



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **19<sup>TH</sup> DAY OF AUGUST, 2015** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Commissioner Fish arrived at 9:33 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Jason King, Sergeant at Arms.

Item Nos. 860 and 841 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 10:50 a.m. and reconvened at 11:00 a.m.

<b>COMMUNICATIONS</b>		<b>Disposition:</b>
<b>829</b>	Request of Susan West to address Council regarding downtown partnerships for public safety (Communication)	<b>PLACED ON FILE</b>
<b>830</b>	Request of Roberta Palmer to address Council regarding better tax system for the City (Communication)	<b>PLACED ON FILE</b>
<b>831</b>	Request of Pastor Everett Coffman to address Council regarding a pilot program to address the garbage left in camps of the homeless (Communication)	<b>PLACED ON FILE</b>
<b>832</b>	Request of Pat Wagner to address Council regarding affordable rental housing units above industrial workshops (Communication)	<b>PLACED ON FILE</b>
<b>833</b>	Request of Lightning to address Council regarding are professional apartment management companies the solution for decreasing chronic-homelessness (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>		
<b>834</b>	<p><b>TIME CERTAIN: 9:45 AM</b> – Accept the Portland Utility Review Board 2015 Annual Report (Report introduced by Commissioner Fish) 15 minutes requested</p> <p><b>Motion to accept the report:</b> Moved by Saltzman and seconded by Fritz. (Y-5)</p>	<b>ACCEPTED</b>

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*835	<p><b>TIME CERTAIN: 10:15 AM</b> – Create a local improvement district to construct street, sidewalk and stormwater improvements in the SE 86<sup>th</sup> Ct and Steele St Local Improvement District (Hearing; Ordinance introduced by Commissioner Novick; C-10051) 15 minutes requested for items 835 and 836 (Y-5)</p>	<p><b>187293</b></p>
836	<p>Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the SE 86th Ct and Steele St Local Improvement District project, through the exercise of the City's Eminent Domain Authority (Second Reading 710; Ordinance introduced by Commissioner Novick) (Y-5)</p>	<p><b>187294</b></p>
837	<p><b>TIME CERTAIN: 11:00 AM</b> – Appeal of Portland Water Bureau and Mt. Tabor Neighborhood Association against Historic Landmarks Commission’s decision to approve with conditions a proposal to disconnect the Mt. Tabor Reservoirs from the public drinking water system at Mt. Tabor Park located at 6325 SE Division St (Findings; Previous Agenda 763; LU 14-218444 HR EN) 5 minutes requested <b>Motion to adopt findings:</b> Moved by Fish and seconded by Fritz. (Y-5)</p>	<p><b>FINDINGS ADOPTED</b></p>
<p><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p style="text-align: center;"><b>Mayor Charlie Hales</b></p>		
838	<p>Appoint Clark Tenney and Scott Bradley and reappoint Eric Benson, Debra Haugen and Ed Ferrero to the Towing Board of Review (Report) (Y-5)</p>	<p><b>CONFIRMED</b></p>
839	<p>Appoint Harvey McGowan as Commissioner for the Civil Service Board for a term to expire September 8, 2018 (Report) (Y-5)</p>	<p><b>CONFIRMED</b></p>
840	<p>Reappoint Ben Kaiser to the Design Commission for a term to expire August 14, 2019 (Report) (Y-5)</p>	<p><b>CONFIRMED</b></p>
*841	<p>Waive Title 33, Planning and Zoning to allow temporary manufacturing and production of an indoor track and field facility at 2400 NW Front Ave from October 1, 2015 through February 29, 2016 (Ordinance) (Y-5)</p>	<p><b>187295</b></p>
<p style="text-align: center;"><b>Bureau of Planning &amp; Sustainability</b></p>		
842	<p>Authorize a \$5,000 Intergovernmental Agreement with Washington County for the administration of the Master Recycler Program (Ordinance)</p>	<p><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>

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<b>Bureau of Police</b>		
<b>*843</b>	Amend contract with Enviroissues Inc. in the amount of \$40,000 to provide additional Police Review Board facilitator services (Ordinance; amend Contract No. 30003585) (Y-5)	<b>187284</b>
<b>*844</b>	Amend Intergovernmental Agreement with Multnomah County in the amount of \$60,802 to assist in the transition out of outpatient treatment and supportive housing to chronic offenders identified by the Service Coordination Team (Ordinance; amend Contract No. 30004147) (Y-5)	<b>187285</b>
<b>City Budget Office</b>		
<b>*845</b>	Authorize an Intergovernmental Agreement with the Portland Development Commission for FY 2015-16 economic development activities (Ordinance) (Y-5)	<b>187286</b>
<b>Office of Management and Finance</b>		
<b>846</b>	Authorize a five year contract with Everbridge, Inc. for a community emergency notification system for a total not to exceed amount of \$761,713 (Procurement Report – RFP No. 117277) (Y-5)	<b>ACCEPTED PREPARE CONTRACT</b>
<b>847</b>	Nominate Damien Hall to the Metropolitan Exposition and Recreation Commission to fill a City of Portland position and clarify the City nomination process (Resolution) (Y-5)	<b>37148</b>
<b>*848</b>	Amend ordinance authorizing amounts of short-term subordinate urban renewal and redevelopment bonds to reallocate authorized amounts among various urban renewal areas (Ordinance; amend Ordinance No. 185670) (Y-5)	<b>187287</b>
<b>*849</b>	Create a new represented classification of Recreation Facility Technician and establish an interim compensation rate for this classification (Ordinance) (Y-5)	<b>187288</b>
<b>Commissioner Dan Saltzman Position No. 3 Portland Fire &amp; Rescue</b>		
<b>850</b>	Authorize contract with Burlington Water District for fire prevention, suppression and emergency response services for FY 2015-16 (Ordinance; Contract No. 30004731)	<b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b>

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<p><b>851</b></p>	<p>Authorize an Intergovernmental Agreement with U.S. Department of Agriculture Forest Service Mt. Hood National Forest for mutual aid assistance (Ordinance)</p>	<p><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>
<p><b>Portland Housing Bureau</b></p>		<p><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>
<p><b>852</b></p>	<p>Authorize a contract with Home Forward for \$254,476 for delivery of short-term rent assistance funded by U.S. Department of Housing and Urban Development Emergency Solutions Grants (Ordinance)</p>	<p><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>
<p><b>Commissioner Steve Novick Position No. 4 Bureau of Transportation</b></p>		<p><b>187289</b></p>
<p><b>*853</b></p>	<p>Authorize Intergovernmental Agreement with Oregon Department of Transportation for the right of way phase of the Burgard/Lombard at North Time Oil Road project (Ordinance) (Y-5)</p>	<p><b>187289</b></p>
<p><b>*854</b></p>	<p>Amend Intergovernmental Agreement with the Oregon Department of Transportation to extend the term through December 12, 2015 for Evaluating the Effects of Peer to Peer Carsharing project (Ordinance; amend Contract No. 30003082) (Y-5)</p>	<p><b>187290</b></p>
<p><b>*855</b></p>	<p>Amend contract with Bicycle Transportation Alliance for Safe Routes to School bicycle and pedestrian safety education for an amount not to exceed \$344,000 (Ordinance; amend Contract No. 30002664) (Y-5)</p>	<p><b>187291</b></p>
<p><b>*856</b></p>	<p>Amend Intergovernmental Agreement with TriMet to increase the grant in the amount of \$170,000 for two years for construction of capital improvements at transit bus stops (Ordinance; amend Contract No. 30004670) (Y-5)</p>	<p><b>187292</b></p>
<p><b>857</b></p>	<p>Authorize Intergovernmental Agreement with Oregon Department of Transportation for Right of Way Services to define roles and responsibilities regarding the use of real property for construction of public improvements related to the Red Electric Trail Project (Ordinance)</p>	<p><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>
<p><b>858</b></p>	<p>Amend Intergovernmental Agreement with Oregon Department of Transportation for the Red Electric Trail Project to reflect the current project limits, schedule and updated processes under the Local Agency Certification Program (Ordinance; amend Contract No. 30002431)</p>	<p><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>

