

# **Attachment 5**



# City of Beverly Hills

## Taxicab Franchise Request for Proposals

### Preliminary Draft for Comment

#### A. INTRODUCTION

The City of Beverly Hills intends to replace its existing system of taxicab certificates with a taxicab franchise program. The City has determined that considerations of public safety and consumer protection require a degree of regulation of taxicab service attainable only through the issuance of non-exclusive franchises.

All certificates of public convenience and necessity for taxicab operations in the City of Beverly Hills will be phased out in favor of the taxicab franchise awards made pursuant to this RFP. Once the certificates have been terminated, existing certificate holders will not be authorized to operate taxicab service within the City unless they have been awarded a non-exclusive franchise by the City Council.

This RFP invites interested taxicab operators to submit proposals for the operation of taxicab service in the City. Non-exclusive franchises will be awarded based on the criteria set forth in this RFP. The City intends to award three (3) non-exclusive franchises, but reserves the right to award fewer or more than three if that is determined to be in the best interests of the City. No proposal will be accepted to operate fewer than 25 taxicabs.

Relevant provisions of the Beverly Hills Municipal Code (BHMC) and Draft Taxicab Rules are attached as Appendices \_\_\_ and \_\_\_ respectively. All taxicab operations under the franchises awarded as a result of the RFP will be required to comply with all of the relevant provisions of BHMC and the adopted rules, including changes that may be adopted from time to time. By submitting a proposal in response to this RFP, proposers are certifying that they are familiar with the relevant provisions of the BHMC and the requirements of the Draft Taxicab Rules and will comply the code and rules as they may be amended.

#### B. FRANCHISE AGREEMENTS

Operators that are awarded a non-exclusive franchise will be required to sign a Franchise Agreement, which will be adopted by the Beverly Hills City Council. A blank form of the Franchise Agreement is attached as Appendix \_\_\_. Proposers are responsible for being familiar with the requirements of the Franchise Agreement. By submitting a proposal in response to this RFP, proposers are certifying that they will sign a Franchise Agreement of this form if offered by the City, subject to: a) any exceptions noted by the proposer, which must be identified in \_\_\_\_\_; b) any additional features or enhancements offered by the proposer and accepted by the City; c) other changes that may be introduced during negotiations between the City and the selected franchisees.

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## C. FEES

Each franchisee will be required to pay to the City an annual franchise fee. Payment of franchise fees in full will be due upon execution the franchise agreement and on each anniversary date thereafter.

Fee amounts will be adopted annually by City Council by resolution. While fee amounts have not yet been adopted for the initial franchise period, it is anticipated that the fee structure will be at least the following:

\$x,xxx plus \$xxx per vehicle plus \$xxx per driver

In the event a franchisee adds to its total number of vehicles or drivers during a franchise period, the added franchise fee per vehicle or driver will be due upon granting of the vehicle or driver permit, pro-rated on a monthly basis for the remaining portion of the franchise year.

Additional fees for vehicle or driver permit applications, transfers, fingerprinting, inspections, re-inspections, permit replacement, etc. will also apply.

## D. BACKGROUND

The City of Beverly Hills is located in west-central Los Angeles County, with a population of 34,622 in 5.7 square miles. It is bounded on three sides by the city of Los Angeles and on the east by the city of West Hollywood.

Taxicab service is currently provided by three holders of certificates of public convenience and necessity:

Company	Authorized Taxicabs
Beverly Hills Cab	60
Independent Taxi Owners Association ("Independent Cab Co.")	60
United Independent Taxi Drivers ("United Independent Taxi")	28

Currently Beverly Hills does not allow taxicabs permitted in Beverly Hills to operate in any other city except for West Hollywood; an exception is made for wheelchair accessible cabs, which can also be permitted in Los Angeles.

