

**Request for Proposal**

**City of Atlanta Taxicab  
Industry Analysis**

**May 30, 2012**

**Contact:**



Central Atlanta Progress  
Atlanta Downtown Improvement District

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## **Introduction**

On behalf of the City of Atlanta, Central Atlanta Progress (CAP) - in cooperation with the Atlanta Committee for Progress (ACP) and the Atlanta Convention and Visitors Bureau (ACVB) - is seeking proposals from interested firms or teams of firms to serve as a consultant to conduct research and analysis regarding best practices of the taxicab industry and the current state of the industry in Atlanta, as well as, to provide recommendations to guide the city's future regulation of the industry.

The City of Atlanta has partnered with CAP in order to gain knowledge and understanding relative to the taxicab industry. CAP is a private non-profit representing the interests of businesses and Downtown organizations. The organization strives to create a vibrant Downtown community that is economically robust, secure, diverse, and livable. CAP and its affiliate organizations have been a driving force in shaping Downtown development and public policy through innovative programs and public-private partnerships since 1941.

## **Background**

The City of Atlanta ("City") is in the process of rewriting its code sections related to taxicabs and vehicles for hire. The City has identified the following desired goals to be accomplished through the rewrite:

1. **Mandatory Equipment Upgrades**: require all vehicles placed into service as taxicabs after January 01, 2013, to be equipped with
  - a. Global Positioning System (GPS) devices
  - b. Debit/Credit Card swiping machines
  - c. Safety-partitioning windows, digital camera/recording devices, or panic buttons.
2. **Green Taxis**: transition the taxicab vehicle fleet to alternative fuel taxicabs. Using the State of Georgia's definition for "alternative fuel vehicle" to define a "Green Taxi." (Reference O.C.G.A. § 40-2-86.1(1)(B)(ii)) The City is exploring Green Taxi Initiatives; namely
  - a. Extension of age-out limits
  - b. Front-of-the-line privileges at the Atlanta Hartsfield-Jackson International Airport taxicab queue and assembly area
  - c. Reserved stands at different points of the City
  - d. Authorizing the use of sponsored vehicles and/or wrap advertising for taxi owners to recoup the cost associated with upgrading to a Green Taxi.
  - e. Considering A – D above or any other best practice ideas to reduce the cost of the green taxis.
3. **Accessible Vehicle Initiatives**: encourage equipment upgrades and provide certain incentives and benefits to taxi owners to offset associated costs in order to ensure handicap accessible taxis and enhance the ADA-compliance of the City's fleet.

However, the City has encountered difficulties in evaluating the potential industry impacts and policy implications of these proposed regulations due to a lack of data/information on the economics of the taxicab industry ("Industry"). The City has not to date implemented data collection efforts or required Industry Members (i.e., CPNC owners, taxicab companies, and drivers) to report to the Bureau of Taxicabs and Vehicles for Hire on business operations.

The City and its partners desire to gain insight into the Industry's economics in order to gauge the full financial impact (both benefits and burden) on Industry Members and to determine the validity/extent of industry concerns in response to the proposed new regulations.

### **Scope of Work**

The consultant is charged with conducting research, performing analysis, developing recommendations and providing detailed reporting pertaining to the following:

#### **I. Macro aspects of the current state of the industry**

- a. Develop a detailed financial picture of the Industry's economics, business plan, and business relationship between Industry Members. This picture must allow the City and its partners to determine financial impacts of regulations and help justify the benefits of initiatives to all Industry Members.
- b. The financial analysis shall include an evaluation of the City's current fare structure - particularly fixed rates for zones - as it relates to Industry profitability but also the customer experience and utility of the taxicab fleet as 'green' alternative to single occupant vehicle short trips within the City's urban commercial districts.
- c. Provide a summary of Industry 'Best Practices' pertaining to regulation, administration and operation issues, as well as, an evaluation of the current City of Atlanta conditions compared to these 'best in class' standards
- d. Determine the limitations of current regulations compared to the City's desired enhancements in order to improve the City's ability to recommend and manage public policy (i.e., data gaps, business to driver relationship management, etc.)
- e. Make recommendations for governance, regulation and operational changes to successfully administer and manage the City's taxicab fleet, including but not limited to data to be collected and method of data collection.

