

AN ORDINANCE TO AMEND TITLE 6, CHAPTER 6-80, ARTICLE 7, SECTION 6-80-50 OF THE CODE OF ORDINANCES TO ESTABLISH A TEMPORARY FUEL SURCHARGE FOR THE TAXICAB INDUSTRY

WHEREAS, according to information reported by the American Automobile Association ("AAA"), as currently found at www.fuelgaugereport.com, fuel and oil prices in the city of Memphis have increased thirty-seven percent (37%) since October 2006, and have further increased twenty-six percent (26%) since February 2008; and

WHEREAS, the price of fuel has not decreased nationwide since February 2008; and

WHEREAS, the City of Memphis recognizes that the increase in the price of fuel, in turn, increases the operating costs of taxicab companies and taxicab operators; and

WHEREAS, the resulting increase in operating costs may force some taxicab companies and drivers to leave the vehicle for hire industry and/or reduce the level of service provided to citizens, visitors and tourists of Memphis; and

WHEREAS, the City is cognizant of the needs of the citizens, visitors and tourists to have taxicab service readily available in the city; and

WHEREAS, the City of Memphis establishes the permissible rates and fares to be charged by taxicab companies licensed to do business within the city; and

WHEREAS, fuel costs have increased by nearly two dollars (\$2.00) per gallon since the last approved rate increase for the taxicab industry; and

WHEREAS, licensed taxicab companies have approached the City's Permits Office and requested a meeting on the need for a taxicab rate increase and/or a fuel surcharge; and

WHEREAS, On June 19, 2008, a meeting was convened and recorded at the City of Memphis Permits Office, wherein it was determined that there exists a need for a fuel surcharge with established conditions varying with the cost of fuel.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Memphis that Title 6, Chapter 6-80, Article 7, Section 6-80-50 is hereby amended to establish a two-dollar (\$2.00) fuel surcharge per trip to be added to all taxicab rates and fares and shall read as follows:

7. A two-dollar (\$2.00) fuel surcharge per trip is to be added to all taxicab rates and fares and shall remain at two dollars unless one of the following two conditions exists, as currently reported at www.fuelgaugereport.com:

- a. The fuel surcharge shall increase to three dollars (\$3.00) when the average price of unleaded regular gasoline in the City of Memphis reaches or exceeds five dollars (\$5.00) per gallon for a minimum period of ninety (90) consecutive days; or

- b. The fuel surcharge shall decrease to one dollar (\$1.00) when the average price of unleaded regular gasoline in the City of Memphis reaches or remains below three dollars (\$3.00) per gallon for a minimum period of ninety (90) consecutive days.

BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS that this Ordinance shall take effect from and after the date it shall have been approved by the Council, signed by the Chairman of the Council, certified and delivered to the Office of Mayor in writing by the Comptroller.

BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS that this Ordinance, upon approval, shall remain in effect until January 1, 2010.

Scott McCormick
Council Chairman

Attest:

Patrice Thomas, Comptroller