Taxicab fares are set by the City Council and are currently as follows:

- Drop Charge: Two dollars forty-five cents (\$2.45) for the first one-seventh (1/7) mile or 47.5 seconds, or fraction thereof
- Distance Charge: Thirty-five cents (\$0.35) for each additional one-seventh (1/7) mile, or fraction thereof (\$2.45 per mile)
- Waiting/Delay Charge: Thirty-five cents (\$0.35) for each 47.5 seconds waiting time and/or traffic delay, or fraction thereof (\$26.53 per hour)

While the City Council may elect to modify the fares at any time, proposers should assume that there will be no change in the immediate future.

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A taxi subsidy program is available for Beverly Hills residents age 62 or older and disabled residents with certain medical conditions. Participants may take taxi rides worth \$24.00 each month for only \$6.00. A maximum of \$12.00 worth of subsidy may be used per taxi ride. In July 2013 this program, which formerly used books of coupons, converted to a swipe card system. The system is compatible with most taxi dispatch systems used by companies in the Los Angeles area.

The City's taxicab rules and regulations are administered and enforced by a group within the Parking Services Division of the Department of Public Works & Transportation under the overall direction of the Director of Parking Operations. Enforcement is by Parking Control Officers and other City staff.

Additional information is available from the study of taxicab service commissioned by the City from Nelson\Nygaard Consulting Associates, which was presented to the City Council in a Study Session on February 5, 2013 and is available online at [www.beverlyhills.org](http://www.beverlyhills.org).

## E. KEY PROVISIONS

Taxicab franchises and operations will be governed by provisions contained in the BHMC, the adopted taxicab rules, and the franchise agreements that will be concluded with the selected operators. For convenience, key provisions are summarized here. This is not a complete list of provisions governing taxi operations in Beverly Hills. In the event of any inconsistency between this summary and the BHMC, the City's Rules and Regulations, or the Franchise Agreement, the provisions of the BHMC, the adopted taxicab rules, and the Franchise Agreement will take precedence in that order.

### Franchises and Permits

- No person, corporation or membership organization shall operate a taxicab service within the City Limits of Beverly Hills without a franchise granted by the City.
- Taxicab vehicles and drivers must be permitted by the City and must be affiliated with a franchised taxicab operator.
- Franchises convey a non-exclusive right to operate a taxicab service in Beverly Hills. The City may issue additional franchises at any time. Reasons for issuing additional franchises include, but are not limited to, a determination that the existing franchisees are unable to adequately serve demand for taxicab service in the city, if a franchisee's authorized number of vehicles is reduced or a franchise is revoked, or if a franchisee fails to meet the City's service quality standards. The City may also increase the authorized number of taxicabs of one or more existing franchisees, in which case preference will be given to companies scoring highest on annual evaluations.
- Franchises will be for an initial term of five years. Depending on franchisees' performance as determined in annual evaluations, incremental extensions may be recommended to the City Council. The overall term of the franchise, including incremental extensions, will not exceed ten years.
- Each franchisee must operate a minimum of 25 vehicles at all times, or whatever larger number of vehicles is specified in the Franchise Agreement.
- Within the term of the franchise, the franchise must be renewed annually, which will be automatic subject to payment of franchise fees and any outstanding penalties, unless the

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franchise has been suspended or the franchisee has failed to comply with the requirements of its Franchise Agreement or the City's taxi rules as determined by the Traffic and Parking Commission or City Council.

- Each franchisee must have a distinctive name, colors, phone numbers, and marketing materials that has been approved by the City and cannot be confused with those of other companies. All authorized taxis will be clearly marked as City of Beverly Hills authorized cabs. Taxicab numbers must be easily recognizable as designating a Beverly Hills permitted taxicab.
- Taxicabs permitted to operate in Beverly Hills may not be permitted for operation in any other city, with the exception of West Hollywood. However, wheelchair-accessible vehicles may be permitted in Los Angeles as long as the franchisee meets the requirements for wheelchair-accessible response time. This provision will be reconsidered once there is a solid record of service availability using the required digital record keeping and reporting.
- Franchisees must provide a City-approved comprehensive screening, testing and training program for all its drivers, including independent contractor and owner-operator drivers.

