C I T Y O F W I N C H E S T E R, V I R G I N I A

CITY COUNCIL AGENDA ITEM

CITY COUNCIL MEETING OF: November 24, 2015

RESOLUTION ___ **ORDINANCE** ✓ **DESCRIPTION/PRESENTATION** ___

ITEM TITLE: An Ordinance to Add Article 31 Section 45 and Amend Section 65 of the Winchester City Code Pertaining to Collection of Taxi Cab Fees

PUBLIC HEARING DATE: December 22, 2015 at 12:00 AM

The initiating Department Director will place below, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

Review:

Kevin Sanzenbacher	Completed	09/18/2015 11:52 AM
Mary Blowe	Completed	11/19/2015 9:35 AM
Anthony Williams	Completed	11/19/2015 2:23 PM
Eden Freeman	Completed	11/19/2015 5:43 PM

Kevin Sanzenbacher
Kevin Sanzenbacher, Chief of Police 9/18/2015

Approved as to form:

By: _____

Winchester office of the city attorney Virginia

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Eden Freeman, City Manager 11/19/2015

CITY COUNCIL ACTION MEMO

To: Honorable Mayor and Members of City Council

From: Kevin Sanzenbacher, Chief of Police

Date: November 24, 2015

Re: An Ordinance to Add Article 31 Section 45 and Amend Section 65 of the Winchester City Code Pertaining to Collection of Taxi Cab Fees

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THE ISSUE: The Winchester Police Department (WPD) is asking the Common Council to change the fee structure for permits to operate taxicabs and allow the City to collect a fee for the application for a Certificate of Public Convenience and Necessity. These permits and the ensuing fee structure are mandated by City ordinance to operate a taxicab and cab company. We feel the costs requested more realistically reflect our cost of administering our approval process for these applications and capture increases we must incur for fingerprinting and state record checks, which are beyond our control. In addition, the wording included will keep us from returning to the Council each time a State agency increase the fees charged to us.

RELATIONSHIP TO STRATEGIC PLAN: **Goal III - Advance the Quality of Life for Winchester Residents**

BACKGROUND: WPD is required, by City Ordinance Chapter 13, to conduct an investigation into the fitness and qualifications of perspective cab drivers and cab companies with each new application. There is also a renewal required every three years for taxi drivers. A request for a new taxi driver permit can take up to 3.5 hours to process. A new Certificate of Public Convenience and Necessity can take over 2 days to process. The cost to process these applications far exceeds the fees collected under the current rate structure ($25 for driver permit $0 for Certificate). These costs include labor to run numerous background checks on applicants and businesses and administrative processing. The State Department of Social Services just raised the fee they collect for child welfare and abuse checks from $7 to $10. This means we now expend the entire current fee of $25 to recover our costs charged by the State ($15 for a Criminal History) and Social Services in order to perform these checks (see attached chart). If these rates go higher we will actually lose money on each transaction without consideration of our labor costs.

In addition, the WPD would like to see an additional fee of $25 imposed for taxi operators who lose their permit and need to have it replaced. We currently do not charge a fee for this service. However, since there are costs associated with reproducing the permit, WPD would like to be able to recover these costs. This is analogous to the manner in which the DMV charges for lost driver's licenses.

Finally, the Commonwealth has just passed legislation allowing TNCs (Transportation

Networking Companies, presently operating as Uber, lyft) to operate within the state. We anticipate this legislation will lead to a significant increase in TNCs operating in the City. The State legislation does not override our local ordinance so any TNC operating here will also be subject to our requirements. The State requirements to operate as a TNC are that the vehicle must display both an identification marker issued by DMV identifying the vehicle as registered for TNC use and trade dress issued by the TNC that clearly identifies the TNC or TNCs with which the vehicle is associated. This will increase our workload and expenses as each TNC vehicle will have to be inspected and the background of each driver will have to be checked.

These fee changes were shared with all the licensed cab companies in the City, via email on July 21, 2015. The Chief also spoke to several owners on the phone and provided them with copies of the proposed ordinance. None have responded with any comments or concerns other than the fact the increased fee for drivers may put a burden on the individual. We believe if this is a burden it should be shared between the applicant and his prospective employer not be borne by the City of Winchester.

