

**MEETING DATE:** JUNE 22, 2005

**SUBJECT:** Contract Extension For Wheel-Trans Sedan Meter Based Taxi Service Providers

**RECOMMENDATION**

It is recommended that the Commission approve:

1. a three (3) month service extension to the existing sedan based taxi service providers from July 1, 2005 to September 30, 2005;
2. an increase of \$950,000 to the overall contract upset limit for sedan based taxi service from \$19,994,200 to \$20,944,200; and
3. the allocation of these additional funds to the current sedan based taxi contractors for services rendered to September 30, 2005, as follows:
  - Arrow Cab Limited: \$220,000 increase, from \$6,441,700 to \$6,661,700
  - Beck Taxi Limited: \$510,000 increase, from \$8,708,500 to \$9,218,500
  - East End Taxi : \$220,000 increase, from \$4,844,000 to \$5,064,000

**FUNDING**

Funding for sedan based taxi service has been provided in the approved 2005 Wheel-Trans Operating Budget.

**DISCUSSION**

In spring 2000, a ‘Request for Proposal’ (RFP) was developed for the supply of licensed sedan based taxi service for specialized transportation on behalf of Wheel-Trans Operations. At the Commission Meeting of May 31, 2000 the Commission approved awarding of contracts through the Commission’s Chair and Chief General Manager and three contracts were subsequently awarded on June 27, 2000 for the provision of sedan taxi service for Wheel-Trans. These contracts were awarded to Beck Taxi Limited, Arrow Cab Limited and East End Taxi for a three year period commencing July 1, 2000. The contracts also contained an option for two, one year extensions. These contracts, including the exercised options for contract extensions, currently are to expire on June 30, 2005.

This contract extension provides the time required for staff to address sub-standard service quality issues. Vehicle design and driver training as well as performance fees and service scheduling have all been provided for in the upcoming Request for Proposal. Wheel-Trans still will continue to work with the City of Toronto Taxi industry and Municipal Licensing and Standards in developing service standards targeted at improving the quality of sedan taxi service. Sedan based service contracts will be presented for approval at the September Commission Meeting.

The recommended increase to the sedan based taxi upset limits will allow Wheel-Trans to continue providing approximately 12% of total demand for the extension period from July 1, 2005 to September 30, 2005. The revised contract upset limits for the period ending September 30, 2005 are as follows:

<b>Arrow Taxi Limited</b>	<b>Beck Taxi Limited</b>	<b>East End Taxi</b>
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<b>Original Contract Upset Limit</b>	\$1,985,000	\$2,793,000	\$1,687,000
<b>Previous Amendments</b>	\$4,456,700	\$5,915,500	\$3,157,000
<b>This Amendment</b>	<u>\$220,000</u>	<u>\$510,000</u>	<u>\$220,000</u>
<b>Revised Total Contract Upset Limit</b>	<b>\$6,661,700</b>	<b>\$9,218,500</b>	<b>\$5,064,000</b>

The allocation of this additional funding continues to be based upon vehicle availability and service coverage areas. These revised contract limits may be adjusted based upon service performance and the distribution of demand within the City of Toronto.

**JUSTIFICATION**

Sedan taxis complement the accessible bus and taxi service in meeting peak period demand, as well as providing substantial service during the off-peak periods. This request to extend the existing sedan based taxi service providers' contract and increase the upset limit for the respective sedan taxi contracts remains consistent with the 2005 Wheel-Trans Operating Budget and provides sufficient service to the end of the contract period on September 30, 2005.

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June 8, 2005

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