

Recommendation Paper For The
Business Administration Committee
Adoption of Amendments to Metropolitan
Washington Airports Regulations
Regarding
Ground Transportation

April 2014

Purpose

Staff requests the Business Administration Committee approve and recommend to the Board of Directors that it adopt amendments to the Airports Authority Regulations pertaining to taxicab operations at Reagan National, off-Airport rental car permit fees and Hotel Courtesy Shuttle Fees at both Airports.

Background

- On November 13, 2013 the Business Administration Committee authorized staff to give notice that the Airports Authority was considering amending the Metropolitan Washington Airports Regulations, and to hold public hearings and receive comments.
- Notice was published in the *Washington Post* on December 19, 2013 and January 5, 2014, and on the Airport Authority's website December 13, 2013 through January 25, 2014.
- Hearings were held at Washington Dulles International Airport on January 7, 2014, and at Reagan National on January 9, and 22, 2014. Subsequent business meetings were held with industry stakeholders on March 18 and 25, 2014.

Taxicab Operations at Reagan National

Original Proposal:

- Require taxicabs serving Reagan National to accept credit cards as a form of payment.
- Increase Reagan National Taxicab Dispatch fee from \$2.50 per trip to \$3.00 per trip.
- Increase annual Reagan National Airport Taxi Operator's Permit Fee from \$40 to \$100.

Taxicab Operations at Reagan National Public Hearings

Staff shared with the participants that Commercial Ground Transportation operators doing business at Reagan National need to pay their proportional share of the cost for use of the Airports facilities:

- Annual Airport Revenue Received from taxicab operations - \$4.8M
- Airport annual Ground Transportation infrastructure and support expenses attributable to taxicab operations – \$5.9M

Feedback

- Feedback received was generally supportive of the proposed credit card requirement as a payment option.
- Some concern was expressed that a dispatch fee increase passed to customer would reduce tip revenue to driver.
- Greatest level of concern was expressed for proposed increase in airport taxi operator permit fee.

Taxicab Operations at Reagan National Revised Recommendation

As a result of the public hearings one of the original proposals is revised as follows:

- Increase the term of the Airport Taxi Operator's permit at Reagan National from one year to two years and increase permit fee from \$40 to \$100 for term of permit; effective January 1, 2015.

Off-Site Rental Cars

Original Proposal:

- Eliminate the Off-Airport Rental Car Permit Fee payment option of four percent at both airports, and increase the fee to eight percent of annual gross receipts that exceed \$300,000 at both airports.
- No comments were received at the public hearings.

Hotel Courtesy Shuttles

Original Proposal:

Require hotel courtesy shuttle vehicles at both Airports to pay a trip fee for each stop at the commercial curb (eliminate free access).

Hotel Courtesy Shuttles Public Hearings

Staff shared with the participants that Commercial Ground Transportation operators doing business at the Airports need to pay their proportional share of the cost for use of the Airports facilities:

- Annual Airport Revenue Received from hotel vehicles – DCA \$120K, IAD \$81K
- Airport annual Ground Transportation infrastructure and support expenses attributable to hotel vehicles – DCA \$959K, IAD \$1.2M

Feedback:

- Opposed to change in eliminating 300 free trips per vehicle.
- Hotel budgets had been completed for 2014.
- The hotels cannot discontinue complimentary service to avoid the fee increase.

Hotel Courtesy Shuttles

- Per trip fees are common at most U.S. Airports.
- At those airports that do not charge per-trip fees, significant annual permit fees are sometimes charged.

Hotel Shuttle Access Fees Comparison

Airport	Annual Fee per vehicle	Per-Trip Fee
JFK, EWR, LGA	\$2000 / MONTH	N/A
Minneapolis	\$60 / fleet	\$2.73
Orlando	None	\$2.40
DFW	\$500, plus \$10 decal fee	\$2.00
DCA	\$500 < 16 pax, \$750 > 16 pax	Proposed: \$1 per trip
IAD	\$500 < 16 pax, \$750 > 16 pax	Proposed: \$1 per trip

Hotel Courtesy Shuttles Revised Recommendation

As a result of the public hearings the original proposal is revised as follows:

- Effective date of fee increase changed from calendar year 2014 to January 1, 2015 to provide operators time to incorporate in their budget.

Recommendation

Staff requests that the Business Administration Committee approve and recommend to the Board of Directors the adoption of amendments to the Airports Authority Code of Regulations as follows:

- Require taxicab drivers operating in the taxicab dispatch system at Reagan National to operate a taxicab that is equipped with electronic credit card processing equipment and to accept credit cards in payment of taxicab fares effective September 1, 2014.
- Increase the dispatch fee for taxicab drivers operating in the taxicab dispatch system at Reagan National from \$2.50 to \$3.00 effective September 1, 2014.

Recommendation (cont.)

- Increase the term of the Airport Taxi Operator's permit at Reagan National from one year to two years and increase permit fee from \$40 to \$100 for term of permit; effective January 1, 2015.
- Standardize the off-airport rental car business terms for both Airports to be eight percent of gross annual receipts that exceed \$300,000; effective January 1, 2015.
- Eliminate the 300 free trips granted each hotel shuttle at each Airport and charge \$1 each trip; effective January 1, 2015.



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY

REPORT TO THE BUSINESS ADMINISTRATION COMMITTEE

ADOPTION OF AMENDMENTS

TO

METROPOLITAN WASHINGTON AIRPORTS REGULATIONS REGARDING GROUND TRANSPORTATION

APRIL 2014

PURPOSE

Staff requests that the Business Administration Committee recommend to the Board that it adopt the following amendments to the Metropolitan Washington Airports Regulations:

- A. § 5.6 to require taxicab drivers operating in the taxicab dispatch system at Ronald Reagan Washington National Airport (Reagan National) to accept credit cards in payment of taxicab fares, and to increase the dispatch fee from \$2.50 to \$3.00 each time a driver picks up a passenger or group;
- B. § 5.7 to increase the fee for a Reagan National Taxi Operator's Permit fee from \$40.00 annually to \$100.00;
- C. § 5.9 to extend the term of a Reagan National Taxi Operator's Permit to a maximum of two years;
- D. § 6.4 to amend the percentage fee for those conducting the business of renting cars from off-site locations so that the fee is consistent at both Airports; and
- E. § 6.6 to reduce the number of free trips each hotel shuttle vehicle receives from 300 per month to 0 per month.