BUDGET IMPACT: This will have a positive impact on funds contributed to the General Fund. The additional $25 collected from drivers will have an estimated added value of $2,300. The fees collected for the Certificate of Convenience and Necessity will generate an added $1,000. Not taking action will result in $3 per transaction loss to current revenue.

OPTIONS: Available options include:

1. Maintain the status quo
2. Adopt the ordinance
3. Adopt a modified fee structure

RECOMMENDATIONS: WPD recommends Council adopt the ordinance as drafted.

AN ORDINANCE TO ADD ARTICLE 31 SECTION 45 AND AMEND SECTION 65 OF THE WINCHESTER CITY CODE PERTAINING TO COLLECTION OF TAXI CAB FEES

WHEREAS, Winchester Police Department wishes to improve their service to the community through efficiencies; and

WHEREAS, the current fees charged to license taxicab drivers and cab companies do not cover the cost of processing; and

WHEREAS, fees charged by the Commonwealth may soon outstrip what the City collects; and

WHEREAS, the Winchester Police Department believes they may see an increase in applications as Transportation Networking Companies become more prevalent; and

WHEREAS, the Common Council for the City of Winchester believes that the implementation of such changes will be of benefit to the citizens of the City of Winchester.

NOW therefore be it ORDAINED that Article 31 Section 45 of the Winchester City Code is added and Section 65 is hereby amended as follows:

SECTION 31-45. FEES.

(A) The schedule of fees with reference to Certificate of Public Convenience and Necessity shall be as follows:

For each new application $100.00

For each application for renewal of permit.....$100.00

(b) All fees provided for in this section shall be collected by the Chief of Police, or some member of the police department designated by him, and shall promptly be paid over to the city Treasurer to be placed in the general fund. (Ord. No. 016-2002, 6-11-02)

SECTION 31-65. FEES.

~~(A) The schedule of fees with reference to taxicab drivers' permits shall be as follows:~~

~~For each new application .....$25.00~~

~~For each application for renewal of permit.....$25.00~~

(a) The schedule of fees reference to taxicab drivers' permits shall be

$25.00 processing fee for each new application plus current charges for Central Registry and Release of Information from the Virginia Department of Social Services, and Virginia State Police Criminal History.

For each application for renewal of permit the schedule of fees shall be $25.00 processing fee for each new application plus current charges for Central Registry and Release of

Information from the Virginia Department of Social Services and Virginia State Police Criminal History.

(b) All fees provided for in this section shall be collected by the Chief of Police, or some member of the police department designated by him, and shall promptly be paid over to the city Treasurer to be placed in the general fund. (Ord. No. 016-2002, 6-11-02)

STRIKEOUT -~~REMOVED~~
UNDERLINE- ADDED

NEW TAXI COMPANY FOR CERTIFICATE

Investigation

1. Review application
2. Check Court by Internet - 25 or more depending on area where applicant has worked or resided
3. Check Maryland by Internet
4. Check Driving Status, If Wanted Person, State & National Sex Offender Registry
5. Check Name, Company Name, Address, Phone Number, Maiden Name by Internet
6. Check WPD for Records and Reports
7. Check Domestic Relation Court Charges – Need to go to Court for copies
8. Check Drivers License Status in surrounding States or other States license have been added
9. Check with Zoning & Commissioner of Revenue
10. Check Law Enforcement Exchange
11. Sometimes need to re-contact applicant to get additional information
12. Contact home jurisdiction of company, law enforcement agency or transportation department and issuing agency
13. Follow-up on information located
14. Phone Calls
15. Sometimes necessary to interview witnesses or complainants on company
16. If applicant is not a citizen have to teletype ICE to see if legal to reside and work in US

Time involved estimated from 8 to 16 hours (spent 30 hours on one company)

Estimated Cost $187 to $364 plus Administration cost below.

Issuance

1. Provide application, copy of ordinance
2. Application received; forms notarized and fingerprints taken
3. Obtain copies of drivers license, driving record and immigration card
4. Complete form on-line for Criminal History Request and Notarize
5. Mail out forms and fingerprints
6. After approved by investigator – type temporary permit for Chiefs approval
7. After mailed out forms/fingerprints return (within 60 days) type permanent permit for Chiefs approval

Time involved estimated at 1-1 ½ hours

Estimated Cost $25 plus Administration cost below.