<p style="text-align: center;"><b>Commissioner Amanda Fritz</b> <b>Position No. 1</b> <b>Portland Parks &amp; Recreation</b></p> <p><b>859</b> Accept a grant from the Oregon Department of Education and authorize a price agreement with Centennial School District for the Afterschool At-Risk Meal and Snack Program in the amount of \$30,000 (Ordinance)</p>	<p style="text-align: center;"><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>
<p style="text-align: center;"><b>Commissioner Nick Fish</b> <b>Position No. 2</b> <b>Bureau of Environmental Services</b></p> <p><b>*860</b> Authorize contract with Marsh USA Inc. for insurance brokerage services for Phase V of the Owner Controlled Insurance Program for an amount not to exceed \$625,000 (Ordinance) (Y-5)</p>	<p style="text-align: center;"><b>187296</b></p>
<p><b>REGULAR AGENDA</b></p> <p><b>Mayor Charlie Hales</b></p> <p><b>861</b> Appoint Allan Warman, Gwynn Johnson, Julia Person, Kendra Smith, Lee Moore, Meredith Connolly, Michael Harrison, Robert Martineau and Janet Hawkins to the Portland Utility Board for terms to expire June 30, 2016 (Report)</p> <p><b>Motion to change term expiration date to June 30, 2016:</b> Moved by Fritz and seconded by Fish. (Y-5)</p> <p><b>Motion to accept report:</b> Moved by Saltzman and seconded by Novick. (Y-5)</p>	
<p style="text-align: center;"><b>Office of Management and Finance</b></p> <p><b>862</b> Accept bid of James W. Fowler Co. for the Tabor Reservoir Adjustments for \$3,399,421 (Procurement Report – Bid No. 00000030)</p> <p><b>Motion to accept report:</b> Moved by Fritz and seconded by Saltzman. (Y-5)</p>	<p style="text-align: center;"><b>ACCEPTED PREPARE CONTRACT</b></p>

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<p><b>863</b></p>	<p>Authorize a contract for purchase of streetlight poles and associated circuits from Portland General Electric for an amount not to exceed \$1,600,000 (Procurement Report – Project No. 117037) <b>Motion to accept report:</b> Moved by Fritz and seconded by Saltzman. (Y-5)</p>	<p><b>ACCEPTED PREPARE CONTRACT</b></p>
<p style="text-align: center;"><b>Commissioner Steve Novick Position No. 4 Bureau of Transportation</b></p>		<p style="text-align: center;"><b>187297</b></p>
<p><b>*864</b></p>	<p>Amend On-Call contracts for architecture and engineering services in support of the Portland Bureau of Transportation as required for capital projects to add \$1,025,000 in total contract authority funded by the FY 2015-16 Adopted Budget (Ordinance; amend Contract No. 31000654, 31000655, 31000656, 31000659, 31000662, 31000663 and 31000667) 10 minutes requested (Y-5)</p>	<p style="text-align: center;"><b>187298</b></p>
<p><b>*865</b></p>	<p>Amend contract with Central Parking System of Washington, Inc. to migrate the parking garage network system to ensure Payment Card Industry compliance for a not to exceed contractual total of \$1,448,320 (Ordinance; amend Contract No. 30001972) 10 minutes requested (Y-5)</p>	<p style="text-align: center;"><b>187299</b></p>
<p style="text-align: center;"><b>Commissioner Nick Fish Position No. 2 Bureau of Environmental Services</b></p>		<p style="text-align: center;"><b>187299</b></p>
<p><b>*866</b></p>	<p>Authorize an agreement with Portland General Electric Company to provide alternate electrical service for the SW 86th Avenue Pump Station and Appurtenances with a lump sum payment of \$658,858 Project No. E09051 (Ordinance) 10 minutes requested (Y-5)</p>	<p style="text-align: center;"><b>187299</b></p>
<p><b>867</b></p>	<p>Authorize a contract with the lowest responsive bidder for construction of the Sewer Level Remote Telemetry Monitoring Demolition and Installation for \$512,700, Project No. E10516 (Ordinance)</p>	<p style="text-align: center;"><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>
<p><b>868</b></p>	<p>Authorize a contract with the lowest responsive bidder for construction of the Skidmore Pump Station Upgrade for an estimated \$731,000 Project No. E10291 (Ordinance)</p>	<p style="text-align: center;"><b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b></p>

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<p><b>869</b> Authorize a contract with the lowest responsive bidder for construction of the Inverness 30-inch Force Main Repair Project No. E10629 for an estimated \$582,000 (Second Reading Agenda 828) (Y-5)</p>	<p><b>187300</b></p>
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At 12:01 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **19<sup>TH</sup> DAY OF AUGUST, 2015** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Commissioner Saltzman arrived at 2:04 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Denis Vannier, Deputy City Attorney; and John Paolazzi, Sergeant at Arms.

		<b>Disposition:</b>
<b>870</b>	<b>TIME CERTAIN: 2:00 PM</b> – Amend contract with Rosenbaum & Watson, LLP in the amount of \$458,000 per year for a five year total not to exceed amount of \$2,243,834 for the independent Compliance Officer and Community Liaison for the Department of Justice Settlement Agreement (Ordinance introduced by Mayor Hales; amend Contract No. 30004378) 2 hours requested	<b>PASSED TO SECOND READING AUGUST 26, 2015 AT 9:30 AM</b>

At 3:20 p.m., Council recessed.



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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **20<sup>TH</sup> DAY OF AUGUST, 2015** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Commissioner Saltzman left at 4:07 p.m. and Commissioner Fish left at 4:55 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ellen Osoinach, Deputy City Attorney; and Mike Cohen and Jason King Sergeants at Arms.

		<b>Disposition:</b>
<b>871</b>	<b>TIME CERTAIN: 2:00 PM</b> – Accept the Private For-Hire Transportation Innovation Task Force Recommendations on Taxis and Transportation Network Companies final report (Report introduced by Commissioner Novick) 3 hours requested	<b>CONTINUED TO AUGUST 26, 2015 AT 2:00 PM TIME CERTAIN</b>

At 5:40 p.m., Council adjourned.

**MARY HULL CABALLERO**  
Auditor of the City of Portland



By Karla Moore-Love  
Clerk of the Council

For a discussion of agenda items, please consult the following Closed Caption File.

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**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: \*\*\*\*\* means unidentified speaker.

**AUGUST 19, 2015 9:30 AM**

**Hales:** Good morning, everyone, and welcome to the August 19th meeting of the Portland City Council. Please call the roll.

**Saltzman:** Here. **Novick:** Here. **Fritz:** Here. **Hales:** Here.

**Hales:** Good morning, everyone. I expect we'll be joined shortly by Commissioner Fish. Before we get to our formal Council calendar, I have the pleasure of a proclamation this morning. It's summertime, there's a Portland little league team is in the national championships, and we have a local entrepreneur who's a big league guy with a successful business, and we're here to celebrate him this morning. So, let me read this proclamation and then we'll welcome Rob to say a few words.

Whereas, Rob Nelson, a resident of Portland, Oregon since 1975, has been an exceptional figure contributing his entrepreneurial spirit to the city of Portland's history, health, and culture; and whereas, during his time as pitcher for Portland's former local baseball team, the Portland Mavericks, Rob Nelson conceived the idea to create shredded bubble gum as an alternative to unhealthy smokeless tobacco; and whereas, naming his creation Big League Chew, Rob Nelson's ingenuity would alter not only the confectionary industry but also how the country enjoyed bubble gum; and whereas, through his outreach and contribution to the sport of baseball, including the creation of the Little Mavericks baseball school, the first-ever baseball day camp for youth in Portland, Rob has continued to be a beacon to all in what it means to enjoy our country's pastime and a source of hope to all young innovators; and whereas, Rob Nelson and Big League Chew celebrates its 35th anniversary, holding true to his vision to continue to provide bubble gum for fun for all ages; now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon, the City of Roses, do hereby proclaim August 19th, 2015 to be Rob Nelson Day in Portland and encourage all residents to observe this day -- no doubt by chewing gum. Rob, welcome, and come on up. Thanks for being here this morning. [applause]

We love being a city of entrepreneurs. You were one of those before we became so fashionable for being a city for entrepreneurs. Some advice for other young people who might want to start a business?

**Rob Nelson:** Well, you know, I was part of the Portland Mavericks and we liked to think we were the first team that started keeping Portland weird. It was a strange team. So, I think that the whole idea of pursuing dreams and not being afraid to try and fail is what made things work for me.

I will say it was the city of Portland -- when I first came to the Mavericks, I didn't make the team, but the Parks and Recreation department, Bill Owens helped me set up the Little Mavericks school and so many in the city made things work for me to allow me to stay in Portland. I had come from South Africa where I was playing ball and teaching school back in 1975. I thought I'd be here for 10 weeks, and I've been here for 40 years. I think it's the climate of Portland that encourages guys like myself to take some risks and see what's out there. I never thought 35 years later, kids would still be blowing Big League bubbles, but I'm grateful, certainly, as are my 11-year-old twins and my 15-year-old daughter.

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**Fish:** Mayor, can I just ask a question?