The proposed effective date of the acceptance of credit cards as a form of payment by taxicab drivers at Reagan National and an increase in the taxicab dispatch fee at Reagan National is September 1, 2014. The proposed effective date to increase the

Taxi Operator's fee at Reagan National; to increase the term of the Airport Taxi Operator's Permit at Reagan National; to standardize the off-airport rental car business terms for both Airports; and to eliminate the 300 free hotel shuttle trips at each Airport is January 1, 2015.

BACKGROUND

On November 13, 2013, the Business Administration Committee authorized staff to give notice that the Airports Authority was considering amending the Metropolitan Washington Airports Regulations, and to hold public hearings, and to receive comments.

Notice that the Airports Authority was considering amending these regulations and the dates, times, and locations of public hearings was published in the *Washington Post* on December 19, 2013 (more than ten days before the public hearings) and again on January 5, 2014, and on the Airports Authority's website December 13, 2013 through January 25, 2014. Hearings were held at Washington Dulles International Airport (Dulles International) on January 7, 2014, and at Reagan National on January 9, and 22, 2014. Subsequent business meetings were held with industry stakeholders on March 18 and 25, 2014. There were seven speakers at the January 7 hearing, most of whom commented on the proposed amendments to hotel shuttle regulations; 19 speakers at the January 9 hearing, most of whom spoke on the amendments affecting taxicab drivers at Reagan National; and seven speakers at the January 22 hearing, all commenting on the proposed taxicab amendments. In addition, 16 comments were sent by regular mail and electronically. Those commenting included individual hoteliers and individual taxicab drivers; Ronald Linton, Chairman of the D.C. Taxicab Commission; Richard DeiTos, Executive Director of the Metropolitan Washington Airlines Committee (MWAC); Barry Biggar of Visit Fairfax and the Northern Virginia Destination Marketing Organizations; Joyce Woodson, former Councilwoman for the City of Alexandria; Mark Carrier, President, B.F. Saul Company Hospitality Group; and Greg J. Miller, President, PM Hospitality Strategies, representing the Hotel Transportation Coalition.

TAXICAB OPERATIONS AT REAGAN NATIONAL

Original Proposal:

- Require taxicab drivers operating in the taxicab dispatch system at Reagan National to operate a taxicab that is equipped with electronic

credit card processing equipment, to accept credit cards in payment of taxicab fares

- Increase the dispatch fee from \$2.50 to \$3.00 each time a driver picks up a passenger or group
- Increase the annual fee for a Reagan National Taxi Operator's Permit fee from \$40.00 to \$100.00

At the public hearings, Mr. DeiTos spoke generally to the Airports Authority's need for revenue, pointing out that the Airports must be self-sustaining and are not subsidized by federal, state, or local funds. Two thirds of the Airports Authority's operating revenues come from the airlines. Mr. DeiTos stated that it is only fair that those who benefit economically from the airports should help pay to operate them. Additionally staff shared with the participants that Commercial Ground Transportation operators doing business at Reagan National need to pay their proportional share of the cost for use of the Airport facilities.

Those commenting on the proposed amendments to the Reagan National taxicab regulations (Sections 5.6 and 5.7) generally opposed the additional permit fee expense being proposed for taxicab drivers and asked the Airports Authority to state specifically how the added revenue would be spent. Mr. Linton did not support or oppose the proposed changes, but did point out that by raising the dispatch fee, the Airports Authority would be adding to the expense of a taxicab trip from Reagan National. This would put taxicabs dispatched by the Airports Authority at a competitive disadvantage with regard to other vehicles electronically dispatched through smart phone transportation applications. Taxicab drivers raised a number of operating issues unrelated to the proposed amendments that staff addressed separately with the drivers to their satisfaction.

Staff has organized the other comments received with regard to taxicabs at Reagan National by proposed amendment as follows:

REQUIREMENT FOR CREDIT CARD PAYMENT METHOD

- The Airports Authority received few comments to this proposal to require taxicabs at Reagan National to accept credit cards in payment of fares;
- Nearly everyone supported the proposed amendment, although one qualified his support by saying that drivers should be able to use their smart phones (e.g., Square swipe) for credit card transactions;
- One comment was received that taxicab drivers would have to absorb the expense of the fees credit card companies charge; and

- Several people asked that drivers be allowed to use their credit cards to pay the fees they owe to the Airports Authority. The capability to process payments for fees from the drivers using credit cards will be available May 1, 2014.

INCREASED DISPATCH FEE

- The increased cost of the trip would probably reduce tips;
- Passengers' concern and interest in the initial drop charge that appears on the meter before the cab pulls away from the curb (approximately \$6 to \$7 without luggage or extra passenger fees) would increase; and
- Added expense to taxicab fares makes it more difficult for taxicabs to compete with transportation digital applications.

INCREASED PERMIT FEE EXPENSE

- An increase of 150% was too much and should be phased in over a period of time;
- It was noted D.C. drivers have had many expenses imposed on them recently by the D.C. taxicab improvement program, so an increase in the permit fee is especially burdensome right now; and
- Several drivers asked that the permit term be increased from one year to two years for convenience.

In 2013, the fees received from taxicab dispatch operations were \$4.8 million. Approximately 28.4 percent or \$5.9 million of the Reagan National annual ground transportation infrastructure and support expenses are attributable to taxicab operations as their share of the expenses for use of the facilities. Increasing the dispatch fee from \$2.50 to \$3.00 will increase the Airports Authority's net revenues by \$800,000.