## Reporting and Evaluation

- Franchisees will be evaluated annually on the basis of service and compliance with all regulations and requirements. The annual evaluations will include response time, telephone hold time, the amount of service provided in Beverly Hills, compliance with reporting requirements, responsiveness to information requests, pass rates for driver exams and vehicle inspections, minimal incidents of expired driver documentation, complaints and resolution, etc. Franchisees that fail to meet the City's standards will be subject to being placed on probation, being assessed monetary penalties, having their franchise suspended, having their number of authorized vehicles reduced, or non-renewal of the franchise at the City's discretion.
- Franchisees will be required to submit detailed quarterly reports of service provided and various measures of service quality, to respond to City requests for data about specific trips, and to provide the City with access to full data files and paper records in order to investigate incidents or service concerns and to conduct on-site audits. The form and content of the required reports will be detailed in the Taxicab Rules. Franchisees will be required to report any compliance issue that they are aware of. Failure to provide all requested data to investigate an incident will be considered admission of fault.

## Penalties

- Franchisees and their drivers will be subject to a variety of penalties for non-compliance with the taxicab rules in effect at any given time.
- Franchisees will also be subject to penalties for non-compliance with specific provisions of the Franchise Agreement, including meeting performance standards and meeting commitments made in companies' proposals beyond minimum requirements.

## Dispatch Service and Vehicle Tracking

- Franchisees shall provide dispatch service that gives the public the ability to obtain taxi service by telephone 24 hours a day, 365 days a year from anywhere in Beverly Hills.
- Companies are encouraged to provide additional means of ordering service using state of the art technology. Such additional means, if offered, must be available 24 hours a day, 365 days a year from anywhere in Beverly Hills.
- Franchisees must have equipment that automatically records in digital form every request for service and every trip provided, whether dispatched or not, including sufficient detail to comply with the reporting requirements, in a form that allows the City to audit reports and obtain detailed information about any trip of interest.
- Franchisees must have equipment that automatically tracks the position and status of every taxicab in service and stores this information so that it can be retrieved by the company or the City for at least 90 days. Both the company and the City shall be able to track the location and activity each taxicab at all times and to track the past location, activities, and routes taken of each taxicab for the past 90 days. The City must be able to perform these actions from its offices without assistance from the taxi company aside from initial set up.

## Payment Methods

- All taxicabs must have working passenger-facing terminals that that give passengers the ability to pay for any trip using a major credit or debit card, without providing prior notice of their intent to do so, without assistance from the driver. The amount charged shall be determined automatically based on the meter reading. Printed receipts must be provided.
- Taxicabs must accept payment of fares using the City of Beverly Hills taxicard.
- Proposers are encouraged to offer addition means of payment using state of the art technology.
- Franchise holders may not charge a driver any fee based on the number or amount of that driver's non-cash transactions.

## Passenger Assistance

- Drivers are required to assist a passenger by placing luggage, packages and folding wheelchairs or other mobility devices in and out of the taxicab when requested. A driver is not required to assist with more luggage or packages than will fit in the storage compartment of the taxicab or any article that poses a safety risk. A driver shall assist a passenger in and out of a taxicab when requested, provided the driver is not required to lift the passenger.

## Accessibility

- Franchisees must have sufficient wheelchair-accessible vehicles and dispatching procedures to ensure that customers requiring an accessible vehicle can request service

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and be transported in an ADA-compliant accessible vehicle with the same response time as customers without disabilities. Wheelchair accessible vehicles must comply with all relevant requirements of the Americans with Disabilities Act and its implementing regulations (49 CFR Part 38) including door height, overhead clearance, ramp or lift design specifications, and securement devices.