TAXI DRIVER PERMIT

Investigation

1. Review application
2. Check Court by Internet - 25 or more depending on area where applicant has worked or resided
3. Check Maryland by Internet
4. Check Driving Status, If Wanted Person, State & National Sex Offender Registry
5. Check WPD for Records and Reports
6. Check Domestic Relation Court Charges – Need to go to Court for copies
7. Check Drivers License Status in surrounding States or other States license have been added
8. Sometimes need to re-contact applicant to get additional information
9. Follow-up on information located
10. Phone Calls
11. If applicant is not a citizen have to teletype ICE to see if legal to reside and work in US

Time involved estimated from 1-2 hours; if problems could be 8 hours

Estimated Cost $22 to $44 plus Administration cost below.

Administration

1. Provide application
2. Application received; forms notarized and fingerprints taken
3. Obtain copies of drivers license, driving record and immigration card
4. Complete form on-line for Criminal History Request and Notarize
5. Mail out forms and fingerprints
6. After approved by investigator – type temporary permit for Chiefs approval
7. After mailed out forms/fingerprints return (within 60 days) type permanent permit for Chiefs approval

Time involved estimated 1-1 ½ hours

Estimated Costs $20 to $30

Current Fee: $25.00	$15Criminal History
	$10 Money Order – Social Services
	$25
Proposed as of 7/1/15	$10 VA Social Services
	$15 State Police
	$25 Processing
	$50

1. Currently no charge for fingerprints which normally is $10.00.
2. Currently no fee for lost/duplicate permit.
3. Current ordinance requires two photos; however need three, four if duplicate permit
4. Require employee contract and business license

Taxi Fees Other Jurisdictions

	Certificate	Certificate Renewal	Driver application	Driver permit	Permit Renewal	Lost Permit	Other	Other defined
Blacksburg	$ 50			$ 20	$ 10			
Charlottesville				$ 10	$ 5			
Fredericksburg				$ 50	$ 25			
Danville	$ 25			$ 25	$ 10		$ 150	Publication fee
Harrisonburg	$ 100		$ 50	$ 20	$ 20	$ 15	$ 20	Change Company
Manassas				$ 75	$ 75	$ 25	$ 20	
Petersburg			$ 10	$ 10			$ 20	Fingerprinting
Winchester Now	$ -	$ -	$ -	$ 25	$ -			
Winchester Proposed	$ 300	$ 100	$ 25	$ 25	$ 25			

The driver permit and pemit renewal may increase with further increases for record checks.

Winchester Current Fee - ONLY
DRIVER PERMIT

Fingerprints	$ 15
Social Service Check	$ 10
TOTAL	$ 25

Kevin Sanzenbacher

To: pollyscabinc@gmail.com; deylyronald@yahoo.com; rontaxiusa@live.com; compassionatehomecareo1@yahoo.com; ust2013@yahoo.com; leslie.smith@riteride.info; rocktowntransportation@yahoo.com

Subject: Council Action on Taxi Cabs

Attachments: CAM taxi fee.doc; AN ORDINANCE TO ADOPT ARTICLE IV SECTION 31 taxi fees.docx

Per the email I sent you several months ago the proposed ordinance raising the fees for Taxi Operator Permits and the Certificate of Public Convenience and Necessity will be discussed by the Council this Tuesday 10/13/15 at 7:00 PM. I have attached the final draft for your review. You will note that the requested fee for the Certificate has been reduced from the original request to $100 from $300.

Since I did not hear back from any of you following my initial email I am assuming that the requested changes are acceptable. If you have concerns please correspond back to me so I can take them into consideration before we proceed to Council. In addition, you will have an opportunity to address the Council at their regular session on October 27 at 6 PM should the Ordinance proceed that far.

Kevin L. Sanzenbacher

Chief of Police
City of Winchester
540-545-4701

How do I recognize a legitimate TNC driver?

Vehicles with Virginia license plates that are registered for TNC use will have black and yellow year decals displayed on the license plates.

Vehicles without Virginia license plates will have a black and yellow decal on the upper left corner of their rear window.

All vehicles should also have a decal or other trade dress on their vehicle to indicate which TNC they work for.

DMV Will Begin Registering Vehicles for TNC Use in Virginia on June 4
Vehicles of Uber, Lyft Drivers Must Be Registered by July 1 under New Law

RICHMOND - Drivers for Uber and Lyft, called transportation network company (TNC) partners, have until July 1 to register personal vehicles with the Virginia Department of Motor Vehicles (DMV) to continue uninterrupted operation after the state's new TNC law takes effect.