After considering comments received, staff recommends increasing the taxi permit term from one to two years and the permit fee to \$100, which would represent a 25% increase; therefore the original proposal is revised as follows:

- Increase the term of the Airport Taxi Operator's permit at Reagan National from one year to two years and increase the permit fee from \$40 to \$100 for term of permit; effective January 1, 2015.

OFF-SITE RENTAL CAR FEE

Original Proposal:

- Amend the percentage fee for those conducting the business of renting cars from off-site locations so that the fee is consistent at both Airports.

There were no comments on the proposal to amend Section 6.4. Staff proposes to standardize the percentage fee that off-site rental car companies pay, as published in the notice.

HOTEL COURTESY SHUTTLE PERMIT FEES

Original Proposal:

Reduce the number of free trips each hotel shuttle vehicle receives from 300 per month to 0 per month.

At the public hearing, the Hotel Transportation Coalition (established in 2009) summarized and represented the views/comments of hotel owners, operators, and brand companies that serve Dulles International and Reagan National. Barry Biggar, Visit Fairfax and Northern Virginia Destination Marketing Organizations, joined the Coalition representatives in opposing the proposal. The City of Alexandria urged a more cooperative process and thoughtful discussion, recognizing the challenges hotels are facing due to the federal sequestration and contraction in government spending.

Seven main points comprised the industry's opposition:

1. Providing shuttle service is very expensive to hotels and market pressure does not allow them to increase room rates to include these costs in charges to hotel guests. A sudden increase of \$300 per month for each vehicle is a substantial burden (Many hotels have more than one shuttle).
2. In the last year, hotels in northern Virginia have seen a large increase in the taxes they pay to support regional transportation infrastructure. The hotel industry was singled out to raise revenue for regional transportation needs including:
 - A regional tax on hotel revenue of two percent;
 - Sales tax on all hotel revenue was increased by one full percentage point;

- Phase 2 Metrorail Taxing District increased the real estate tax rate of many hotels located in the Dulles Corridor; and
 - Hotels in Tysons Corner are in the Phase 1 Metrorail Taxing District and were already paying supplemental real estate tax. Similarly, hotels along Route 28 are in the Route 28 Taxing District and were already paying extra real estate tax to finance the widening of Route 28.
3. Hotel brands require hotels to offer complimentary shuttle service, so the hotels cannot avoid the fee increase by discontinuing the service.
 4. The hotel industry in this area has been under tremendous economic pressure since 2008, first from the downturn in the national economy and more recently from the federal sequestration and cuts in government travel and other spending.
 5. Since 2008, gross revenue is down 22% and hotels have cut their payrolls 10% -- and the decline continues. In the first two months of 2014, the average decline in hotel performance in Loudoun County was 17%, in Fairfax, 9.5%, and in Arlington, over 12%.
 6. The Hotel Advisory Committee set up in 2009 to collaborate with the Airports Authority on issues affecting the industry did not hear about this proposed fee increase until just before the Airports Authority formally published notice and it was not consulted in drafting the proposal. Furthermore, by the time hotels heard about the proposed increase, they had already completed their budgets for 2014.
 7. The hotels also said that Baltimore Washington International Airport had eliminated its \$300 hotel shuttle registration fee.

In 2013, the fees from Hotel Courtesy Shuttles were \$120,000 at Reagan National and \$81,000 at Dulles International. Annual ground transportation infrastructure and support expenses were 4.6 percent or \$959K and 3.9 percent or \$1.2 million, respectively. An analysis with peer airports performed by staff, (Attachment A), illustrates the Airports Authority's proposal of reducing the number of free trips each hotel shuttle vehicle receives from 300 per month to 0 per month, and charging \$1 per trip fee is consistent with the industry. This reduction in free trips will generate approximately \$300,000 in additional revenue from combined

operations at both Airports. This revised structure will more appropriately recover commercial curb and roadway costs and also minimize congestion at the curbs.

As a result of the public hearings, the original proposal is revised as follows:

- Effective date of fee increase changed from calendar year 2014 to January 1, 2015 to provide operators time to incorporate in their budget.

RECOMMENDATION

Staff requests the Business Administration Committee approve and recommend that the Board amend the Metropolitan Washington Airports Authority Regulations as shown in Attachment B: 1) to require taxicab drivers operating in the taxicab dispatch system at Reagan National to operate a taxicab that is equipped with electronic credit card processing equipment and to accept credit cards in payment of taxicab fares effective September 1, 2014; 2) to increase the dispatch fee for taxicab drivers operating in the taxicab dispatch system at Reagan National from \$2.50 to \$3.00 effective Sept 1, 2014; 3) to increase the Taxi Operator's Permit fee at Reagan National from \$40 to \$100 effective January 1, 2015; 4) to increase the term of the Airport Taxi Operator's permit at Reagan National from one year to two years effective January 1, 2015; 5) to standardize the off-airport rental car business terms for both Airports to be eight percent of gross annual receipts that exceed \$300,000 effective January 1, 2015; and 6) to eliminate the 300 free trips granted each hotel shuttle at each Airport effective January 1, 2015.