- Wheelchair accessible vehicles shall have working and fully functional accessibility equipment meeting all ADA requirements at all times. Accessible vehicles without fully functional accessibility equipment shall not be permitted for use in Beverly Hills taxicab service.
- The driver of a wheelchair accessible vehicle must be trained to proficiency in the use of the vehicle's accessibility equipment and how to provide proper assistance to a passenger boarding in a wheelchair.
- Franchisees and their drivers shall not discriminate against individuals with disabilities by actions including, but not limited to, refusing to provide service to individuals with disabilities who can use taxi vehicles, refusing to assist with the stowing of mobility devices, and charging higher fares or fees for carrying individuals with disabilities and their equipment than are charged to other persons. (49 CFR 37.29)
- Drivers must permit service animals, including any guide dog, signal dog, or other animal individually trained to provide assistance to an individual with a disability, to accompany individuals with disabilities in their taxicab. (49 CFR 37.167)
- Drivers shall not intentionally interfere with the use of a service animal by harassing or obstructing the user or his or her service animal.

## Green Vehicles

- Within one year, at least 50% of each franchisee's fleet shall be Green Vehicles as defined by the Los Angeles Board of Taxicab Commissioners. Commitments to exceed the minimum Green Vehicle requirement will be considered in the proposal scoring process.
- Green Vehicles will be subject to inspection to verify compliance with environmental standards.
- After one year, if a company fails to maintain at least 50% of its permitted vehicles as Green Vehicles, the company's authorized number of taxicabs will be reduced to twice the actual number of permitted Green Vehicles. Once the authorized number of taxicabs has been reduced, it can only be increased or restored following formal action by the Traffic and Parking Commission.
- "Green" practices other than vehicles may also be proposed as enhancements.

## F. SELECTION PROCESS

### Minimum qualifications

In order to be considered for selection, proposers must meet the following minimum requirements. Proposals not meeting these minimum requirements will be disqualified and will not be further evaluated or scored.

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- Completion of all required forms including:
  - Proof of Financial Viability
    - Equity Funding
    - Debt Funding
  - Proof of Identity
    - Articles of Incorporation
    - Board of Directors
    - Officers
    - Principal Stockholders
  - Character Qualifications
  - Summary of business experience
  - Fleet Composition
  - Management/Business Plan
  - Acknowledgment of RFP and addenda, laws, rules and willingness to comply
- Evidence of ability to meet all technical requirements including the minimum number of vehicles, 24-hour dispatch, digital service and request tracking, digital taxicab activity and location tracking, credit/debit card equipment and procedures, taxicard payment, plan and commitment to meet accessibility requirements, reporting, plan and commitment to meet the minimum Green Vehicle requirements, and distinctive company identification and marketing.
- Existing facility within 20 miles, by the most direct route, of Beverly Hills City Hall where records will be maintained, administrative and dispatch staff are located, and lost property can be retrieved.

## **Disqualification of Proposals – Falsification of Information**

Discovery of undisclosed material information in the course of reference or background checks, or discovery of any falsification of information in a proposer's submission, will be grounds for disqualification and may subject the proposer to criminal prosecution. In addition, if it is determined at a later date that a successful proposer has falsified any information contained in the proposal, the Council may terminate any operator's franchise, the Council may hold the proposer liable to the City for all loss or damage which the City may suffer, and the proposer may be excluded from any future proposal submission or evaluation.

