (6) months.

(d) Unless an operator furnishes the CSD with satisfactory evidence of the required insurance coverage prior to the expiration of the thirty (30) days' notice specified in subsection (c) of this section, or upon a third notice of cancellation within twelve (12) months, the for-hire license shall be suspended forthwith by the Director and surrendered to the CSD pending a hearing to determine whether said for-hire license should be revoked. This automatic suspension requirement will not pertain to a for-hire motor vehicle when



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**DATE:** December 14, 2004

**FROM:**   
Robert A. Ginsburg  
County Attorney

Not On  
**SUBJECT:** Agenda Item No. 7(C)(1)(A)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Not On  
Agenda Item No. 7(C)(1)(A)  
12-14-04

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING THE EXTENSION OF A 30 CENT  
PER TRIP TAXICAB FUEL SURCHARGE

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board hereby extends a 30 cent per trip taxicab fuel surcharge. This surcharge extension shall become effective on January 1, 2005 and shall remain in effect until December 31, 2005, or until the effective date of any taxicab meter rate adjustment that may be approved by the Board prior to December 31, 2005, or until the average price of regular unleaded gasoline as reported by the AAA Fuel Gauge Report falls below \$1.75 per gallon for a period of fourteen (14) days, whichever occurs first.

The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	
Dennis C. Moss, Vice-Chairman	
Bruno A. Barreiro	Dr. Barbara Carey-Shuler
Jose "Pepe" Diaz	Carlos A. Gimenez
Sally A. Heyman	Barbara J. Jordan
Dorin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 14<sup>th</sup> day of December, 2004. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

GKS

Gerald K. Sanchez

MIAMI-DADE COUNTY

PUBLIC NOTICE

THE TRANSPORTATION COMMITTEE OF THE BOARD OF COUNTY COMMISSIONERS of Miami-Dade County, Florida will meet on Friday, November 12, 2004 at approximately 2:00 p.m., in the County Commission Chambers, Second Floor, Stephen P. Clark Center, 111 NW First Street, Miami, Florida to consider:

- Resolution approving the extension of a \$ .30 cent per trip taxicab fuel surcharge.

*A person who decided to appeal any decision made by the Transportation Committee of the Board of County Commissioners, with respect to any matter considered at its hearing, will need a record of the proceedings. Such person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.*