Council Meeting of
January 15, 2008

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Finance - Taxicab Franchise Agreement

RECOMMENDATION

Recommendation of the Finance Director that City Council approve the second and final option year to extend the taxi franchise agreement with the following taxi cab companies:

- All Yellow Taxicab
- Bell Cab
- South Bay Yellow
- United Checker

Funding
General Fund Revenues.

BACKGROUND

On January 27, 2004, your Honorable Body authorized staff to enter into a franchise agreement for a term of three years with two additional one-year renewal options with All Yellow Taxicab, Bell Cab, South Bay Yellow and United Checker companies. The original franchise agreement of three years expired on January 26, 2007. The agreement had two one-year options remaining. On January 23, 2007, your Honorable Body approved the first year renewal and staff is recommending that the second and final option year be approved by your Honorable Body.

On October 28, 2003, your Honorable Body authorized staff to solicit request for proposals (RFP) from interested taxicab companies to operate a taxicab franchise in the City of Torrance. Additionally, your Honorable Body approved a maximum of four taxicab franchises to operate in the City of Torrance at a price of $30,000 annually per franchise with an additional $100 per taxicab. A minimum limit of 40 taxicabs per franchise with a maximum of 120 taxicabs was also approved at the meeting.

As of fiscal year 2007-08, all companies are in compliance with all aspects of the franchise agreement. Staff is not aware of any outstanding complaints or issues from the public. In addition, each of the four companies has a separate agreement to provide service to our

seniors under the Senior Ride Program, which are outside of the conditions of this franchise agreement.

Respectfully submitted,

Eric Tsao
Finance Director

By: _____
Kenneth Flewellyn
Assistant Finance Director

CONCUR:

_____
Eric Tsao
Finance Director

_____
for LeRoy J. Jackson
City Manager

City Manager's Note:
The Taxi franchise agreements in their entirety are available for review in the Finance Department