## **Evaluation of Written Proposals**

Those proposals that meet the minimum qualifications will be evaluated using the following scoring criteria:

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15%	Company experience, including experience in and around Beverly Hills, demonstrated quality of service in Beverly Hills and nearby cities
15%	Experience and qualifications of key management and administrative staff, including character references
25%	Quality and feasibility of the management plan, including organization/structure; procedures to assure that service will meet quality and compliance requirements; driver screening, training, supervision, and discipline; and ability to ensure continuity and effectiveness of management
15%	Facilities and equipment, including telephone systems, dispatching systems, vehicles, and maintenance
5%	Plan for start up of Beverly Hills operations or modification of existing operations
10%	Financial stability and capacity to meet commitments
15%	Enhancements and innovation: initiatives to promote continued viability of taxi service, community service, green vehicles or wheelchair vehicles above and beyond minimum requirements, advanced payment or order methods, methods to prevent overcharging, other
100%	Total

Promises of enhancements made in proposals will be evaluated in light of realism and proposers' capacity to implement them. Any enhancements that are accepted by the City and used as a basis for assigning points in the evaluation process will be included in the company's Franchise Agreement and will be subject to annual evaluation and possible suspension, termination, or penalties/liquidated damages. See the Proposal Instructions for additional detail.

## Further Evaluation

Based on this scoring process the City may establish a short list of proposers for further evaluation. The further evaluation may include, at the City's sole option, interviews at the City's offices, site visits to company facilities, and/or consideration of additional materials or clarifications requested by the City. No additional material or clarification will be considered unless it has been specifically requested by the City. The City reserves the right to make an award based solely on the written proposals. Therefore, proposers are urged to provide their most advantageous-possible offers in their written proposals.

## G. PROPOSAL INSTRUCTIONS

### 1. Proposer Identification.

(Complete the attached "Proposer Information Sheet - Taxicab Operator's Franchise" and submit with proposal - See Appendix D)

Each proposer must submit documentary proof, for example U.S. or California government issued photo identification, Articles of Incorporation, or other organizational identification paperwork,

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that they are who they represent themselves to be. If a proposer is a membership organization or corporation, the proposal must include a copy of the Articles of Incorporation from the Secretary of State, and the names of the current managers and principal stockholders. If a proposer is an individually owned company, its owner(s) and management personnel must be identified.

If a proposer is a membership organization, the names of the current elected officers and Board of Directors must be submitted with the proposal. Any changes in elected officers and Board of Directors either before the award of a franchise or during the term of a franchise must be submitted within five (5) calendar days of such change.

## 2. Disclosures

(Complete the attached "Proposer Information Sheet - Taxicab Operator's Franchise " and submit with proposal - Appendix D)

Each proposer and all principals thereof shall be fingerprinted by via Department of Justice Live Scan system for a criminal record check within seven (7) calendar days of the due date of the proposal and shall pay the fee of \$\_\_\_ for each person required for this process. This requirement will be waived for individuals who have completed this requirement within the 12 months preceding the due date of the proposal.

The proposer must disclose on the Proposer Information Sheet if:

- The proposer or any of its principals has ever been convicted in a criminal proceeding.
- Any of its employees, members, or persons leasing any of its vehicles have been cited for operating a taxicab or other vehicle for hire without the required permits or licenses anywhere in the United States or have been cited for any for any misdemeanor or infraction while operating a taxicab in the five years preceding the due date of the proposal.
- The proposer or any principal thereof has ever been a party to a civil proceeding in which it was held that the proposer or any principal thereof engaged in anti-competitive business practices, violated state or federal laws, or engaged in false/misleading advertising.
- The proposer or any principal thereof has ever had a business license revoked or suspended.
- The proposer or any principal thereof has ever been found in violation of any taxicab operator's license agreement.
- The proposer or any principal thereof has ever initiated litigation against a franchising authority or had a franchising authority initiate litigation against it.

For each disclosure, full details must be provided, including the person(s) involved, jurisdictions, dates, nature of the charge or violation, details of litigation, and final decision, if any.

## 3. Company Experience

Each proposer is required to submit a complete summary of all business experience for at least the last ten years, both positive and negative, that would reflect on proposer's ability to operate a taxicab service in Beverly Hills. Proposers who are currently have, or have previously been issued, franchises, permits, licenses or other authorization to operate taxicab services by any city, county,

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airport, or other governmental entity must provide a listing of those taxicab service operations and the authorizing entities.

