



DISTRIBUTION DATE: 8/23/11  
Office of the City Manager

# MEMORANDUM

**TO:** HONORABLE MAYOR &  
CITY COUNCIL

**FROM:** Arturo Sanchez

**SUBJECT:** Awarding of Temporary Taxicab Permits to  
Cabs Incorporated

**DATE:** August 23, 2011

City Administrator  
Approval

*Arturo Sanchez*

Date

8/23/11

## INFORMATION

On July 5, 2011, the City Council adopted Ordinance No. 13076 C.M.S., authorizing the City Administrator to issue up to 41 vehicle permits for the operation of taxicabs. The City Council adopted this Ordinance in light of a private party dispute over the ownership and control of DOLCO (a California corporation), the company to which the City had originally issued 41 vehicle permits, which dispute is now the subject of private party litigation in the Alameda Superior Court. Given this private party dispute, the City had not issued all the requisite annual permits (e.g., vehicle inspection permits, fleet manager permits, and the medallions) that would give drivers authority to temporarily operate cabs pursuant to the 41 vehicle permits.

Pursuant to the Ordinance, the City Administrator's Office (CAO) issued an RFP to award the temporary permits. The City received multiple responses to the issuance of the RFP. In order to provide fairness, integrity, and independence to the qualitative review, I delegated scoring of the applications to a team comprised of 2 City and one Port of Oakland employee/s with expertise in either the taxi industry or finance issues directly related to the successful administration of Taxicab permits. Below is a detail of the review panel:

1. Port of Oakland Ground Operations Supervisor (administers Taxicab permits and program at the Airport) – Chosen because of his subject matter expertise.
2. Oakland Police Officer (traffic division) – Officer was chosen because he is the traffic officer assigned to oversee the taxicab permits in OPD and conducts field inspections and Chapter 5.64 enforcement.
3. City of Oakland Revenue Audit Supervisor – Chosen to conduct assessment of the financial viability of the applicants to conduct the activity they proposed in application.

The reviewing panel submitted their results to me, which I have summarized in a spreadsheet that can be reviewed upon request. Cabs Incorporated obtained the highest total score (6128). The next closest applicant Best Transportation obtained a score of 6023, a difference of 159 points. Please note that all three reviewers graded Cabs Incorporated the highest applicant.

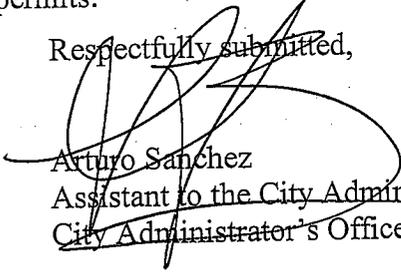
I have adopted these scores and the determination of the office is to temporarily award all 41 taxicab permits to Cabs Incorporated for the following reasons:

1. Cabs Incorporated is the highest scoring applicant (total points 6128 awarded by the three scorers);
2. Cabs Incorporated has best met the requirements of the application process;
3. Cabs Incorporated has demonstrated availability and capacity to immediately deploy 41 temporarily permitted vehicles and access to sufficient drivers to deploy; and
4. The reliable and safe deployment of 41 temporary permitted taxicab vehicles to provide service to Oakland residents was of paramount importance to the Oakland City Council.

Only the top applicant was awarded temporary permits. Please be advised that the reviewers were asked to review the viability and reliability of the applicants, while balancing the need of the City to quickly deploy 41 vehicles, based upon the information provided to the City in response to the RFP/Q. While many applicants appeared qualified the City's need to urgently deploy the 41 temporarily permitted vehicles separated the successful applicant from the unsuccessful applicants.

In closing, clearly the past months have indicated that a more strategic regulatory approach is required in order to more appropriately regulate and monitor the taxicab industry. During the next two years staff will undertake a qualitative and quantitative study to make sure that the taxicab industry is appropriately and adequately regulated. At such time, staff hopes to learn the final disposition of these temporarily issued permits.

Respectfully submitted,

  
Arturo Sanchez  
Assistant to the City Administrator  
City Administrator's Office

For copies of ordinance and RFP or if you have questions please contact Arturo Sanchez at (510) 238-7542.