#### **2. Micro aspects of the City's desired enhancements**

- a. **Equipment Upgrades:** Make policy and administrative recommendations based on the benefits and financial burdens that each of the following proposed equipment upgrade requirements will have on Industry Members: (1) GPS device, (2) Debit/Credit Card swiping machine, and (3) either a safety-partitioning window, digital camera/recording device, or panic button.
- b. **Green Taxis:** Make policy and administrative recommendations for the following:
  - i. Determine the age-out limit for Green Taxis. What is appropriate extension of the age-out limit? The age-out limit extension must be correlated with the return on investment for the higher capital cost of a Green Taxi. The logic developed needs to be repeatable so that Industry Members can easily understand proposed regulations. The extension of years should correlate with time necessary to provide equal playing field for purchasers of Green Taxi compared to conventional vehicles.
  - ii. At what point do the cost savings (including in operation, maintenance, and related costs) for Green Taxis even out the higher investment to justify a policy to even out the playing field.
  - iii. Determine other factors that may need to be considered to achieve the City's sustainability goal.
  - iv. Suggest other policies/actions/initiatives that the City may take to impact, improve, and promote greater sustainability in its taxicab fleet, including detailing the financial impact of such measures on the City and Industry Members.

- v. Advise on what combination of policies and public-private partnerships is needed to most successfully influence the “greening” of the taxicab fleet.
  - vi. Estimate the effectiveness rate of Green Taxi Initiatives on promoting industry adoption of Green Taxis.
  - vii. Of the Green Taxi Initiatives discussed here, where should resources be focused to achieve highest procurement of Green Taxis?
- c. **Accessible Vehicle Initiatives:** Make policy and administrative recommendations for the following questions:
- i. Determine the age-out limit for taxicabs that are capable of transporting disabled clientele.
  - ii. What is the appropriate extension of the age-out limit and does it change if the vehicle is also Green? The age out extension must be correlated with the return on investment for the higher capital cost of a Handicap Accessible Taxi. The logic developed needs to be repeatable so that the Taxi Industry members can easily understand. The extension of years should correlate with time necessary to provide equal playing field for purchasers of wheelchair accessible taxicabs to conventional non-ADA compliant vehicles.
  - iii. Are there federal or state incentives for owners to purchase wheelchair accessible taxicabs in preference to non-ADA compliant vehicles in the form of rebates or other financial means not limited to tax credits?
  - iv. Will a tiered-system work in the Atlanta taxicab industry to promote purchasers of vehicles that are both Green and ADA compliant?
- d. **Green/Accessible Incentives:** Make policy and administrative recommendations for the following:
- i. Determine whether the City should authorize the use of sponsored vehicles and/or wrap advertising for taxi owners. Specifically, the City needs to understand:
    - a. risk management mechanisms at other cities with wrap programs related to regulated wrap content;
    - b. how the wrap program should be structured in Atlanta (i.e., whether sponsors should purchase vehicles and lease to taxicab companies or operators or if taxicab owners should be paid a monthly amount by advertisers that wrap vehicles); and
    - c. whether the program will provide Industry Members sufficient incentive to pay the premium purchase price for Green and/or Wheelchair accessible taxicabs (i.e., will the program help make a Green Taxi as affordable as conventional taxicabs?).

### **Deliverables**

The consultant shall produce a formal summary report which discusses the findings and articulates recommendations to the client. The report shall include

- a financial model of the City’s taxicab industry
- specific strategic policy, administrative and operational recommendations pertaining to each of the scope of work items described above

In addition, a presentation of the recommendations will be made to CAP, ACP, ACVB and the City of Atlanta.

### **Timeline**

The following schedule is anticipated. The deadline for completion of all deliverables is non-negotiable and required to meet Atlanta City Council legislative deadlines.