The experience summary shall document the proposer's demonstrated ability in other locations to implement service similar to that proposed in Beverly Hills. Describe any significant operational or administrative improvements that were accomplished, as well as challenges encountered and how and whether they were overcome. Proposers are invited to provide any documentary evidence that is available testifying to the quality of the service that they have provided. Experience in and around Beverly Hills will be given particular weight in the proposal evaluation.

Proposers must list the individuals who have been responsible for key management functions of the company during the previous ten years, including the tenure of each person in each management position.

Each proposer must provide at least three references for its business operations during the previous ten years.

## **4. Staff Experience**

Proposers shall identify the individuals who will be responsible for key management and administrative responsibilities for taxicab service in Beverly Hills. For each key staff person identified, proposals shall describe the functions they will perform and their relevant experience and qualifications for these functions, noting in particular significant operational or management accomplishments. A complete resume/employment history shall be submitted for all key management and administrative staff.

If the proposed management staff were associated with a different company during the previous ten years, references for their experience with that company or companies (for example from the company or from city staff with whom they had contact) should be provided. Lack of such references will not be disqualifying but will negatively affect the City's ability to determine the qualifications of the proposed staff.

## **5. Management Plan**

### **5.1 Organizational Structure and Procedures**

Describe the ownership and/or corporate structure of the company. Include:

- Copy of Corporate Charter, Articles of Incorporation, Bylaws and any other organizational identification paperwork;
- Criteria and procedures for election of Officers and Board of Directors or equivalent;
- Copies of membership, security and lease agreements;
- Process for membership/share approval, sale and transfer;
- Process for member dismissal;
- Process for maintaining active membership list reporting to the City;

Describe the management and administrative structure of the company, especially as affects operation of taxicab service in Beverly Hills. Include an organizational chart. If key management or administrative staff are not employees, describe their status including any contractual terms.

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Identify who will be City's point of contact who will be responsible for ensuring continuous adherence to the terms of the franchise, for responding to City requests for information, and for addressing issues raised by the City, and who will have the authority to carry out necessary corrective action. This person, or a designated substitute with the same authority, must be available 24 hours a day, every day, for the term of the franchise.

## **5.2 Dispatch and Communication**

Describe the methods and procedures that will be applied, using the equipment and facilities identified in Section 6.3, to provide dispatch service that meets the City's service quality and compliance requirements. Describe any innovative features, beyond those required to meet the City's requirements, designed to provide added value, convenience, and appeal to the public. Describe how data will be managed to comply with the City's requirements for reporting, service monitoring, and incident investigation.

## **5.3 Driver Programs**

Describe the following:

- Processes for solicitation, screening, training, drug testing, English language testing and hiring drivers. Drivers must be able to read and speak English and communicate with their passengers in English without translation assistance. Drivers must be able to find their way around Beverly Hills and greater Los Angeles.
- Training programs, refresher courses, behind the wheel training, and training program delivery and testing, including training on providing services to elderly customers and people with disabilities.
- Road supervision and investigation and follow-up on incidents.
- Discipline or mediation procedures to address compliance, customer service, or performance issues.
- Incentive or award programs to promote high levels of service by drivers and staff who interact with customers.
- Procedures for accident investigation, tracking, and prevention.
- Programs for driver/employee life, health and disability social benefit plans including any financial contributions (per month) provided by the operator towards such programs.

## **5.4 Vehicle Maintenance and Inspection**

Describe the methods and procedures that will be used to ensure that all vehicles receive preventive and routine vehicle maintenance. Describe the methods and procedures that will be used to ensure that all vehicles used in Beverly Hills taxicab service meet all City requirements at all times, including procedures for maintaining documentation of compliance, for reporting to the City, and for correcting any problems found. Identify the staff who will perform these functions and how they will be deployed.

