

## Board denies appeal of Salt Lake City's new taxi contracts

Order • Block on out-of-state cab companies remains in place.

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An administrative board on Wednesday denied an appeal by Yellow Cab Driver Association, but a judge's temporary restraining order blocking new taxi services in Salt Lake City remains in effect.

The panel rejected Yellow Cab's contention that the bidding process was illegal, ruling instead that the City Council acted within its authority when it moved to terminate a decades-long relationship with Yellow Cab, Ute Cab and City Cab and signed new contracts with two out-of-state taxi companies.

New services were scheduled to begin Nov. 28, but were put on hold when 3rd District Judge Kate Toomey issued a restraining order against the city, allowing time for Yellow Cab to appear before the panel. Ute Cab joined in the lawsuit in the meantime.

Toomey's order remains in place while Yellow Cab and Ute Cab exhaust further administrative remedies, although no hearing dates have been set yet.

On Oct. 25, the city-run Salt Lake Department of Airports awarded contracts to the Cleveland-based Ace Taxi Service and Total Transit, headquartered in Glendale, Ariz. Under the contracts, only those companies' taxis would be allowed to queue up to transport passengers from the airport or pick up riders who hail cabs anywhere in the city.

Todd Nemet, president of the consumer advocate group, TransportationReviews.com, said Salt Lake City's contract had a sweeping and unfair effect on taxi operations well beyond the airport.

"Competing taxi companies which were not awarded airport contracts will not be allowed to provide on-demand service within the city, which effectively could put them out of business," Nemet said. "It is not a level playing field in which all companies are allowed to compete."

Yellow Cab attorney Don Winder also had argued the airport could not legally charge concession fees for taxi services off airport property, calling such rider-paid fees an illegal hidden tax.

But the three-member city panel — comprised of Salt Lake Police Chief Chris Burbank, Chief Information Officer Bill Haight and Chief Procurement Officer Bryan Hemsley — ruled the concession fees could be legitimately charged to providers "for the use of City property when providing goods or services to the public."

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