

Panel hears Yellow Cab's protest over taxi contracts

Transportation • Attorney argues SLC airport improperly imposed new concession fee.

BY DAWN HOUSE THE SALT LAKE TRIBUNE

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An attorney for Yellow Cab called a new airport concession fee charged for all taxi services — whether or not riders travel to the airport — an illegal, hidden tax.

But city officials said the fee charged by the Salt Lake City International Airport is legal, and they said two other firms that outbid Yellow Cab for new services agreed to the current fare rates.

The arguments were made before a three-man panel, which took under advisement Yellow Cab's assertion that Salt Lake City's bidding process for new taxi services has been unfair.

Panel members, made up of the city's Police Chief Chris Burbank, Chief Information Officer Bill Haight and Chief Procurement Officer Bryan Hemsley, said they will rule on the protest sometime early next week.

Last week, 3rd District Judge Kate Toomey put the city's plans on hold for new cab service, which was to begin on Nov. 28.

Toomey issued a temporary restraining order, ruling airport officials had not given Yellow Cab adequate time to exhaust its appeals before awarding contracts to two out-of-state companies.

Thursday's hearing is part of that administrative appeals process.

City officials contend that Ace Taxi Service of Cleveland, Ohio, and Total Transit of Glendale, Ariz., were selected in a competitive bid process, and that the two companies outscored Yellow Cab by a wide margin.

The new companies are to replace Yellow Cab, Ute Cab and City Cab, whose decades-long relationship with the city is set to expire as soon as the new services begin.

Yellow Cab attorney Don Winder challenged the legality of requiring all city residents to pay the concession fee, which goes directly into the airport's general operating fund — not to upgrade cab services. He also said the airport imposed the fee without authorization from the City Council.

The concessions fees, to be paid by the new companies, total about \$501,000 annually.

"This is an illegal tax," said Winder. "It's a tax without representation. That's what the Boston Tea Party was all about."

Senior City Attorney Wesley Robinson said concession fees are contractual arrangements that are commonly charged at airports nationwide. He said the City Council was well aware of the fee when members approved an ordinance changing taxi services.

Robinson also said that it may be unusual for the Salt Lake City airport to regulate taxi services throughout the city, but "it is not wrong, illegal or improper," he added.

Last week, Robinson said that if the airport cannot implement the new services on Nov. 28, the city would be subject to damage claims as much as \$80,000 by the successful bidders.

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