**Hales:** Please.

**Fish:** One of the Big League Chew things you've given us has Charlie Hales' picture on it - [laughter] -- and I was wondering, was Mr. Hales known more for his bat or his glove? [laughter]

**Nelson:** Definitely a glove man. [laughter]

**Hales:** Gotta be flexible in this business.

**Nelson:** He had a good first step from what I remember.

**Hales:** Well Rob, thank you. We'd love to take a photo with the Council.

**Nelson:** That would be great, thank you so much. [photo taken]

**Hales:** We don't normally say this at the beginning of Council meetings, but, play ball! Let's get started. Welcome, everyone. We have some communications items up from where citizens sign up for time on our calendar to talk about a subject of their choosing. They'll be first. Then we have our consent calendar. We've had a couple of requests to pull items from the consent calendar. If there are any others, let me know, please. If you're here to testify on a Council calendar item, we customarily allow people three minutes and it doesn't look like we'll be oversubscribed for people here this morning. So, if you want to speak on a Council item, let the Council Clerk know. You need only give us your name, no need for an address. If you're a lobbyist representing an organization, under City Code, you need to disclose that.

We follow the rules of decorum and common sense in this chamber. If you're here to speak, we want to make sure you are heard. If you support someone else's opinion, feel free to give a thumbs-up or a wave of the hand. If you disagree with them, give a thumbs-down or some other polite hand gesture but we ask that you not demonstrate vocally in favor or against our fellow citizens' opinions here so that everybody does get heard. With that, let's begin with item 829, the first of our communications items.

**Item 829.**

**Hales:** Good morning, welcome.

**Susan West:** Good morning. I'm Susan West with Friends of Riverplace, and an active member of downtown public safety committee, ONI, PDNA, and others. Here are some pictures of myself with the Friends of Riverplace last week.

I'm calling upon you to subcontract with the County to open Wapato for our homeless, drug rehab, and mental health needs, moving our most vulnerable and their services outside the dangerous downtown area. There are 4000 on the street now and they are desperate. This move opens a management center where services and folks in need can work safely together to reduce the strain on downtown. Let's lead the nation and manage this problem before the population doubles again.

We used to have one of the best downtowns in the world, thanks to your vision, your hard work, and inter-bureau cooperation. But no more. There are problems. We want to work with you resolve homelessness, drug addiction, sex trafficking, drug trafficking, crime, and mental health issues.

Local residents are afraid. We have had to call the police and park rangers more than 10 times in the last few weeks for drug overdoses, public masturbating, undressing, shooting up, aggressive dogs, campfires near dry grass, permanent camping, blocking public access on public beaches and docks, and other alarming behaviors. Local citizens are staying away from their own neighborhoods. Daily, we pick up hypodermic needles, drug paraphernalia, broken beer bottles and pornography right where tourists and children walk barefoot. This is just the last week or so.

Literally, every hour we walk, we have to stop and report dangerous issues. Last Wednesday, we reported the McCall Waterfront Park area. Thursday, David Anderson saw

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a tourist and child at the same place and he ran down to warn them to leave the area. He accidentally got pricked by a needle. Besides needles and trash, Dave found a wallet and ID from the recently-escaped inmate from Washington County. We clean this area as we do others day in, day out. It gets dirty, and it's too much. A dance troupe practicing last week on the Waterfront was threatened with a sledgehammer. Monday, my friend donna harris told me her 24-year-old son neil moved downtown. Within six months, the high-achieving Mormon boy was on heroin and committed suicide. Neil said drugs are on every corner and he couldn't get off of them. In Kodiak, Alaska, a street alcoholic told my husband that it's common knowledge up and down the coast to go to Portland for free handouts, sex, and drugs.

Even though solutions are not perfect, we need to move today. Without your further help, it is meaningless and dangerous for us to volunteer. If rules and regulations are not made to be enforced, if we do not provide a safe place for the street people, respect for the public officials will go downhill. We elected you to solve public safety problems. Let's make those decisions and work together. How can we help you move forward? We want to help.

**Fritz:** May I respond, Mayor?

**Hales:** Please.

**Fritz:** Thank you very much for coming in and talking about these really crucial issues, and particularly, your partnership. This lovely photograph you have is the recognition from the Office of Neighborhood Involvement crime prevention program of the partnership, and I'm glad to see that Galina Burley, Portland Park and Recreation's security member --

**West:** She's wonderful.

**Fritz:** She is -- is part of that. So, you are certainly doing your part to help us with these challenges.

The behaviors you've described fall into two categories in my mind. They are the criminal behaviors, which the Mayor is responsible for with the police, and that certainly needs to be part of the solution; and then there are -- well, there are three. There are people who are homeless who don't have drug problems who don't have mental problems, and certainly Commissioner Saltzman and the Mayor are working together to see how we can provide more subsidized housing, how we can create more affordable housing in the city, and that obviously is a longer term challenge. And then the third issue is people experience mental illnesses and drug addictions. And drug use is illegal, so that's something we need to address in all of our parks as well as in Riverplace where you are.

The solution you suggested at the beginning as far as opening Wapato -- I need to address that because it comes up many, many times. We're not allowed to do that. With the Reagan mandate to deinstitutionalize people with mental illness -- that's why we closed Dammasch in the mid-'90s -- we're not allowed to put people experiencing mental illness in major institutions. We're not allowed to create new ones. We have upgraded the Oregon State Hospital in Salem and built Junction City, which will help people with mental illness. The other strategy that we're involved in with the City is the development of the Unity Center, which Legacy is supporting. That will only work if we have more community facilities, both preventative care for people who want to get off drugs, are feeling suicidal, just generally need psychiatric help, and also places for people to go after they've been in an acute emergency center.

So, it really is a community-based problem and there needs to be community-based solutions, which is why I'm so grateful to you for stepping up and doing your part. I wanted to give you that rounding out, that yes, we agree there are significant challenges -- that's why Wapato doesn't work. Therefore, we need to look at other solutions.

**Hales:** Thanks for your advocacy and for you volunteering. Don't give up. I appreciate the call to action and everything you're doing to highlight this crisis.

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**West:** I didn't expect my retirement to be doing this every day all the time.

**Hales:** Thank you. We'd like to have you work yourself out that particular part of the job.

**West:** Thank you all for your hard work. If I was younger, I'd be applying for jobs in some of your bureaus. I really appreciate the City.

**Hales:** You do that. Thank you, thanks very much.

**Item 830.**

**Hales:** Ms. Palmer, come on up.

**Roberta Palmer:** Good morning and congratulations on governing this great city. It appears to me, though, that Portland's revenue does not meet its needs such as fixing our embarrassing roads, funding our schools, housing our homeless, and addressing climate change. For example, I was disappointed to learn that the main source of funds for the Home for Everyone initiative is not a reliable local revenue source but federal Section 8 funds. For too long, we have made do with add-ons to an already stressed system. Cities in other advanced nations rely upon a goods and services tax, the lack of which I believe leaves a gaping hole in Portland's budget. But first, what's wrong with increasing the property tax?

First, it increases the cost of housing and of doing business. It taxes a necessity and not disposable income as does the sales tax. It is not a reliable source of revenue since voters can refuse an increase. A tax is an illiquid asset so payment must often come from another source. While property owners understand the need to pay for police and fire protection, for road maintenance, street lights, water sewer, they also understand the limits of this tax.

As for the income tax, we have seen how a single rate or a flat fee can be oppressive. Oregon's iconic income tax hurts the poor. And with a flat rate of 9% from a taxable income of 50,000 to 250,000 is only marginally progressive. Furthermore, any local or state income tax adds on to the federal income taxes. Oregon needs comprehensive tax reform but Portland can start with a tax on served food and drink. A rate of only 2% or 3% would pay for road repairs several times over. Let the tourists who pay in nearly every other state pay here in this foodies' paradise.

In the meantime, let Portland advocate for a state goods and services tax that comes with a rebate for the poor. When gasoline prices were distressingly high, a clamor was not heard for eliminating the sales tax on gasoline. As a French finance minister said long ago, the art of taxation is to pluck as much down from the goose as one can before it squawks. A tax that is not noticed and that is spent well is as good as taxes get. Thanks for your indulgence.

**Hales:** Thank you, thanks for your thoughts. Appreciate it.

**Item 831.**

**Hales:** Good morning, welcome.

**Everett Coffman:** Good morning. I'm Pastor Everett Coffman. Our church, our place of worship is a ministry to the homeless and addicts in Southeast Portland. Many of these people camp along the Springwater Corridor. Our mission is to help those who are ready to get out of addiction and into housing.