- Tuesday, May 30, 2012                      RFP Issued
- Friday, June 8, 2012                        Proposals Due by 3:30 p.m.
- Friday, June 15, 2012                      Successful Bidder Notified
- Friday, June 20, 2012                      Contract Signed
- Wednesday, August 1, 2012              **All Deliverables Due** by 3:30 p.m.

### **Minimum Qualifications**

The consultant/team is required to have experience successfully completing recent and relevant projects with similar conditions and similar scopes of work. Previous consultant/team experience in the taxicab or related automotive industry is a plus.

### **Submittal Items**

A complete and responsive proposal must include the following. Printed submissions should be concise and limited to no more than 24 printed pages (24 one-sided pages or 12 double-sided pages not including the cover).

#### *1. Organizational Overview*

- a. A statement including the full name and address of the organization and the branch office or other subordinate element that will perform or assist in performing the services described herein. Identify the firm contact name, phone and fax numbers.
- b. The names and résumés and/or biographies (including email addresses and tenure of employment with the firm) of a principal and key staff members who will work on the project. Identify who will be the daily point of contact.
- c. Provide a firm profile and describe the firm's core competencies including taxi and automotive industry experience.
- d. Provide a summary of consultant/team experience, detailing a minimum of three recent relevant projects in similar conditions with similar scopes of work. Summary should include a brief narrative on the projects, the associated costs, and references.

#### *2. Project Understanding/Scope*

- a. Demonstrate an understanding of the project and provide a project approach and detailed scope of services, including anticipated work tasks and deliverables.
- b. Describe the tools, methodologies and frameworks the consultant will use to complete the work effectively. Provide any additional information that demonstrates understanding and insights related to the project scope.

### 3. *Budget and Schedule*

- Provide a project budget for each component of the scope of work which includes estimated hours and associated hourly fees for all project personnel. An estimate for anticipated reimbursable expenses must be included in the budget. The budget should highlight any services that the consultant would propose to provide pro bono or at a reduced rate to benefit the project.
- **A schedule which outlines a timeline for the project including key milestones and deliverables that commits to the required deadline of August 1, 2012.**

One (1) electronic copy (preferably a single compiled PDF format file) and five (5) copies of the proposal must be received by **3:30 p.m., Friday June 8<sup>th</sup>** at the following address:

Ms. Kristi Rooks  
Central Atlanta Progress, Inc.  
50 Hurt Plaza SE, Suite 110  
Atlanta, Georgia 30303

Please address any questions in writing to Kristi Rooks via email at [krooks@atlantadowntown.com](mailto:krooks@atlantadowntown.com). All questions must be received in writing by Monday, June 4, 2012. Questions will be answered and disseminated to all interested parties in a timely manner.

### **Selection Procedures**

It is CAP/ADID's intent to select directly from information gained from the statement of qualifications review. However, CAP/ADID reserves the right to call references provided in the proposal and to require phone or personal interviews with firms included on a short list. CAP will use the following criteria in evaluating submittals. The list is not shown in any prioritized order:

- Related experience and past performance in similar projects
- Abilities and capacity of professional personnel
- Commitment to complete work on a timely basis
- Understanding and insight related to project scope
- Responsiveness to this Request for Proposal

CAP reserves and holds without any liability on the part of CAP the following rights and options:

- To reject any and/or all submittals or portions of submittals
- To accept proposals in any order or combination
- To re-advertise if deemed necessary
- To interview candidates prior to making a selection
- To issue subsequent Requests for Proposals
- To not negotiate or contract for the services
- To approve, disapprove, modify or cancel all work to be undertaken

CAP will negotiate the terms of the contract with the firm(s) submitting the top-ranked response(s) or another ranked choice should negotiations with the top-ranked firm fail. CAP will not reimburse any costs incurred prior to a formal notice to proceed should a contract award result from this solicitation. Proposal submittal costs in conjunction with this RFP shall be borne by the submitting firm