In February, Virginia Governor Terry McAuliffe signed legislation establishing statutory procedures to allow TNCs to permanently operate in Virginia. Requirements include, but are not limited to, TNC screening of drivers, including background checks, ensuring that all TNC drivers are at least 21 years old and properly licensed to drive, and requiring that all TNC vehicles be insured and registered with DMV for TNC use.

DMV has spent the last several months implementing the new legislation, which came as a result of a year-long study involving more than 100 stakeholders. Rasier, a subsidiary of Uber, and Lyft have been operating in Virginia under the terms of a temporary authority since August 6, 2014. Both companies are currently working with DMV to obtain permanent authority under the new law.

DMV will begin registering partner vehicles on June 4. There is no cost to register a partner vehicle. TNC partners are encouraged to check with the TNC for which they operate to determine if it initiates DMV registration on their behalf. If so, the TNC registration credentials will be mailed to the vehicle owner on file with DMV.

For all other TNC partners who plan to operate in Virginia:

- **If the vehicle is titled and registered in Virginia**, a partner can register the vehicle online at dmvNOW.com. To apply by mail, fax or at a Virginia DMV customer service center, the partner should complete form MCS 305A, which is available online or at customer service centers. The partner will receive a TNC registration card and license plate decals which will replace his vehicle's current Virginia registration.
- **If the vehicle is not titled and registered in Virginia**, a partner's application will be processed at DMV headquarters. The partner should obtain form MCS 305B and upload, fax or mail it, along with a copy of his vehicle registration card, to DMV headquarters as noted on the form. The partner may also visit a Virginia DMV customer service center where staff will fax the application to headquarters for processing. Out-of-state TNC partners will receive a Virginia TNC registration card to accompany their home state's registration, as well as a TNC decal to place on the exterior of their vehicle's upper left rear window. Out-of-state applicants must have a valid driver's license in their home state and must obtain a Virginia safety inspection of their vehicle.

Partners must obtain Virginia TNC registration even if their vehicles are registered for TNC use in another state. Once DMV has processed a TNC registration, the vehicle will be allowed to operate on a temporary TNC registration status for 30 days, allowing sufficient time for the TNC registration credentials to be displayed.

Additional information on the new law can be found on DMV's website. As an overview, a TNC partner must:

- Be a licensed driver at least 21 years of age.
- Pass the TNC's driver history and criminal background check, which includes a check of state and federal sex offender registries.
- Drive a personal vehicle, registered for private use.
- Obtain a Virginia safety inspection annually, even if the vehicle is registered in another state.
- Obtain authorization from a licensed transportation network company. A list of licensed companies is available at https://www.dmv.virginia.gov/general/#auth_mc.asp.
- Register the vehicle for TNC use with DMV.
- Display the TNC decal at all times and TNC trade dress when the vehicle is in TNC operation. A partner must also carry his driver's license, TNC registration card, a TNC-issued identification credential and insurance coverage information. A TNC may make the identification credential and insurance information available through the app. The partner's trip sheet/manifest must always be available through the app.
- Never transport passengers unless the ride was requested through the TNC's app. Street hails are not permitted and fare payment can only be made through the app.
- Never drive while under the influence of drugs or alcohol.
- Obey all traffic laws and only use the app in a manner consistent with the law.
- Comply with all applicable laws regarding nondiscrimination against passengers or potential passengers and accommodation of service animals.
- Never operate on airport property unless authorized.
- Notify each TNC he drives for of any event that may disqualify him from service, including a change in his vehicle's registration status; the revocation, cancellation, suspension or restriction of his driver's license; a change in his vehicle's insurance coverage; a moving violation; or a criminal arrest, plea or conviction.
- Carry insurance coverage as specified below. Insurance coverage requirements can be met by a TNC partner's insurance, the TNC's insurance or a combination.
    - When logged onto the app but not transporting or en route to transport a customer: Motor vehicle liability insurance of least $125,000 per person and $250,000 per incident for death and bodily injury and at least $50,000 for property.
    - From the time a partner accepts a ride request to the time the ride is complete: Motor vehicle liability, uninsured and underinsured motorist

coverage of at least $1 million for death, bodily injury and property damage.

Partners who violate the new law could face criminal and civil penalties and a one-year ban from TNC service.