We have several success stories. One is a young lady who spent over 10 years on the street with a 24-year meth addiction. She has been clean for several years now living in her own apartment with her 5-year-old son, and just graduated from PCC with a two-year degree. I've worked with the homeless for eight years, and though that does not make me an expert, it has given me a much better understanding about the homeless and their frame of mind. Helping this community change their lives is very rewarding, but that does not resolve what the rest of the community faces. They see the garbage, the used needles, and human waste left behind.

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As a member of the community, we want to be a part of finding solutions for these problems. We've been discussing issues with the Portland Parks and Recreation, Lents Neighborhood Association, Clackamas Service Center, and other homeless organizations. What we are currently doing -- once a week, we're open for a lunch, clothing, and hygiene items, providing garbage bags to return trash back to our location and working to set up a needle exchange program so they won't be left in parks for the children to find. What we would like to add is to have a dumpster on site and in various locations. We'd like to be doing laundry service to recycle the clothing to be reused, provide daily bathroom facilities.

How do we get there? Being a homeless ministry brings in little income to our offering box. We are all volunteers with no paid positions. Relying on donations from people in our community is our only means of financial support. My reason to come here today is to ask for assistance from the City. Arranging another meeting with City officials to work on this specific issue is my main goal. The problems associated with homeless may never get resolved 100%, the task this City faces is bigger than any one organization can handle. Many of the homeless in our church are ready to help. What our ministry is doing today may not even be noticeable, but with the combined efforts of other organizations working together, it's a step in the right direction. I hope you will be open to further discussions. Thank you for this opportunity to share.

**Hales:** Thank you, thank you very much for coming.

**Coffman:** Thank you.

**Fritz:** This is terrific, thank you for your partnership. I'm sure Commissioner Saltzman's office would be willing to talk to you. Are you involved with any of the other communities of faith within the city?

**Coffman:** There's a couple other homeless organizations out in Gresham. We've talked with Galina from the Portland Parks. There's the Clackamas Service Center that we also are a part of and talking with them about working on some of the issues and working on the garbage issues and things.

**Fritz:** I'd be happy to work with you also and convene a meeting with maybe the Palau Association, who I know have been doing a lot of work also, and also with others to see if we could better coordinate what you're doing. It sounds like you're ready to do it, you just need resources to be able to do it.

**Coffman:** Yes.

**Fritz:** And there may be other partners within the faith community who might be able to help, too, plus then looking at next year's budget as to how we can partner with nonprofit organizations within the community to provide services that cost us less than actually providing them ourselves. So, thank you very much. If you'd like to stop by my office, which is in the far corner on the left, and set up a meeting and talk to Christina on my staff -- happy to do that.

**Coffman:** Thank you very much.

**Hales:** You will be hearing from other offices as well. We just really appreciate you coming in and letting us know what a resource you and your church are for us. Thank you.

**Coffman:** Thank you very much.

**Hales:** Thank you very much.

**Item 832.**

**Hales:** Good morning, welcome.

**Pat Wagner:** Good morning. My name is Pat Wagner, I live on NW Newberry in Linnton. There's been a great injustice to Linnton. A couple of weeks ago, Steve Koontz released his rewrite of the industrial district's portion of the comprehensive plan. It does not allow housing above anything in what's considered prime industrial zones. It puts on a lock on basically Linnton for 30 years. We are hoping -- this came out a few weeks ago. The

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deadline for comment is the 28th of August, and we hope that you will ask your schedulers to meet with us and discuss some ideas we have. Thank you.

**Hales:** Yes, we will. Thank you for calling it to our attention, Pat. Thank you.

**Wagner:** Thank you.

**Item 833.**

**Hales:** Good morning.

**Lightning:** If I go over by a half minute, I hope you'll allow me, but I'll ask up front. My name is Lightning, I represent Lightning Watchdog X. One of the things I'd like to see City Council possibly do is create a committee comprised of professional apartment management company experts. I'd like to have some strategies created by the professionals in the housing industry on allowing people into properties on basically how to take care of the most vulnerable people of this city, the chronic homeless, and help them into housing. Again, I'd like to understand from the property management companies -- do you need more incentives to possibly motivate you to do that? I understand there's going to be many additional services that are required, and again, certain subsidies or incentives from the City I think would be advantageous. Again, I just want a committee by the experts put together and to look outside on the sidewalks and doorways and say, what can we do to provide strategies or ideas because we are the experts, we've been in the business many years -- we've dealt with many different tenants. I'd like to hear their strategies to have a clear understanding of what they possibly can do.

Issue number two. Commissioner Dan Saltzman, I think it's time in your legacy -- this will be your legacy, in my opinion -- to create a general obligation bond that is going to be used for affordable housing throughout this city. I am asking -- in my opinion, I think we should look at anywhere from 50 million to 100 million. As you know -- and the Mayor knows this -- Mayor Ed Lee has somewhere around a \$300 million bond right now pertaining to housing. I think now is the time -- we've heard a lot of speakers -- to look at this. You definitely have the ability to do this and the knowledge to do this, and at least maybe have a study by maybe DHM on this to see what the public thinks on this issue.

The individual talking about Wapato jail, I'm absolutely in agreement with you on that. I've proposed this many, many times. Again, we're not asking to have this set up as an institution. We're asking to have this set up as a Wapato care center for the homeless, similar to a shelter. There's no reason why -- we are in a state of emergency -- even if the governor has to authorize this -- this cannot be done. So I question the statements that Commissioner Fritz has stated on this at this time. This has been a large blunder to Multnomah County throughout the city. It was paid \$60 million to build this. It's a 160,000 square foot building, 18 acres. They can house approximately 300 to 500 people currently in the building. We need to have Portland Business Alliance, who I commend you on running ads to benefit the homeless -- I want you to look at the Wapato jail, which will be a Wapato care center, get involved and get community support from the business owners and let's get this opened up and let's get the homeless in there. I'm asking the Portland Business Alliance to step in and focus on Wapato. This will be one of the best things that'll ever happen to the City of Portland and Multnomah County. They will never sell that property for the value they want because it's a single use type property. Nobody's going to pay that kind of money for this property.

And just real fast -- we can expand on this facility, too. We can build buildings alongside this facility on the industrial land, possibly large manufactured buildings that can be used as temporary shelters and also bring in the manufacturers to work with people, provide employment, provide ways that they can also utilize the space to build their products, to lift the homeless up and provide housing and shelter. It's a transitioning center

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to get people into permanent housing with the developers and this bond will benefit at this time. Thank you.

**Hales:** Thank you, thanks very much. Let's move on to the consent calendar. I have a couple of requests to pull things to the regular calendar. I believe 841 and 860. Any others? Let's take a vote on the balance of the consent calendar, please.

**Roll on consent agenda.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Fish:** Aye. **Hales:** Aye.

**Item 834.**

**Hales:** Commissioner Fish.

**Fish:** Thank you, Mayor. We have four items today that are interrelated. First is the final annual report of the PURB and our chance to say thank you to the dedicated citizen volunteers who have served on the PURB. Later, we will take on the nominees for the new body, the PUB, the Portland Utility Board. We'll also be voting on proposed findings on a land use proceeding involving Mt. Tabor and the reservoirs, and then there will be another item before Council to involve the Mt. Tabor reservoir adjustments and a report from procurement. So today, we're heavy on our utilities.

I want to begin by acknowledging the folks in front of us: Catherine, Gordon, and John. Today, we are receiving your final report from the Portland Utility Review Board. I think it's essential on a day like this that we pause and say thank you to each of you and to all the Portlanders who have served on the PURB.

Founded in 1994, just between 2003 and 2015, 31 different people, citizens, served on this body. When someone signs up to provide oversight of our public utilities, they're clearly not doing it for the glamor or the excitement. It's incredibly hard work. These bureaus and their budgets are complex, the issues are controversial, and the oversight work is painstaking. Yet a special group of Portlanders have always risen to the challenge.

Today, again, as I mentioned, we have three members of PURB here to offer final thoughts on their service and impart any words of wisdom they may have to the new body. Mayor, I would also like to acknowledge that as we have worked through the process of the blue ribbon commission, a set of recommendations establishing the PUB, culminating today in presenting a slate of candidates for Council consideration, the three individuals in front of us and the PURB have been extremely helpful in shaping this idea. We went upstream to ask for their guidance and their help. They weren't shy about offering thoughts about what had worked in the past and what didn't. We have a better proposal now, a better oversight body because of the guidance we've received. Thank you all for being here and Catherine, who should I acknowledge first? Gordon?