## **5.5 Maintaining Service Levels**

Describe the methods and procedures that will be used to:

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- Ensure that the required number of vehicles, including wheelchair accessible vehicles, is available for service at all time and that vehicles are deployed in a manner that allows for required response times to be met.
- Advertise, solicit or promote business including users of the Beverly Hills taxicard program, people with disabilities, visitors, and residents.
- Identify and address service deficiencies including, but not limited to, a full description of how senior citizens, people with disabilities, and potentially under-served or hard-to-serve locations will be guaranteed good service.
- Investigate, resolve, and respond to complaints, and avoid similar complaints in the future.

Describe other methods including internal incentives/disincentives to maintain service availability and quality.

## **5.6 Special Programs, Agreements and Services**

- Describe any special programs or agreements with other agencies or entities that may affect taxicab service in Beverly Hills.
- List all existing exclusive agreements within the City of Beverly Hills, including any with businesses, parking lots, hotels, restaurants, etc.

## **5.7 Record Keeping**

Describe how records will be maintained and made available to the City (in hardcopy and electronically) covering all aspects of compliance, maintenance of service levels, driver programs, discipline, vehicles, complaint investigation and response, accidents and claims. Describe how confidentiality will be maintained while providing necessary access.

## **5.8 Continuity and Follow-Through**

Describe how you will ensure that the commitments made in the proposal can be carried out throughout the term of the franchise. In particular describe methods that give management the capability to ensure that commitments are carried out, methods to promote continuity of management, and how continuity in programs and commitments can be maintained in the event of changes in management

# **6. Facilities and Equipment**

## **6.1 Operating Facilities**

Identify and describe the facility or facilities where the service will be managed and where service will be dispatched, records kept, and vehicles inspected, and where lost articles will be available for retrieval. If multiple locations/facilities will be used, identify the address of each and describe the facility, including other services that are operated from the same facility.

## 6.2 Fleet

Each proposer is required to complete a Fleet Plan (Appendix F) corresponding to the proposer's requested number of authorized taxicabs. Of the total number of proposed vehicles, the proposer must also propose a specific number of Green Vehicles as defined by the City of Los Angeles. In addition, sufficient wheelchair accessible vehicles, meeting ADA requirements, must be proposed to ensure that customers requesting an accessible vehicle receive the same response time as other customers. The proposal must specify a schedule for phasing in operation of all proposed vehicles. The following minimum percentages of proposed Green Vehicles and wheelchair accessible vehicles must be in operation: 25% by the end of the first month; 50% by the end of the fourth month; 75% by the end of the eighth month; and 100% by the end of the twelfth month after the franchise start date. Proposers are strongly encouraged to specify a more accelerated schedule for phasing in operation of vehicles in each category, beyond this minimum requirement.

For each vehicle listed in the Fleet Plan that is more than three years old, as of the due date of the proposal, the proposer must also identify when it will be replaced and the vehicle type with which it will be replaced.

## 6.3 Dispatch and Communications Equipment

Describe the dispatch and communications equipment that will be used, including how it will meet the City's requirements for order taking, dispatch of vehicles, vehicle tracking, service monitoring and reporting, and incident investigation. Describe the technology or services that will be used to accommodate the speech and hearing impaired.

## 7. Start-Up Plan

Each proposer shall provide a firm schedule for setting up operations that assumes that taxicab service as proposed in the proposal will commence on \_\_\_\_\_. Schedules shall specify the number of vehicles to be placed in service when operations begin, the dates when additional vehicles will be added, and the date when full operation is anticipated. This schedule shall address the fleet composition plan specified in Appendix F. Each proposer shall discuss how, within six months from the effective date of the operator's franchise, it will establish computerized dispatching, if such a system is not already in place, including communication with each vehicle's digital mobile data system and reporting to the City.