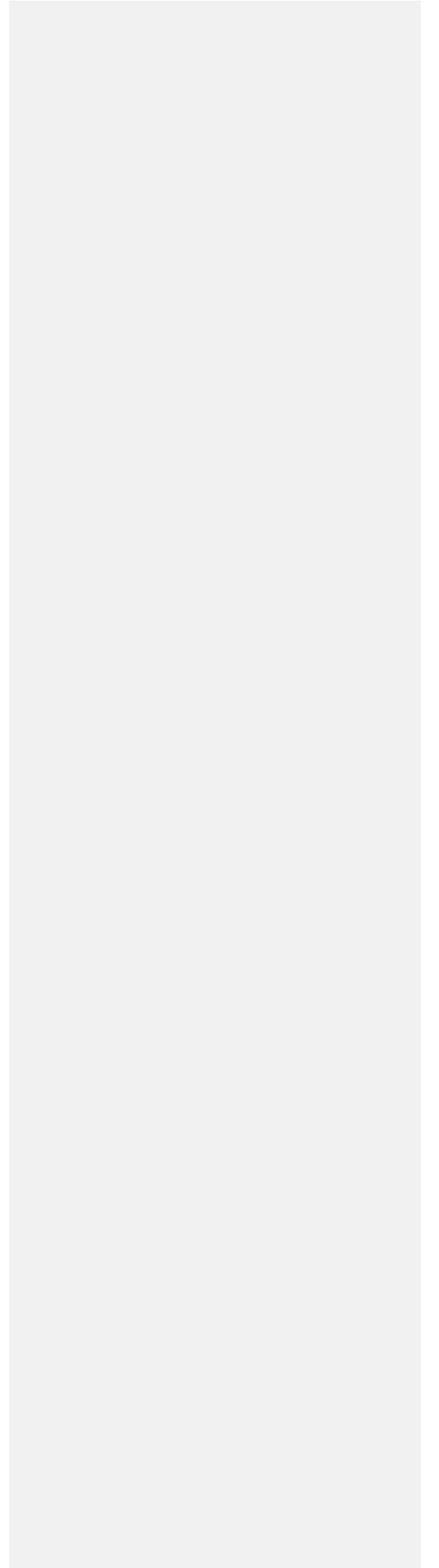
Prepared by:

Business Administration Departments of
Ronald Reagan Washington National
Airport and
Washington Dulles International Airport and
Office of General Counsel

Attachment A

Hotel Shuttle Access Fees Comparison		
Airport	Annual Fee per vehicle	Per-Trip Fee
JFK, EWR, LGA	\$2000 / MONTH	N/A
Minneapolis	\$60 / fleet	\$2.73
San Francisco	\$55	Clean Vehicle Policy: from \$8 to \$.95
Detroit	\$780 / MONTH	N/A
Atlanta	\$360	\$10 x (number of rooms)
Los Angeles	\$150	Up to \$3.85
Orlando	None	\$2.40
Portland	\$1,000 Security Deposit, \$200 permit fee, \$100 vehicle fee	\$2.00
Dallas Ft. Worth	\$500, plus \$10 decal fee	\$2.00
Toronto	\$2,500	\$0.31 < 12 seats, \$0.41 12-18 seats, \$0.56 19-24 seats
Seattle	None	\$2.06
Miami	None	\$1 for up to 16 pax, \$2 > 16 pax
Las Vegas	\$50	starting at \$2.00
DCA	\$500 < 16 pax, \$750 > 16 pax	<i>Proposed: \$1 per trip</i>
San Diego	\$1,610	None
Tampa	\$550	None
Baltimore	\$100	None
Ft. Lauderdale	\$50	None
IAD	\$500 < 16 pax, \$750 > 16 pax	<i>Proposed: \$1 per trip</i>

ATTACHMENT B



**Proposed Amendments to Regulatory Provisions in
Part 5 (Taxicabs), Chapter I (Taxicabs at National)**

§ 5.6. Operating Conditions for the Taxicab Dispatch System.

In addition to the requirements of Section 5.4, no person shall operate a taxicab in National's taxicab dispatch system unless he is at that time in compliance with each of the following conditions:

- (1) The driver must have a current, valid Airport Taxi Operator's Permit issued to him by the Airport Manager. This Permit must be kept in the driver's possession at all times that he is operating a taxicab at the airport and prominently displayed according to the Airport Manager's directions while the taxicab is on the airport.
- (2) The driver must display in the taxicab in a place conspicuous to passengers his local license to operate a taxicab (the so-called "face card"), and a schedule of the rates issued by the Washington Metropolitan Area Transit Commission and the jurisdiction that has licensed or certificated his taxicab.
- (3) The driver must, upon the request of an Authority police officer, a taxicab dispatcher, or the taxicab official, surrender for inspection the Permit required by paragraph (1) of this section. The driver must permit the Authority police, the taxicab dispatcher, and the taxicab official to inspect his taxicab to determine if he is displaying the license and rate schedule required by paragraph (2) of this section.
- (4) The driver must wear a shirt with a collar, long pants or a skirt, and shoes (not sandals) and socks or stockings.
- (5) The driver must operate a taxicab that is clean and maintained in good repair including, by way of illustration and not limitation, the tires, headlights, brake lights, turn signals, windshield wipers, brakes, window glass, doors, fenders, paint, passenger compartment, trunk, seat belts, and upholstery. ~~The driver must permit the Authority police and the taxicab official to inspect his taxicab to determine if the vehicle meets these standards and the driver shall not operate a vehicle in the dispatch system if it has failed an inspection and the condition causing it to fail has not been corrected.~~
- (6) The driver must operate a taxicab that is not more than eight years old based on the taxicab's model year; i.e., the difference between the taxicab's model year and the current calendar year is not greater than eight.
- (7) The driver must operate a taxicab which is equipped with air conditioning which is in good repair. The driver shall turn on the air conditioning when the outside temperature exceeds 80 degrees Fahrenheit and he ~~or she~~ is directed to do so by the dispatcher. Notwithstanding the foregoing, the driver shall comply in all

circumstances with the request of a passenger to turn on or turn off the air conditioning.