**Gordon Feighner:** I'll start. Thank you, Commissioner. I did want to contest one of your points just slightly.

**Fish:** Only one?

**Feighner:** There's a lot of glamor involved here -- [laughter] -- I have to fight off throngs of fans to get out to my bicycle every time I leave. [laughter]

**Fish:** We call that a cry for help in this building. We appreciate your cup half full approach.

**Feighner:** Well, I wanted to first thank you for finding nine new members for the PURB that I think are -- at least the ones who I know -- sound like they are going to do an excellent job. The ones who I don't know, I've looked over their CVs and they look like they're going to be a great fit as well. So, kudos on finding what looks like an excellent board that's going to come in and be ready to work hard.

I wanted to talk about the three recommendations we brought up in our annual report as things that we would like the PUB to consider as it moves forward. The first one of those is making sure that they continue the participation and administrative review committee hearings. That is a dispute resolution process for ratepayers, and it has been



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very helpful to have a member of the PURB serve on that because the only other two members of the committee are City staff. So having citizens serving on that board provides a relatable presence to the plaintiffs -- for lack of a better word -- and also provides their assurance that there's an objective voice that is examining the case for them and is going to rule fairly.

Second is making sure that solid waste rates' rate review does not get abandoned or orphaned. I know that the plan up to this point has been to shift it to BPS and the Planning and Sustainability Council. There's a lot on their plate there, I want to make certain the members on that board know there is quite a bit of time and effort that goes into verifying and issuing an informed opinion on solid waste rates.

And third, our recommendation had to do with the comp plan. John is our resident expert on that and I'm going hand off to him to let him speak on it.

**John Gibbon:** Oh -- I thought they'd get to me a little later. The fact of the matter is that I've called myself Mr. Stormwater like Don Baack is Mr. Trails, and I want to be Mr. Stormwater. The problem that I see in our comprehensive plan situation and with stormwater generally in the city is issues of uncertainty about what we've actually got there on the ground and how it works. In terms of in Southwest Portland, we have large numbers of private pipes that go across land. We treat it as part of our stormwater system, but we really don't have knowledge of what's there and how much more capacity it has and how well it's going work.

And then the other thing is -- and I want to assure Commissioners, if you saw my memo to staff, I didn't have to go to court this morning. Actually, it was a couple days ago. Because I was going to have to appear at a hearing about a homeowners association in Southeast Portland that a recent former member of your body lived in for a number of years where you have a homeowners association that basically did not get up and running ever and they have 28 acres of undeveloped land, most of which is drainage ways and stormwater detention facilities running into Johnson Creek. And that homeowners association is not maintaining any of that property.

So, with our stormwater situation, we have a lot of problems with free riders and that's got to be addressed as soon as we can. Hopefully, as part of the comprehensive plan process we'll begin to understand what we do with these significant pieces of land that are not being managed.

Lastly, I'd say -- I'm glad this is over because when I leave here, I can go up to the 1900 Building and apply on behalf of my own homeowners association to start working on the conflict issues we have with stormwater. I have 20 to 40 feet of paved trail in my own homeowners association in Southwest Portland that's sliding down into one of your drainage ways. I've got to figure out how -- now, when it's been designated EC -- we can fix it. And so conflicts, uncertainty, and free riders from the stormwater point of view are things we need to address soon or we are not going to be able to continue to maintain the stormwater system. Thank you.

**Hales:** Thank you.

**Catherine Howells:** Well, I sort of feel like I want to pat all the new members of the PUB on the head and say, "y'all have a good time" because even though they may know the city, the learning curve for public utilities is going to be very steep. So, here's some of my recommendations. That they really learn how we got where we are. The decisions we made in the past have enabled us to have a very, very good water system and a very, very good -- not so good stormwater, but we're getting there -- but sewer system. Those decisions in the past actually informed the decisions moving forward.

I have a few more, but I'll start with this one. Understand regulations and understand resilience. That if you don't put the decisions in the context of regulations and

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the need for seismic resilience in this city, then you're missing the context that really needs to happen for all decision-making. And what we've seen as members of PURB is the professionals in BES and the Water Bureau think about this all the time. So, don't think they're not thinking about it.

The other thing I would say is understand the public utilities are different than PUC-regulated private utilities. They have different legal constraints, they have a different funding mechanism, they have a City Council to respond to. And I think understanding that difference -- what I saw sitting on the City Club report is that people never got there was a real difference there. There is a profound legal difference.

There's also a very different budget process within the City of Portland that they need to understand -- I would say in depth. What are the constraints on the budget process? What can you promise in the future, what can't you promise in the future?

The other thing I would say to this new group is don't try and reengineer the system. Listen to the people who are the experts in the system, and then maybe help tweak them in some decisions. But what we've seen is the engineers really know this system and they weigh and consider different options. It may not be a decision that someone else likes, but that's the decision that allows them to go forward. Engineers always disagree. It's in their nature, sort of, to disagree.

**Hales:** They always disagree politely. Almost.

**Howells:** Only in public. [laughter] You're right, they are not exactly knock-down, drag-out engineers. Much more subtle.

So, I think the PUB members really need to honor that you have extraordinary experts in this town in our public utilities, and they should be trusted rather than second-guessed all the time.

And the final thing -- and this is probably the most challenging because PURB even set up our own website trying to really communicate -- is communicate. Communicate what you're doing. Have an active website for the PUB that really sort of allows people to get information, know when the meetings are. Reach out to the public more than we were able to. Now, you're asking for volunteers to spend a phenomenal amount of time on this, so recognize that they will be very, very dedicated volunteers, I hope.

**Gibbon:** One last thing -- I want to second what Gordon said -- two last things. I want to second what Gordon said about the people I know that were picked for the new organization. Two people especially -- I've worked with them, I'm impressed with them, I think they are good choices. I was also really glad to see there was a lot of environmental background in the whole group. I felt that was incredibly important. I want to compliment you on your choice for the new Water Bureau director. I've worked with that individual for several years. I was extremely pleased to see that decision was made related in-house and that the candidates were in-house candidates. You had three good candidates in front of you, in my opinion. Different perspectives but really strong individuals and I was impressed with the choice you made.

**Fish:** Can I just, Mayor --

**Hales:** Please.

**Fish:** Just to respond. Two points. One is we did a national search. And it was a source of great pride to me that after a national search with two citizen panels that screened the candidates and the finalists that the recommendations that came to me for action were three folks who work at the bureau. I think that's one of the reasons that a national search is extremely valuable. If there's a great person out there, we hope to find them. But if it ends up being someone who already in your backyard, that's a heck of an endorsement. That matched up against a national pool, they have been selected by an independent group of citizens as being the highest, most qualified person for the job.

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And Catherine, one of the things that Mike Stuhr has been involved with for a long time is resilience planning. And so one of the things that I liked about his background is the depth of that work. In fact, he's been working with the distinguished director of HOME on resilience planning, and we have a couple of items that will be coming to Council in the next couple of months that go directly to this question of resilience. And I think our friends who live on the eastside of the -- excuse me, the westside of the Willamette will be pleased that we're talking about putting some funds into resilience so their water system is not disrupted if there is an earthquake. So, thank you for both of those comments.

**Hales:** Other questions for these great volunteers while we still have them in this capacity?

**Saltzman:** I just want to thank you for your service, John, Catherine, Gordon, other members of the PURB. We've always valued your methodical approach to how we set rates and providing us with comments and providing comments to the bureaus, because they do that. Thank you very much.

**Novick:** I, too, want to thank you very, very much for all of your work and your crisp and clear and impassioned presentations over the years. Thank you, Gordon; thank you, Catherine. And to you, John, I can't resist saying -- to paraphrase Kurt Vonnegut -- god bless you, Mr. Stormwater. [laughter]

**Gibbon:** Thank you much. And let me thank you for the support that the Transportation Bureau has been showing in dealing with some of the stormwater things in Southwest, especially the Tryon Stephens Creek neighborhood street plan that is just rolling out now, and you'll probably hear me talk about in the next few months. That's a really great partnership really important for the city, and transportation is in there carrying some of our stormwater load, too.

**Hales:** Thank you.

**Fish:** I, too, want to thank our friends for their service. I also want to thank you for the insights you shared with the Mayor and me about how to get this oversight system stronger. And for a long time, you have made it clear that we have to have people who are willing to show up so that we have quorums and it works. One of the things we tested when we screened the 50 applicants for the new PUB was, are you all in? Are you willing to make this commitment? Because particularly, as Catherine noted, in the first couple years with a very steep learning curve, people really have to make that commitment.

Second, you made the very clear to us that there has to be independent, dedicated staff. Thanks to my Council colleagues, through our budget process there will be two independent people housed in the Budget Office who exclusively serve this body. You also have noted in the past that our budget advisory committees -- the way they're constituted and the cycle and the complexity of the work -- they are often playing catch-up. Also, as some others have noted, there wasn't a great handoff once recommendations came forward and sort of an ability to monitor what those recommendations were in the final budget process. We think that by having a PUB that serves as the year-round BAC, Budget Advisory Committee, we think they will develop the kind of long-term expertise in doing budget reviews where you'll have that consistency both at the front end and the back end.