## 8. Financial Information

An important feature of the proposal is an adequate demonstration of financial capability to perform in accordance with the taxicab ordinance and the applicant's own proposal. Failure to provide detailed information of financial capability may be interpreted as evidence that the proposer is not properly qualified to be granted a taxicab franchise. Proposals must explain their plans for financing needed acquisitions, improvements, start-up or transition expenses, etc. Proposals must include a business plan showing how on-going outlays for equipment, personnel, property leases, maintenance, fees, debt service, etc. will be met from available revenue sources, including member dues or assessments, fees or assessments charged to drivers, and other sources.

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Provide a schedule of lease, gate and other driver fees to the extent that these are controlled by or known to the company. Describe any limits on these fees and how they are established. At a minimum provide a statistical snapshot of driver fees showing averages and ranges.

Documents showing the availability of sufficient equity and/or debt funding to start up and operate the proposed service or to make required or promised improvements must be submitted as part of the application. Acceptable documentation includes:

- Equity Funding - Minimum documentation shall include balance sheets, cash flow statements, and income statements in the forms as described by generally accepted accounting principles (GAAP) for the most recent three calendar years (2011, 2012 and 2013) or the proposer's last three fiscal reporting years. Audited financial statements by an independent Certified Public Accountant (CPA) will be given greater weight than non-audited statements. All personal financial statements will be kept confidential to the fullest extent permitted by applicable law. All financial statements submitted must be clearly marked "Confidential."
- Debt Funding - Minimum documentation shall include commitment letters from lending institutions. The letters should state the intended use of funds (e.g., purchase of equipment), be signed by an officer authorized to sign for the lending institution, and make a positive statement of the specific amount of funds that is available should a franchise be awarded to that proposer

## 9. Enhancements

In order to be eligible for evaluation points for Enhancements, a proposer must:

- Describe in detail the enhancement being offered.
- Demonstrate the proposer's capacity and ability to implement the enhancement and describe the proposer's record of achieving similar enhancements to service in other locations.
- Describe any risks that could prevent full implementation of the enhancement, for example failure of vendors, incompatibility of technology, regulatory changes, etc., and steps that will be taken to minimize these risks.
- Define clear measurements that can be used to determine whether, or to what extent the enhancement has been accomplished. Example measurements might be the number of qualified green vehicles above and beyond the minimum requirements operated in each year, number of vehicles operating with advance payment and/or overcharge preventing equipment, etc.
- Describe in detail and agree to specific penalties that will be assessed by the City if the proposed enhancements fail to achieve the proposed measures of successful implementation, unless the City determines that failure to implement is the result of circumstances beyond the franchisee's control and that could not have reasonably been foreseen.

In addition to exceeding requirements for Green Vehicles or wheelchair accessible vehicles, enhancements may include any innovative features, beyond those required to meet the City's requirements, designed to provide added value, convenience, and appeal to the public.

**Beverly Hills Taxi Franchise RFP**  
Preliminary Draft for Comment

The City is particularly interested in any innovative features that proposers have or will implement that will ensure continuation of quality taxicab service as a viable business model in the face of competition from other market entrants over which the City has little or no regulatory authority. In addition to features suggested earlier in the Key Provisions section of the RFP, features that have attracted attention and that may be of interest include: (1) methods of ordering a taxi that do not require customers to call a dispatch center; (2) payment methods that do not require a customer to swipe a credit card at point of transaction; (3) payment methods that provide passengers with protection against overcharging, for example by using the wrong rate of fare, taking an unnecessarily long route, or failing to apply the required flat rate to LAX; (4) electronic communication with customers that enable them to have real-time information, including visual information, about when their taxi is likely to arrive; (5) methods of accurately estimating taxi fares in advance so a customer knows with some certainty of the likely range for the actual fare; (6) mechanisms that provide customers with the ability to provide immediate electronic feedback on the quality of the driver and vehicle during or at the conclusion of a trip; and (6) means of communicating with customers, before, during, and after their trip, that utilize their mobile phones in appropriate ways.

Draft for Discussion