- (8) The driver must not smoke in the taxicab when passengers are present. If the driver wishes passengers not to smoke, he must post a "No Smoking" sign readily visible to passengers in the taxicab.
- (9) The driver must obey all directions and signals of the taxicab dispatcher regarding the orderly flow of traffic and the accommodation of passengers.
- (10) The driver must accept any orderly passenger and convey any passenger where directed upon dispatch by the taxicab dispatcher.
- (11) The driver must transport only those persons assigned to him by the taxicab dispatcher.
- (12) The driver must not act in a discourteous manner towards passengers or persons seeking transportation.
- (13) The driver must give a receipt showing the driver's name, name of the taxicab company (if any), the taxicab number, the time and place of origin and destination of each trip, and the amount of the fare on an authorized form when requested to do so by a passenger.
- (14) The driver must not breach the peace on the Airport. The driver must not impede the operation of the dispatch system, other airport operations, or the flow of traffic to and from the Airport.
- (15) The driver must remain within five feet of his taxicab at all times except while it is in the taxicab holding structure or when it is legally parked.
- (16) The driver must not give or offer to give any money or anything of monetary value to a taxicab dispatcher.
- (17) The driver shall pay a dispatch fee of ~~two dollars and fifty cents~~ three dollars (\$~~2.50~~3.00) each time he picks up a passenger or group.
- (18) The driver must maintain in his taxicab electronic credit card processing equipment that enables passengers to use credit cards to pay taxicab fares.
- (19) The driver must accept major credit cards as payment for taxicab fares.
- (20) The driver must permit the Authority police or the taxicab official to inspect his taxicab to determine whether the vehicle meets the standards set forth in this section. The driver shall not operate a vehicle in the dispatch system that has failed

such an inspection until an Authority police officer or the taxicab official has determined that the condition causing the vehicle to fail has been corrected.

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§ 5.7. Airport Taxi Operator's Permit.

The Airport Manager shall issue an Airport Taxi Operator's Permit to each person whom he finds to be of good, moral character and who:

- (1) completes and submits an application to the Airport Manager in a form approved by the Airport Manager for that purpose;
- (2) is currently licensed to operate a taxicab by one or more of the following: Montgomery County, Prince Georges County, Maryland; the District of Columbia; City of Alexandria, City of Falls Church, Arlington County, Fairfax County, Virginia;
- (3) presents an official copy of his current driving record from the jurisdiction by which he is licensed and of his criminal record if any (the Airport Manager may require applicants to submit a complete set of legible fingerprints in order to request a criminal background record check from the Federal Bureau of Investigation);
- (4) is in compliance with all the licensing jurisdiction's regulations including, by way of illustration and not limitation, the minimum insurance requirement for the taxicab he is operating;
- (5) has more than six months driving experience in the Washington, D.C., metropolitan area (the Airport Manager may require applicants to demonstrate a working knowledge of the metropolitan area by means of an examination);
- (6) is at least twenty-one years of age;
- (7) is not currently subject to an unexpired order of suspension or revocation of a previously issued Airport Taxi Operator's Permit; and
- (8) pays an annual permit fee of ~~\$40.00~~100.00.

§ 5.9. Terms and Conditions.

- (1) ~~The term of An~~ Airport Taxi Operator's Permit shall ~~expire every other year on be valid for a period of no more than 12 months, except that the initial permits will be valid until the last day of the month of the Permit holder's birthday in 1995.~~
- (2) The Permit remains the property of the Authority, and its use by the taxicab driver is subject to the following requirements:
 - (a) The Permit is issued for the exclusive use of the named driver and shall not be made available by him for the use of any other person.

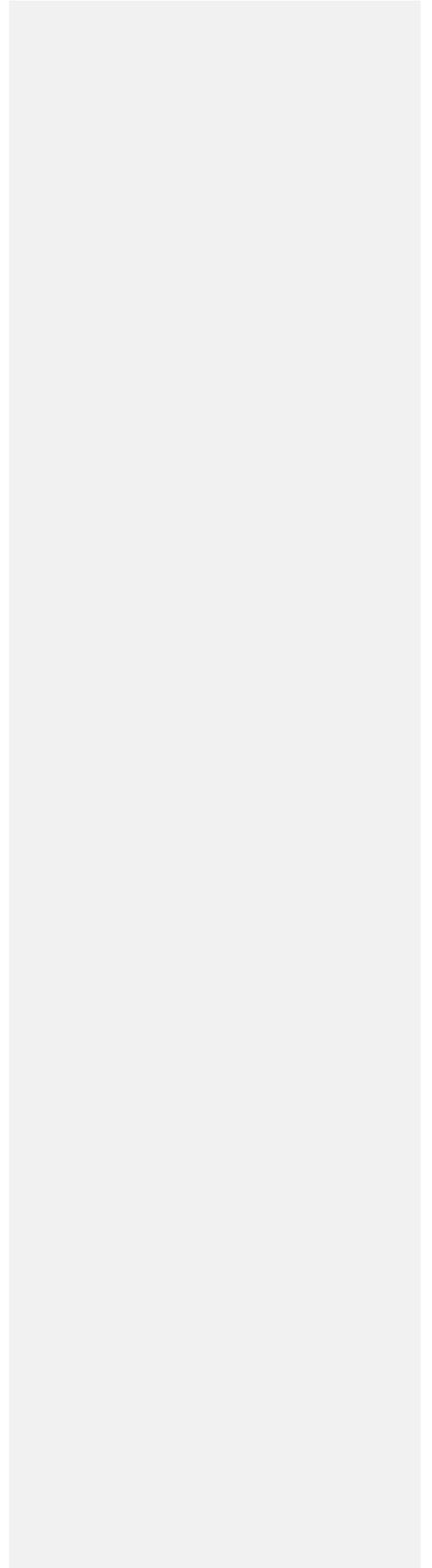
(b) The Permit shall not be altered or defaced in any way after it is issued to the named driver.

(c) The Permit shall be invalid and may not be used after the expiration date shown on the Permit.

(d) The Permit shall be returned to the Authority immediately upon an order of suspension or revocation of the Permit by the Airport Manager.

(e) The Permit holder shall notify the taxicab official within seventy-two (72) hours of being convicted of committing a felony; any sex offense; soliciting for prostitution; crime involving alcohol, marijuana, any drugs classified as controlled substances; or a moving vehicle violation.

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**Proposed Amendments to Regulatory Provisions in
Part 6 (Commercial Activity)**

§ 6.2. Rental Car Business; Contract or Permit Required.

No person shall conduct the business of renting cars on either Airport unless he has first obtained a permit under Section 6.4 or entered a contract from the Authority authorizing the conduct of such business on that Airport. "Conducting the business of renting cars on either Airport" includes, but is not limited to, picking up or discharging-transporting a customer or a potential customer between an Airport and a rental car facility located off the Airport and picking up from or delivering to an Airport a rental car that is stored in a rental car facility located off the Airport.