Finally, because you've been very clear about making sure the voice is heard, we have built in to the code specific requirements about consultation. We'll take that very seriously. We'll be having work sessions, people will be testifying at budget time. The Mayor will be meeting with representatives as he makes his budget. There are many points of contact, so we'll be hearing on a regular basis. And if there's a disagreement along the way, that will be ventilated and the full Council will engage those issues where there's a disagreement.

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So, a lot of the innovations that are incorporated in the new approach came out of very thoughtful recommendations you've made all along. So, thank you. Also, thank you for something you don't get enough credit for, which is at budget time and when we do our public forums, you're always there. That's above and beyond your other assignments but you're there to testify, to share your views, and we have benefited from it. Thank you all for your service.

**Howells:** Thank you.

**Hales:** Thanks very much. Anyone else want to comment before we make a motion to accept it?

**Moore-Love:** She may have left -- Roberta Palmer signed up.

**Hales:** I think for communications. Is there a motion to accept the report?

**Saltzman:** So moved.

**Fritz:** Second.

**Hales:** Roll call.

**Item 834 Roll.**

**Saltzman:** Aye.

**Novick:** Aye.

**Fritz:** It's almost impossible to truly thank our citizen volunteers enough. You've heard some of it today but I have been particularly grateful over the course of my service on the Council, Patti Howard on my staff has been attending Portland Utility Review Board meetings for the six years that I've been on the Council and have been very impressed month after month with the robust discussions that have happened at the PURB and the diligence of the citizen volunteers. We say often that good citizens are the riches of a city, but indeed they are. These folks who have been serving so long and hard have set the stage for the next iteration of this oversight body and advisory committee to the Council, and I'm very grateful. Aye.

**Fish:** Commissioner Fritz I think speaks for all of us, so I'll just associate myself with her remarks. Commissioner Saltzman whispered in my ear that I neglected to respond to the recommendation that a member of the PUB also served on the administrative review committee. That committee, similar to a committee at the Bureau of Development Services, is designed to address problems before they become big legal fights and it's been very successful. It is our intention to request that a member of the PUB serve on that administrative oversight body. Thank you, Dan, for raising that. Again, thanks to our friends for their service. Aye.

**Hales:** These three individuals have done great work and so have the other 28 people who have volunteered over the last couple years in this role. We want to thank them all. We've already been warned by John among them that we haven't heard the last from these folks. Even though this particular volunteer job is sunseting, other opportunities and issues beckon and I'm looking forward to hearing from these folks in other capacities again. Aye.

**Item 835.**

**Item 836.**

**Novick:** Colleagues, as you recall, this LID came to Council on July 1st. This ordinance would form a local improvement district to improve SE 86th Court and Steele Street in the Lents Neighborhood adjacent to the old Foster School site and the new Native American Youth and Family Center site. This project would eliminate 375 feet of unpaved street in Lents, which is the neighborhood is the sixth highest amount of central line miles of unpaved streets in the city. To update us on what's going on, I'll turn it over to Andrew Aebi.

**Andrew Aebi, Portland Bureau of Transportation:** Thank you, Commissioner Novick. Andrew Aebi, local improvement district administrator. Joining me today is Marty Maloney

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from our PBOT Right of Way section, and we also have Bob Haley from transportation development review.

Just to give you a little bit of an update on this, you have two ordinances before you today. One ordinance would actually form the LID and the other ordinance would provide PBOT with the ability to acquire the property rights necessary to build the project.

Council approved the resolution of intent for this LID on July 1st with 83.6% petition support. We received no remonstrances against LID formation, so Council retained jurisdiction to form this LID if it chooses. No single family homes are proposed to be assessed for this LID in recognition for future acquisitions of right-of-way dedication and construction of sidewalks, should current or future owners of these properties voluntarily choose to redevelop their properties in the future.

Council approval of this ordinance today will significantly improve connectivity, access, and emergency in this area of large super blocks. It -s often mentioned -- albeit inaccurately -- that the city has 60 miles in unpaved streets and has made no project on improving these streets. Council has consistently supported LIDs over the years that have whittled away at this backlog. A year ago, we had not 60 miles of unpaved streets but 56.5 miles of unpaved streets. As of last month, we were down to 55.7 miles of unpaved streets, which is a 1.4% reduction from the previous year without any broad-based funding source for LIDs. Council approval of this ordinance today will further reduce our backlog of unpaved streets.

One of our primary areas of focus since the resolution of intent hearing on July 1st has been on outreach. Exhibit I of this ordinance documents concerns and questions expressed by this community about the Generations Project and the planned street improvements. After receiving the July 26th email which is included in exhibit I, PBOT participated in a meeting hosted by Portland Public Schools four days later on July 30th to which all the neighbors were invited. The meeting was very productive and we look forward to continuing this discussion in October with another jointly-attended meeting where we can further engage with the community on both the planned street improvement and the private property work as well.

In response to some of the questions we've received, I've included a couple of the exhibits to this ordinance -- some of which have been passed out to neighborhoods in attendance -- to help better communicate the plans for this area. Exhibit B shows planned typical exceptions and street widths so that people can get a better idea of how the streets both existing and new will operate. We will take copies of this exhibit to our October meeting. Exhibit C is a color map that shows how school buses will access the project site. I'll just show that to you briefly here in a minute, and we will have copies of this map at our October meeting as well.

Finally, we did get a fair question asked to us which is answered in exhibit I which is if school buses will use SE 86th Avenue to use the new Steele Street, how important is the new Steele Street connection between 85th and 86th Avenues? PBOT recognizes that both 85th and 86th Avenues are narrower than standard, however, PBOT recommended this ordinance be approved if proposed including the 85th to 86th connection on Steele because this sets us up at some point in the future for extending Steele, which will be the widest street in the neighborhood west of 82nd. After months of challenging negotiations, we are poised to have this new right-of-way including, the new 85th and Steele intersection on hand shortly after Council's adoption of the ordinances before you today.

I also checked with Fire and they submitted a memo in favor of the new Steele connection included in exhibit I as attachment two that this will significantly improve the emergency response not just for the planned new development but also for the Garden

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Villas apartment complex and for existing residents of 85th and 86th Avenues should these streets be blocked during the event of an emergency response.

If the LID and the pending Type 3 procedure going before the hearings officer were not to be approved, then the Foster School site could simply be reopened as existing use, potentially adding more vehicle traffic than what is planned with the Generations NAYA project, without the improved connectivity of the new Steele Street and without improving the existing unpaved streets.

And just in conclusion, the traffic study has been done with the new plan development and shows with the new Steele Street connection and 86th Avenue improvements that transportation facilities in the area will be adequate to serve the new development. I'm happy to answer any questions before we turn it over to neighborhood testimony. I do have a map here if you wanted to show it briefly.

**Hales:** There it is. We have that in our packets, too.

**Aebi:** The pink circle on our left is the new 86th and Steele intersection. That will be a three-way intersection going 85th north and Steele east and will set up the future Steele west. It will not have a driveway on the south to Garden Villas. The blue circle is where the school buses will enter on 86th Avenue to access the redeveloped school site. So they will come southbound on 86th, east on Steele, and then the green circle shows how they will exit off the 86th onto the existing Steele east of 85th. So, that was one question the community had I thought was a very fair question and we put this map together to try to better explain how school buses would operate in the area. We have checked with traffic engineers that the turning movements will work per the typical sections identified in exhibit B.

**Hales:** Great, thank you. Other questions for staff? Thank you very much. We'll see who's signed up to speak, please.

**Moore-Love:** Two people signed up to speak.

**Hales:** Good morning.

**Suzanna Piluso:** Good morning. Mr. Mayor and Commissioners, thank you so much for taking my testimony again. I was here July 1st. I'm here on behalf of the neighbors of 85th Avenue. I want to start my testimony the same way I started July 1st by saying, we wholeheartedly support the Generations Project. We want to see this go through. We don't want to block the project. If ever that has been a perception, I want to do away with that right now.

I just want to make three quick points. I don't want to reiterate everything in the later we attached, but do I want to make the point that that letter represented our entire block's feelings, not just the feelings of one resident. The ordinance kind of emphasized Diana's submission of the letter, but I want to make clear this was a consensus. We had multiple meetings and agreed together on those points. I think it can be a little easier to dismiss it if it's perceived as one neighbor's complaints, but those are the opinions of all on that block.

