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City Manager's Office

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: William F. Sherry, A.A.E.

SUBJECT: Airport On-Demand Ground
Transportation Dispatch System

DATE: March 29, 2012

Approved

Date

3/29/12

INFORMATION

In September 2011, Airport staff began a review of the current Airport On-Demand Ground Transportation Dispatch System, which includes taxi and door-to-door shuttle services at the Airport. Staff held stakeholder meetings and accepted written comments, reviewed input and assessed the ability to conduct a Request for Proposal process for these services as the agreement with Taxi San Jose, the current contractor, expires on September 30, 2012.

Staff determined that the basic model for the dispatch services does not need to change, that the goals of the Taxi Services Model approved by Council in 2004, are still valid and with minor administrative changes the current agreement framework can provide improved efficiencies for the Airport, the contractor and the industries involved.

Due to current Airport staffing and budget constraints, the Airport has determined the best option to maintain service levels and to improve the efficiencies of the dispatch system operation will be to negotiate with Taxi San Jose regarding the administrative changes desired and to extend their services beyond the current term for a minimum of two years.

While staff recognizes that there are parties within the industries who would rather see another operator or the system changed in major ways, with the limited resources we are currently facing staff feels that the benefits of maintaining the current framework and operator will provide better consistency of service, both to the public and to the operators within the system. Successful incorporation of the minor administrative changes may also improve efficiencies that may result in reduced waiting times for drivers and improved cost structures for permit holders.

Staff will begin discussions with Taxi San Jose in the next two weeks and will bring the contract to extend their services to Council for approval prior to the September expiration date.

/s/ Kimberly B. Aguirre for
William F. Sherry, A.A.E.
Director of Aviation

For questions please contact Bob Lockhart (392-3514) or Kathy Hausler (392-3515).