§ 6.3. Parking Lots; Contract or Permit Required.

No person shall conduct the business of operating a parking lot on either Airport unless he has first obtained a permit under Section 6.4 or entered a contract from the Authority authorizing the conduct of such business on that Airport. "Conducting the business of operating a parking lot on either Airport" includes picking up or discharging-transporting a customer or potential customer between an Airport and a parking facility located off the Airport.

§ 6.4. Permit.

- (1) The President shall set the requirements for obtaining and retaining a permit, except as provided in Subsection (2) below. The permit terms shall include:
 - (a) the minimum insurance coverage considering the risk of conducting the business, including operating shuttle busses, industry practice, and insurance requirements imposed on other businesses at the Airports;
 - (b) the dates on which payments of the fee are due;
 - (c) the term of permit; and
 - (d) such other reasonable requirements as the President deems necessary to protect airport users and Authority revenue and foster efficient administration of the permit requirements.
- (2) The fee for the permit shall be:
 - (a) for those conducting the business of renting cars on Dulles either Airport, \$100.00 per year plus four-eight percent (4%)(8%) of the annual gross receipts derived from conducting the business on Dulles the Airport that to the extent the gross receipts exceed \$300,000.00; and

~~(b) for those conducting the business of renting cars on National and picking up and discharging customers at a collection point to which they have been or from which they will be bussed by the Authority, \$100.00 per year plus four percent (4%) of annual gross receipts derived from conducting business on National to the extent the gross receipts exceed \$300,000.00;~~

~~(c) for those conducting the business of renting cars on National and picking up and discharging customers by means of a common shuttle bus from locations designated by the Airport Manager at the terminals, eight percent (8%) of annual gross receipts derived from conducting business on National; and~~

~~(d)~~(b) for those conducting the business of operating a parking lot on ~~the either~~ Airport, \$100.00 per year plus ten percent (10%) of ~~the~~ annual gross receipts derived from conducting ~~the~~ business on the Airport ~~that to the extent the gross receipts exceed \$30,000.00.~~

- (3) For ease of accounting, the Authority will assume that ninety-five percent of the gross receipts of rental car companies and parking lot operators conducting business on the Airport without a contract with the Authority is derived from the Airport unless the permit holder proves through auditable, financial data that a lesser percentage of its gross receipts was in fact derived from the Airport.

§ 6.6 Hotel Shuttles; Permit or Contract Required.

- (1) No person shall engage in the commercial activity of providing hotel shuttle service at the Airports unless the person has first obtained a permit from or entered a contract with the Authority. The provision of hotel shuttle service at the Airports shall mean the transporting in a motor vehicle, and the picking up and discharging, of guests or potential guests within an Airport, as part of the carrying of such guests between an Airport terminal and a hotel or other business that provides lodging for compensation; provided that, for purposes of this subsection, guests shall not include airline crew members.
- (2) When the commercial activity of providing hotel shuttle service is authorized by permit:
- (a) the permittee shall not use any vehicle in the provision of such service unless it is specifically identified in the permit;
 - (b) the driver of each vehicle identified in the permit shall comply with the provisions of Section 4.5 of these Regulations, which addresses the location at the Airports where vehicles providing hotel shuttle service must pick up and discharge passengers;

- (c) the permittee shall comply with requirements established by the Airport Manager to facilitate the computation of the per trip fee established by this subsection;
- (d) the permittee shall, for each vehicle identified in the permit, carry the minimum insurance coverage set by the President who, in setting the minimum coverage, shall consider the risk of operating shuttle vehicles, industry practice, and insurance requirements imposed on other businesses at the Airports;
- (e) the permittee shall pay an annual fee, due on or before January 31 of each year, for each vehicle identified in the permit according to the following schedule:

Vehicles with a seating capacity, including the driver, of	Annual fee
1-16	\$500
More than 16	\$750

- (f) the permittee shall pay a fee of one dollar (\$1.00) for each occasion ~~over 300 in any month~~ that a vehicle identified in the permit enters the vehicle lane designated by the Airport Manager for hotel shuttles to pick up passengers;
 - (g) in addition to the fees imposed by Subsections (e) and (f), the permittee shall pay a dwell fee of one dollar (\$1.00) for each ten minute period of time (or portion thereof) beyond the first ten minutes that a vehicle identified in the permit remains in the vehicle lane designated by the Airport Manager for hotel shuttles to pick up passengers; and
 - (h) provided, however, that permitted vehicles that use fuel other than solely gasoline or diesel and are eligible for clean, special fuel license plates according to the standards of the Virginia Department of Motor Vehicles shall only be obliged to pay one half of the annual fee imposed by Subsection (e) and one half the per trip fee imposed by Subsection (f).
- (3) The failure by a permittee to comply with any provision of Subsection (2) shall be grounds to revoke the permit.
 - (4) The President is authorized to establish rules reasonably necessary to foster the efficient administration of the permit system created by the section.

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Proposed Resolution

Amendments to the Metropolitan Washington Airports Regulations Concerning Taxicabs at Reagan National Airport, Fees for Rental Cars Operating off the Airports, and Fees for Hotel Shuttles at both Airports

WHEREAS, On November 13, 2013, the Business Administration Committee authorized the staff to publish notice of proposed amendments to the Metropolitan Washington Airports Regulations (Regulations) to require that taxicab drivers dispatched from Ronald Reagan Washington National Airport have electronic credit card processing equipment in their taxicabs and accept credit cards as payment of taxicab fares; to increase the taxicab dispatch fee at Reagan National Airport (Reagan National) from \$2.50 to \$3.00; to increase the annual fee for a Taxi Operator's Permit at Reagan National from \$40.00 to \$100.00; to standardize the fees for those conducting the business of renting cars at either airport without a contract from the Airports Authority; and to reduce the number of free trips each hotel shuttle may make from 300 per month to 0 per month;