Another point I want to make that we hadn't made before and I don't think we made it in our letter -- we're starting to get increasingly concerned about the reference in the planned LID to a connection to 82nd Avenue. That's not part of this project, and we have major concerns about that. I understand the City has a policy for connectivity, however, given the specifics of this neighborhood with the junction of 82nd and Foster, we believe that that connection needs to be carefully, carefully thought through and that that really shouldn't be folded into this ordinance. The way the ordinance is written, it's a given, it's going to happen -- at least that's the implication in the ordinance. On this map, it says future extension to 82nd Avenue.

Our concern is that while that isn't on the table right now, the language in this could be cited in two years, you know, we'd already gone down this path, we're going open up to

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82nd Avenue without the full public process for that. So, the ask here is that that be considered separately and that this not be written in a way to imply that that is necessarily going to happen without the full public process and considerations about the impacts of that extension.

The third point I want to make is that we really appreciate the efforts that Andrew Aebi and Justin Dollard and Portland Public Schools has made to keep us in the loop. I feel like things have really improved in terms of neighborhood engagement. When we talked July 1st, there was a real concern that this project had been in the works for years and many of the neighbors most directly impacted were just finding out about it this spring. Despite the reference in the ordinance to previous attempts at outreach, it wasn't successful back then. It is much improved now.

There's still some issues with coordination of outreach. For example, the land use hearing that's coming up for the actual development or design of the Generations Project -- it hasn't been broadcast equally to the neighbors. Some of our neighbors found out only by reading a sign on a post by the development. So, just another push to please have a coordinated effort to let us know what's happening. We've felt a little bit like we're scrambling to understand the various, multiple, confusing pieces of this complicated project. That's all I have to say, thank you very much.

**Hales:** Thank you. Good morning.

**Matt Brown:** Hi, good morning. Matt Brown, 3345 NE Couch, Portland, Oregon. I'm here as a representative of Garden Villas and I think Andrew described the 86% support for the project. We're the other part of this project, and I'm here happily to support the project today. I wanted to thank Andrew and the staff at PBOT as well as the folks from PPS and NAYA for working with us over the last several months to come up with what we think is a fair apportionate of the cost of the project.

My clients are prepared to dedicate the right-of-way necessary for the project at no cost. In return, the project's being reassessed. We think that's a fair end result. The land values in the area about \$20 to \$30, so this represents around \$26,000 to \$39,000 of value in terms of right-of-way that's been dedicated.

We also appreciate Andrew's willingness to work with our property manager on site on the design of the project, including replacing some of the lost parking there on the corner of the property. We'll be able to work with him over the next telephone months on the design of the project. Again, I want to thank the staff, thank you for for the ordinance in front of you, and prepared to deliver the dedication on the passage of the ordinance. Thank you for your help.

**Hales:** Questions?

**Novick:** Ms. Piluso, thanks for your testimony. Just to clarify, your property is not being assessed to pay for the LID?

**Piluso:** Right.

**Novick:** Thank you. But that doesn't mean your concerns shouldn't be taken into account -

**Piluso:** And that isn't my concern, yeah.

**Hales:** Appreciate that clarification too. Thank you both. Anyone else who wants to speak on this item? It's time to take a roll call vote, please, 835.

**Item 835 Roll.**

**Saltzman:** I'm very pleased to support this and glad to see it's come to fruition and everybody seems very happy with the outcome. I just want to say to the woman who did testify about whether 82nd -- or the punch through to 82nd is part of this, I really don't think it is, even though it indicates it's on the map. That will certainly be a major decision that you the neighbors should have some input into before we move ahead on that. This is a

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great day for an important project, NAYA Generations, which will provide housing for intergenerational families committed to raising and adopting foster kids. I couldn't be happier to support this. Aye.

**Novick:** Really appreciate our partners NAYA and Portland Public Schools and appreciate the work of the neighbors and of Andrew and his team. Thank you. Aye.

**Fritz:** Thank you again to everybody for their continued negotiations. I think we've got to a good product here. Thanks to Mr. Brown for testifying on behalf of Garden Villas. I live in an area of Southwest Portland that had many unpaved streets when I first moved there and still has a lot. I do relate to the neighbor's concerns about increased traffic with the improvements. The fact is it does improve property values around the neighborhood area. It may bring more traffic, but that also bring more eyes to the street and a greater measure of safety in my experience in deep Southwest. So, certainly change is difficult and we as a City need to have connectivity. We need to have paved streets. In this instance, it's a large entity paying the majority of the bill, so that in itself is a great thing to get the improvements made. We do need to be able to complete the system.

I just checked through both of the matters before us. There's no reference to 82nd Avenue in either of the "now be it resolved." In government speak, that means that it's not part of this ordinance. There's no semblance of pre-approving other projects, it's only talking about this in the "now be it resolved." I understand that concern also and in my mind, if I'm going to be looking at that question in the future, it's a whole new question and not part of this. Thank you everybody for your work. Aye.

**Fish:** First, I want to thank Dan Saltzman for being the champion of the project that we're talking about, which is the NAYA housing in Lents. Second, for those of you who are new to the LID process, more often than not, the ending of an LID process like Andrew shepherds lacks drama because Andrew is very skilled at working with affected community members to get to a resolution. In fact, I think Andrew has one of the tougher jobs and does it superbly. So, thank you, Andrew, once again for your good work. Thanks to the government agencies, particularly PBOT, that weighed in on this. And most importantly, thanks to the neighbors for coming and sharing your concerns. We hope that we're getting this right. Aye.

**Hales:** Well, I appreciate the good work that's been done and the involvement of the neighborhood. Let me talk about a couple things here I'm pleased with.

One, we do need to really reach out and engage neighbors when we make change, whether it's land use change or transportation change. We always want to do a better job, so your constructive criticism of how this process worked or didn't work is helpful. It's helpful to staff that are already doing a good job and to us that are trying to supervise all this work, so thank you.

Secondly, there are a couple things we have to do that are difficult. We're not going to back into them by just oblique references and documents. As Commissioner Fritz noted, we're going to hopefully walk straight to them. One is issue that in the annexed part of the city in particular -- Southwest, Cully, much of East Portland -- we don't have a very good street grid. Didn't have one from the beginning. What works in the long run for a neighborhood is multiple connections and the spreading out of traffic rather than the concentrating of it in a few streets. But it's hard to make those changes because people are used to the street grid that we have, and we have to do that in a thoughtful way and again engage the community as we do it. But we're actually going to be talking about a lot of that issue over the next six months to a year because we're working on the Comprehensive Plan, and that's where we get to take that big look at the larger map of the city and say, where can we do better with what we have now over time? Again, with the engagement of the people who actually live there and who have a lot to say and a lot at



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stake when we make the change. That's going to be an uneasy conversation because change is difficult and we're used to the street system that we have, even if it's not very good grid. Over time, I believe we need to make it a better grid.

Secondly, I love that we're starting to make a little bit of progress with those miles of unpaved streets. I'm very proud of the fact that this Council finally this year in this budget funded the first increment of funding for the Out of the Mud program which will help support this kind of street construction in those 55 or thereabout miles that remain. We have a lot of work do to have the blessings of urban life to be in front of everyone's home. That's heartening to see the progress.

Finally, this project is going to be an anchor for the neighborhood, an anchor the neighborhood, and an anchor for the Native American community in this city and I'm very excited about it. I think it's going to be a good neighbor. I think we all know that. It'll be a good day when it opens and it's the heart of the neighborhood. Thank you all for good work, good conversation. More of both to come. Aye. OK, let's move on to our regular calendar --

**Fish:** Mayor, don't we have to vote on 836?

**Hales:** Yes, we do. That is the implementing ordinance. 836, please.

**Item 836 Roll.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Fish:** Aye. **Hales:** Aye.

**Hales:** And then I skipped a time certain item --

**Fish:** Can I make a suggestion, Mayor?

**Hales:** Yeah, you wanna take that later?

**Fish:** Because that's an 11:00 time certain, can I suggest we take 841 and 860 first? The two pulled items?

**Hales:** OK, good idea. Let's do that, please. If we're ready to take 841 -- I think we are -- let's do that.

**Item 841.**

**Hales:** I understand there are some questions about this item?

**Fritz:** I pulled it, Mayor, basically because I can't bring myself to vote on consent to waive Title 33, so I'd just like you to explain to the community what we're doing and why.

**Hales:** OK. This is a temporary waiver of relevant regulations that would normally make sense to be applied without exception in an industrial area in order to allow a temporary use to construct a track that will then be installed in the Oregon Convention Center for the World Indoor Track and Field Championships. We don't believe that this particular waiver creates any sort of precedent that would embolden any other property owner to try to get the code waived. That would be my explanation. I hope that's enough. Any other -- yes, please.

