

Minutes of the Fairfax County Consumer Protection Commission

October 14, 2008

7:30PM Conference 7
Government Center
12000 Government Center Pkwy.
Fairfax, Virginia 22035
Chairman Fee, presiding

Attendance:

Commissioners: Adams, Bahhur, Douskalis,
Fee, Hargraves, Kirk, Mrowka, Nguyen, Roark,
Rosier

Absent:

Commissioners: Hine

Staff:

Michael S. Liberman, Director
Department of Cable Communications
and Consumer Protection
Cynthia Bailey, Assistant County Attorney
Steve Sinclair, Chief, Utilities Branch
Susan C. Jones, Chief
Consumer Affairs Branch
Dave Reidenbach, Chief
Regulatory and Licensing Branch

The meeting was called to order at 7:30 PM by Chairman Fee.

Minutes

The minutes of the September 9, 2008, meeting were approved.

Chairman Fee made a motion to suspend the regular meeting in order to address the Board of Supervisor request.

Commissioner Kirk asked if the public hearing had been advertised. Staff responded that the hearing had been advertised.

The motion passed unanimously.

Report of the Chairman

Chairman Fee informed commissioners that Cynthia Robinson resigned. He introduced Jacqueline Rosier, the newest commission member.

Report of the Director

Director Liberman informed the commissioners that the County Executive emailed county staff concerning the stock market events that has now led to a \$58 million budget shortfall in FY 2009. The following steps will be taken:

- Agency Department Heads are required to find an additional 2% savings in the personnel budget. The MA II position will be held open.
- All training and travel has been cancelled.
- New vehicle purchases have been suspended.
- Capital equipment purchases have been suspended.
- A request for at least one furlough day on January 2, 2009.

Director Liberman told commissioners that the FY 2010 budget for Consumer Affairs will be submitted tomorrow. Each agency is also presenting Lines of Business to the Board of Supervisors and proposing 15 % budget reductions for review.

The County is holding a series of community dialogue meetings to seek community input to address the FY 2010 budget.

Commission Matters

Commissioner Roark inquired about the difference between taxicab and limousine requirements. Staff will respond to the inquiry.

Commissioner Mrowka requested that the topic of home warranties be a future discussion due to frustration of paying for coverage and the warranty company failed to have the paperwork or the issues were not covered.

Commissioner Nguyen mentioned his request that the utility companies be placed on the 2009 agenda. In addition, he mentioned an issue with Cox security and the fact he could not access the account because it was in his wife's name and wanted to know when this policy change occurred. Staff will respond to the inquiry.

Commissioner Bahhur told commissioners about her experience when her credit card was stolen and it took 8 days for FCPC Financial Crimes Unit to respond to her issue.

Commissioner Adams had no matters to bring before the commission.

Commissioner Hargraves referred to on-line privacy issues and mentioned working for a telecom and ISP advertisers and the battle of opt-in versus opt-out on how much should be disclosed and how we are being watched.

Commissioner Douskalis expressed the need for consumer education on the privacy policy of banks where personal data may be shared with companies outside their direct control under contractual agreements and even with companies outside the US.

Commissioner Kirk received a notice from Georgetown Hospital about his son receiving medical treatment and that someone stole all his personal information.

Commissioner Rosier had no matters to bring before the commission.

Old Business

There was no old business.

New Business

1. Public Hearing on Taxicab Rate Change and Code Modification to 84.1 – Public Transportation

Chairman Fee provided background information from the September 9, 2008, Public Hearing where the CPC passed three recommendations to present to the Board of Supervisors.

1. Taxicab Fare Rate Increase:
 - \$2.75 base rate
 - \$2.00 per mile advertised rate
 - (\$.40 each 1/5 mile)
2. Fuel Efficiency Standards for Taxicab Vehicles:
 - Effective July 1, 2010, vehicles placed into service in a certificate holder's fleet must have an average Environmental Protection Agency (EPA) combined city/highway miles per gallon (mpg) rating of at least 21 mpg.
 - Effective July 1, 2012, vehicles placed into service in a certificate holder's fleet must have an average Environmental Protection Agency (EPA) combined city/highway miles per gallon (mpg) rating of at least 23 mpg.
 - Effective July 1, 2014, vehicles placed into service in a certificate holder's fleet must have an average Environmental Protection Agency (EPA) combined city/highway miles per gallon (mpg) rating of at least 25 mpg
 - And shall be encouraged to obtain a goal of 30 mpg.
3. Other Code Revisions, pp. 13 to 19
 - Support staff recommendation on proposed revisions to Chapter 84.1 of the Fairfax County Code pertaining to taxicab regulation, as provided in Schedule 13.

On September 22, 2008, the Board of Supervisors deferred its decision on the recommended amendments until the October 20, 2008, board meeting.

The Board directed staff to work with interested parties in the interim to achieve consensus in two areas of disagreement: the establishment of a new rate structure, and the establishment of fuel efficiency standards.