WHEREAS, In accordance with Airports Authority regulatory procedures, on December 19, 2013, and again on January 5, 2014, staff published notice of upcoming public hearings on the proposed amendments and thereafter conducted those public hearings, as follows: January 7, 2014, at Washington Dulles International Airport (Dulles International) January 9, 2014, at Ronald Reagan Washington National Airport, and January 22, 2014, at Reagan National;

WHEREAS, In light of comments made at the public hearings, staff proposes to extend the term of a Reagan National Taxi Operator's Permit from one year to two years;

WHEREAS, The Business Administration Committee considered the revised proposed amendments at its April 16, 2014, meeting and recommended its adoption by the Board of Directors;

WHEREAS, After consideration of comments from the public, the Airports Authority has determined that such amendments are necessary to be accorded the force and effect of law in the public interest; now, therefore, be it

RESOLVED, That section 5.6 of the Metropolitan Washington Airports Regulations is hereby amended effective September 1, 2014, with the force and effect of law, to read as set forth below:

“§ 5.6. Operating Conditions for the Taxicab Dispatch System.

In addition to the requirements of Section 5.4, no person shall operate a taxicab in National’s taxicab dispatch system unless he is at that time in compliance with each of the following conditions:

- (1) The driver must have a current, valid Airport Taxi Operator’s Permit issued to him by the Airport Manager. This Permit must be kept in the driver’s possession at all times that he is operating a taxicab at the Airport and prominently displayed according to the Airport Manager’s directions while the taxicab is on the Airport.
- (2) The driver must display in the taxicab in a place conspicuous to passengers his local license to operate a taxicab (the so-called “face card”) and a schedule of the rates issued by the Washington Metropolitan Area Transit Commission and the jurisdiction that has licensed or certificated his taxicab.
- (3) The driver must, upon the request of an Authority police officer, a taxicab dispatcher, or the taxicab official, surrender for inspection the Permit required by paragraph (1) of this section. The driver must permit the Authority police, the taxicab dispatcher, and the taxicab official to inspect his taxicab to determine if he is displaying the license and rate schedule required by paragraph (2) of this section.
- (4) The driver must wear a shirt with a collar, long pants or a skirt, and shoes (not sandals) and socks or stockings.
- (5) The driver must operate a taxicab that is clean and maintained in good repair including, by way of illustration and not limitation, the tires, headlights, brake lights, turn signals, windshield wipers, brakes, window glass, doors, fenders, paint, passenger compartment, trunk, seat belts, and upholstery.
- (6) The driver must operate a taxicab that is not more than eight years old based on the taxicab’s model year; i.e., the difference between the taxicab’s model year and the current calendar year is not greater than eight.
- (7) The driver must operate a taxicab which is equipped with air conditioning which is in good repair. The driver shall turn on the air conditioning when the outside temperature exceeds 80 degrees Fahrenheit or he is directed to do so by the dispatcher. Notwithstanding the foregoing, the driver shall comply in all

circumstances with the request of a passenger to turn on or turn off the air conditioning.

- (8) The driver must not smoke in the taxicab when passengers are present. If the driver wishes passengers not to smoke, he must post a "No Smoking" sign readily visible to passengers in the taxicab.
- (9) The driver must obey all directions and signals of the taxicab dispatcher regarding the orderly flow of traffic and the accommodation of passengers.
- (10) The driver must accept any orderly passenger and convey any passenger where directed upon dispatch by the taxicab dispatcher.
- (11) The driver must transport only those persons assigned to him by the taxicab dispatcher.
- (12) The driver must not act in a discourteous manner towards passengers or persons seeking transportation.
- (13) The driver must give a receipt showing the driver's name, name of the taxicab company (if any), the taxicab number, the time and place of origin and destination of each trip, and the amount of the fare on an authorized form when requested to do so by a passenger.
- (14) The driver must not breach the peace on the Airport. The driver must not impede the operation of the dispatch system, other airport operations, or the flow of traffic to and from the Airport.
- (15) The driver must remain within five feet of his taxicab at all times except while it is in the taxicab holding structure or when it is legally parked.
- (16) The driver must not give or offer to give any money or anything of monetary value to a taxicab dispatcher.
- (17) The driver shall pay a dispatch fee of three dollars (\$3.00) each time he picks up a passenger or group.
- (18) The driver must maintain in his taxicab electronic credit card processing equipment that enables passengers to use credit cards to pay taxicab fares.
- (19) The driver must accept major credit cards as payment for taxicab fares.
- (20) The driver must permit the Authority police or the taxicab official to inspect his taxicab to determine whether the vehicle meets the standards set forth in this section. The driver shall not operate a vehicle in the dispatch system that has failed such an inspection

until an Authority police officer or the taxicab official has determined that the condition causing the vehicle to fail has been corrected.”

2. That section 5.7 of the Regulations is hereby amended effective September 1, 2014, with the force and effect of law, to read as set forth below:

“§ 5.7. Airport Taxi Operator’s Permit.

The Airport Manager shall issue an Airport Taxi Operator’s Permit to each person whom he finds to be of good, moral character and who:

- (1) completes and submits an application to the Airport Manager in a form approved by the Airport Manager for that purpose;
- (2) is currently licensed to operate a taxicab by one or more of the following: Montgomery County, Prince Georges County, Maryland; the District of Columbia; City of Alexandria, City of Falls Church, Arlington County, Fairfax County, Virginia;
- (3) presents an official copy of his current driving record from the jurisdiction by which he is licensed and of his criminal record if any (the Airport Manager may require applicants to submit a complete set of legible fingerprints in order to request a criminal background record check from the Federal Bureau of Investigation);
- (4) is in compliance with all the licensing jurisdiction’s regulations including, by way of illustration and not limitation, the minimum insurance requirement for the taxicab he is operating;
- (5) has more than six months driving experience in the Washington, D.C., metropolitan area (the Airport Manager may require applicants to demonstrate a working knowledge of the metropolitan area by means of an examination);
- (6) is at least twenty-one years of age;
- (7) is not currently subject to an unexpired order of suspension or revocation of a previously issued Airport Taxi Operator’s Permit; and
- (8) pays an annual permit fee of \$100.00.”