Meetings were held on October 8 and 10, 2008, between staff and industry representatives. On October 10, 2008, these parties reached a compromise agreement on outstanding rate and fuel efficiency issues. Participants in the process, other than staff, included representatives of Fairfax Yellow Cab, Red Top, Springfield Yellow, and the White Top taxicab companies, drivers, and

representatives of the Fairfax Taxicab Association and a representative of the Fairfax County Department of Transportation, Seniors-on-the-Go Program.

A motion was made and seconded to rescind the recommendations made by the CPC on September 9, 2008, and reopen the public hearing. The motion passed unanimously.

A motion was made and seconded to support the Consensus Report made by the Taxicab Industry and Staff on the proposed revisions to Chapter 84.1 of the County Code.

A discussion ensued on the merits of the original staff proposal, representing the consumer's interest, and whether any portion of the proposal can be modified.

Chairman Fee asked for all in favor of recalling the motion. Commissioner Kirk, Douskalis, Fee, Mrowka, Bahhur, Roark, Rosier voted to recall the motion. Commissioners Nguyen, Adams voted against the recall. The motion was recalled.

Chairman Fee restated the motion to support the Consensus Report made by the Taxicab Industry and Staff on the proposed revisions to Chapter 84.1 of the County Code.

Commissioners Rosier, Kirk, Douskalis, Fee, Roark, Mrowka, Bahhur voted to approve the motion. Commissioners Adams, Nguyen voted against the motion. The motion was approved 7 to 2.

Consensus Rate Recommendation

Permanent taxicab fare rates were last increased in June 2005, based in part on average regular-grade gasoline prices in March 2005 of \$2.13 a gallon. Although fuel prices have fallen over the last several months from their mid-summer record highs, the cost of gasoline is unlikely to return to March 2005 levels. Given the increase in gasoline costs since 2005, in conjunction with factors including a 13 percent increase in the Consumer Price Index (CPI) over that same period, all parties were in agreement that a rate adjustment was warranted.

Recent declines in gasoline prices, widespread economic turmoil, and the possible negative impact of a rate increase on ridership, led all parties to recommend a more moderate increase than previously proposed. The taxicab company owners, industry drivers, and staff jointly recommend that Section 84.1-6-3 be amended by increasing both components of a taxi fare, as follows:

- The initial, or "drop," charge, which includes the passenger's first 1/5th mile, would increase \$0.50, from \$2.75 to \$3.25. This recommended drop charge is \$0.50 more than the drop charge that TGI supported during the September 22, 2008 public hearing but \$0.50 less than staff's initial recommendation.
- The mileage rate, which reflects the amount charged for each succeeding 1/5th mile increment, would increase by \$0.05, from \$0.35 to \$0.40. As a result, the per-mile rate would increase from \$1.75 to \$2.00. No party took issue with this recommended mileage rate during the September 22, 2008 public hearing and it remains unchanged from staff's initial proposal.

As provided by the Code, the fuel surcharges currently in effect would be superseded by these permanent rate changes.

The elimination of the fuel surcharges will significantly reduce the impact of the recommended rate increase on the public. In many cases, even if permanent rates are increased, passengers will see reductions in the total cost of a taxicab trip. For example, a passenger taking a five-mile trip will save \$0.30 (a 2.3 percent decrease) when compared to current rates. A passenger taking a nine-mile trip will pay only an additional \$0.70 (or 3.5 percent increase) over current rates.

Consensus Fuel Efficiency Recommendation

Both staff and industry recognize the need for the taxicab industry to move towards a more fuel-efficient taxicab fleet. In light of the continuing community need for larger vehicles, however, the taxicab industry and staff recommend fuel efficiency standards that accord the industry greater operational flexibility than originally proposed. Specifically, the industry and staff jointly recommend the following standards for replacement vehicles placed into service in a certificate holder's fleet during each succeeding twelve month period:

- Effective July 1, 2010, 50 percent of such vehicles must achieve an Environmental Protection Agency combined city/highway rating (EPA combined rating) of at least 21 miles per gallon (mpg).
- Effective July 1, 2012, 55 percent of such vehicles must achieve an EPA combined rating of at least 23 mpg.
- Effective July 1, 2014, 60 percent of such vehicles must achieve an EPA combined rating of at least 25 mpg.

Two categories of taxicabs are exempt from the standards: (a) vehicles primarily fueled by an approved clean special fuel as defined in the Code of Virginia; and (b) wheelchair accessible vehicles.

Other Chapter 84.1 Recommendations

At its September 9, 2008 meeting, the Commission voted to recommend Board approval of other revisions to Chapter 84.1 in addition to those regarding rates and fuel efficiency. These other recommendations, which no party opposed, were not the subject of the parties' discussions.

○ Election for Secretary

Commissioner Kirk nominated Commissioner Dirck Hargraves for Secretary. Commissioners unanimously voted to approve this appointment.

Chairman Fee inquired about business cards for the commissioners to have when talking to the public about the CPC. Staff will check on this issue.

Commission discussed educational opportunities regarding bank notices and the potential legislative opportunities.

The meeting adjourned at 8:53 PM.