3. That section 5.9 of the Regulations is hereby amended effective September 1, 2014, with the force and effect of law, to read as set forth below:

“§ 5.9. Terms and Conditions.

- (1) The term of an Airport Taxi Operator's Permit shall expire every other year on the last day of the month of the Permit holder's birthday.
- (2) The Permit remains the property of the Authority, and its use by the taxicab driver is subject to the following requirements:
 - (a) The Permit is issued for the exclusive use of the named driver and shall not be made available by him for the use of any other person.
 - (b) The Permit shall not be altered or defaced in any way after it is issued to the named driver.
 - (c) The Permit shall be invalid and may not be used after the expiration date shown on the Permit."

4. That section 6.2 of the Regulations is hereby amended effective immediately, with the force and effect of law, to read as set forth below:

"§ 6.2. Rental Car Business; Contract or Permit Required.

No person shall conduct the business of renting cars on either Airport unless he has first obtained a permit under Section 6.4 or entered a contract from the Authority authorizing the conduct of such business on that Airport. "Conducting the business of renting cars on either Airport" includes, but is not limited to, transporting a customer or a potential customer between an Airport and a rental car facility located off the Airport and picking up from or delivering to an Airport a rental car that is stored in a rental car facility located off the Airport."

5. That section 6.3 of the Regulations is hereby amended effective immediately, with the force and effect of law, to read as set forth below:

"§ 6.3. Parking Lots; Contract or Permit Required.

No person shall conduct the business of operating a parking lot on either Airport unless he has first obtained a permit under Section 6.4 or entered a contract from the Authority authorizing the conduct of such business on that Airport. "Conducting the business of operating a parking lot on either Airport" includes transporting a customer or potential customer between an Airport and a parking facility located off the Airport."

6. That section 6.4 of the Regulations is hereby amended effective immediately, with the force and effect of law, to read as set forth below:

"§ 6.4. Permit.

(1) The President? shall set the requirements for obtaining and retaining a permit, except as provided in Subsection (2) below. The permit terms shall include:

- (a) the minimum insurance coverage considering the risk of conducting the business, including operating shuttle busses, industry practice, and insurance requirements imposed on other businesses at the Airports;
- (b) the dates on which payments of the fee are due;
- (c) the term of permit; and
- (d) such other reasonable requirements as the President deems necessary to protect airport users and Authority revenue and foster efficient administration of the permit requirements.

(2) The fee for the permit shall be:

- (a) for those conducting the business of renting cars on either Airport, \$100.00 per year plus eight percent (8%) of the annual gross receipts derived from conducting the business on the Airport that exceed \$300,000.00 and
- (b) for those conducting the business of operating a parking lot on either Airport, \$100.00 per year plus ten percent (10%) of the annual gross receipts derived from conducting the business on the Airport that exceed \$30,000.00.

(3) For ease of accounting, the Authority will assume that ninety-five percent of the gross receipts of rental car companies and parking lot operators conducting business on the Airport without a contract with the Authority is derived from the Airport unless the permit holder proves through auditable, financial data that a lesser percentage of its gross receipts was in fact derived from the Airport.”

7. That section 6.6 of the Regulations is hereby amended effective January 1, 2015, with the force and effect of law, to read as set forth below:

“§ 6.6 Hotel Shuttles; Permit or Contract Required.

- (1) No person shall engage in the commercial activity of providing hotel shuttle service at the Airports unless the person has first obtained a permit from or entered a contract with the Authority. The provision of hotel shuttle service at the Airports shall mean the transporting in a motor vehicle, and the picking up and discharging, of guests or potential guests within an Airport, as part of the carrying of such guests between an Airport terminal and a hotel or other business that provides lodging for compensation; provided that, for purposes of this subsection, guests shall not include airline crew members.

(2) When the commercial activity of providing hotel shuttle service is authorized by permit:

- (a) the permittee shall not use any vehicle in the provision of such service unless it is specifically identified in the permit;
- (b) the driver of each vehicle identified in the permit shall comply with the provisions of Section 4.5 of these Regulations, which addresses the location at the Airports where vehicles providing hotel shuttle service must pick up and discharge passengers;
- (c) the permittee shall comply with requirements established by the Airport Manager to facilitate the computation of the per trip fee established by this subsection;
- (d) the permittee shall, for each vehicle identified in the permit, carry the minimum insurance coverage set by the President who, in setting the minimum coverage, shall consider the risk of operating shuttle vehicles, industry practice, and insurance requirements imposed on other businesses at the Airports;
- (e) the permittee shall pay an annual fee, due on or before January 31 of each year, for each vehicle identified in the permit according to the following schedule:

Vehicles with a seating capacity, including the driver, of	Annual fee
1-16	\$500
More than 16	\$750

- (f) the permittee shall pay a fee of one dollar (\$1.00) for each occasion that a vehicle identified in the permit enters the vehicle lane designated by the Airport Manager for hotel shuttles to pick up passengers;
- (g) in addition to the fees imposed by Subsections (e) and (f), the permittee shall pay a dwell fee of one dollar (\$1.00) for each ten- minute period of time (or portion thereof) beyond the first ten minutes that a vehicle identified in the permit remains in the vehicle lane designated by the Airport Manager for hotel shuttles to pick up passengers; and
- (h) provided, however, that permitted vehicles that use fuel other than solely gasoline or diesel and are eligible for clean, special fuel license plates according to the standards of the Virginia Department of Motor Vehicles shall

only be obliged to pay one half of the annual fee imposed by Subsection (e) and one half the per trip fee imposed by Subsection (f).

- (3) The failure by a permittee to comply with any provision of Subsection (2) shall be grounds to revoke the permit.
- (4) The President is authorized to establish rules reasonably necessary to foster the efficient administration of the permit system created by the section.”

For Consideration by the Business Administration Committee on April 16, 2014