**Fish:** If I may add, Mayor. Commissioner Fritz, this is terminal one, which the Council has declared surplus. We're in the process of selling the property. We have a broker. All the relevant bureaus and agencies got together to discuss this request. In turns out there are really very few places where this track could be assembled. Because there's a structure that is suitable for that, the bureau's position has been agnostic -- we're not in the track business, obviously -- but agnostic as long as there is adequate consideration and the code issues are worked out. So, this does not in any way interfere with the currently marketing and sale of the property, and we have an abundance of current offers on the sight. Our broker says that activating the site temporarily might actually make it more attractive to future buyers. But again, we're not in the track business, so this is an arm's length transaction which we're happy to accommodate working with the track folks, and we appreciate working with the Mayor's office on the code issues.

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**Fritz:** Great. And my understanding further from my staff talking with each of your staff is that we're not waiving absolutely everything. They still have to comply with the relevant parts, it's just things like greenway and others that --because it's a temporary nature, that's why we're waiving it in this particular in stance.

**Hales:** Yes, correct.

**Fish:** Great.

**Hales:** We've got that on the record, appreciate that. Anyone want to speak on this item? If not, it's an emergency ordinance, we'll take a roll call vote, please.

**Item 841 Roll.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Fish:** Aye. **Hales:** Aye.

**Item 860.**

**Hales:** Commissioner Fish.

**Fish:** I'll turn it over to our expert.

**Hales:** Good morning.

**Mike Reiner, Bureau of Environmental Services:** Good morning. My name is Mike Reiner, and I'm the risk services with Bureau of Environmental Services. I'm here to give you a little background on what an owner-controlled insurance program is. Basically, it's an insurance technique for large construction projects or a grouping of large construction projects where owners provide the majority of the insurance to contractors performing work on our construction sites. By assuming risk of our contractors and purchasing the insurance, the City can use the economies of scale to approach the insurance marketplace. We can get rates that are lower, we've got broader coverage, and we can get higher limits of insurance. By the City purchasing the insurance, the contractors and subs are required to deduct all their insurance costs from their bids prior to starting work on our construction projects.

To give you a little history, we are in our nineteenth year of owner-controlled insurance. We started in 1996 with phase one, which was the consolidated conduit project out on Columbia Boulevard, followed by phase two, which was the westside CSO tunnel and other CIP projects. Phase three was the eastside CSO tunnel and CIP projects. Phase four was BES' CIP projects and Portland Water Bureau's Powell Butte and Kelly Butte reservoirs. Phase five will be BES' CIP projects as well as Portland Water Bureau's Washington Park reservoir.

To give you a little history on the financial side of things, the insurance and claims costs have been about 2% of construction value. Conventional insurance runs anywhere between 2.5% and 4%. The loss ratio on the projects -- which is a ratio of premium and claims -- on phase four was 12%. Oregon average is 52%. And our broker estimates to-date we've saved approximately 20 million in insurance costs and we've received over two million in dividends from SAIF.

Risk management and safety is the driver of this program. We have what we call our general construction safety provisions that are part of the specifications that outlines the requirements that contractors have to do to perform the work safely on our projects. Contractors are required to do risk assessments and put together site-specific safety and health plans that become part of the contractual document. One thing that we're very proud of is that with our MWESB contractors, we were able to mentor and educate them on how to assess risk and how to put together site-specific safety and health plans. And the feedback we've gotten from those firms is the tools that they've gained on our projects they've used on other projects which in turn has lowered their insurance rates, which is good I think for not only Portland business but Oregon business. And it's also improved the safety culture within our bureau.

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As a side note, phase three was in the top 1% of SAIF policyholders in Oregon. The other benefit of this is the public safety and claims management. We're able to do outreach with our public involvement folks as well as doing preconstruction videos of citizens prior to starting work. We have the ability to resolve claims in the field, so if we have a contractor that damages a third party or a citizen, we're able to rectify that problem immediately, which benefits the customer service pieces of the program. And then we also have what we call a charge-back system to the contractor that if they damage property, there's a bid deduct or deductible we charge back to the contractor that they're responsible for the first \$5000, say, of loss.

In closing, just to give you other CIPs going on in Oregon -- the TriMet bridge project is currently under an owner-insurance program, as well as Nike and Intel expansion projects.

**Fish:** So, Mayor, we have a lot of balls in the air today. I just want to be clear, I pulled this. The reason I did was threefold. One is it's a contract in excess of a half million and we are consistently trying to make sure those are on the regular agenda. Two, it's an emergency item -- for a clear and obvious purposes, but I thought that also argued in favor of having it come under the regular agenda. And third is when I got my briefing on this, I was so impressed by the documented savings -- the idea that through this approach, we've saved over \$20 million, which means that the ultimate cost to the taxpayers of these projects is such a win I wanted Mike to be able to share that with us, and that's why I pulled this. So, thank you, Mike.

**Reiner:** Thank you.

**Hales:** Thank you. Questions? That's excellent news, appreciate that, Mike. Thank you. Anyone want to speak on this item? If not, a roll call vote to authorize the contract.

**Item 860 Roll.**

**Saltzman:** This is a very good program and thanks, BES, for using this. Aye.

**Novick:** Very impressive. Aye.

**Fritz:** I'm glad you pulled it to talk about it, Commissioner Fish. Aye.

**Fish:** Aye.

**Hales:** Aye. Thank you very much. OK, we're still a few minutes ahead of the time certain, so we could go to the regular calendar unless you have something else to suggest?

**Fish:** My preference is to either move up the 11:00 time certain, Mayor, or to just take a five-minute break and then we'll tee everything up. We've got it sequenced.

**Hales:** Let's take a break -- I think that's the consensus. We'll be back at 11:00 a.m., we're recessed for 10 minutes.

At 10:50 a.m., Council recessed.

At 11:00 a.m., Council reconvened

**Hales:** We'll return to business here with item 837, please.

**Item 837.**

**Hales:** We have before us the proposed findings. Unless there are any questions or comments, I think it's just appropriate that I get a motion, please, to adopt findings.

**Fish:** So moved.

**Fritz:** Second.

**Hales:** Further discussion? Roll call on adopting the findings.

**Item 837 Roll.**

**Novick:** Aye.

**Fritz:** Just so happy the way this worked out. It was very difficult along the way by pretty much everybody's perspective, and the neighborhood and the bureau working together,

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staff in the Bureau of Development Services -- Hillary Adam and Tim Heron -- Theresa Elliott and Tom Carter are some of the major stars in the Water Bureau. And thanks to Commissioner Fish for sticking with it, for being open to doing things a little differently and coming to this great resolution. Congratulations. Aye.

**Saltzman:** Good job, happy day. Aye.

**Fish:** Mayor and colleagues, I want to just take a moment to celebrate this day because it's literally decades in the making, and we are in adopting findings bringing closure on a long-standing dispute that started with a set of federal regulations and culminated with a -- with for us what I think is almost a historic agreement between the Water Bureau and the neighborhood and the community. And in adopting these findings, we must as a group keep faith with the commitment we are making.

I think there are a couple of reasons we're at this point. I think the first reason is that early on in my tenure as the new Commissioner-in-Charge, I realized that I could not do this alone, and Commissioner Fritz graciously agreed to be my partner. And that brought the two bureaus with the most skin in the game, Parks and Water, together. Commissioner Fritz throughout the process was making sure that we were being very attentive to community process, transparency, engagement, and frankly she was pretty insistent that we go the extra mile in the negotiations. So, I thank Amanda for her partnership on this.

We always prefer -- when we have land use proceedings or issues like this, we always prefer having something that the community has embraced and then ratified. That's a better outcome because that's organic, that's the community voice being heard rather than us picking a winner. And so I'm very appreciative of that relationship.

I'm extremely grateful to Theresa Elliott, and to David and Mike and the whole Water Bureau team. They sat down with a group of people from Mt. Tabor and negotiated over a long period of time. And they went with an open mind, an open heart, and I think what they achieved was a real breakthrough in terms of our approach to this issue.

I want to thank our crack legal team and our team from the Bureau of Development Services who make this work look easy. I think the public needs to know this is really hard work and complicated and we spend a couple of minutes just ratifying findings, but a lot of hard work goes into preparing those findings and taking care of all of the legal niceties.

And then, I want to thank all of the folks in Mt. Tabor and elsewhere who care passionately about their reservoirs who have weighed in and been part of this debate. And I thank my colleagues for ultimately us coming to a point where we can move forward with our obligations under federal law while honoring the wishes and desires of our community. I think this is an important day and I'm very proud to vote aye.

**Hales:** Well, I just want to second my colleagues' comments and thank Director Shaff and Director Designate Stuhr and the staff at the Water Bureau and at Bureau of Development Services for doing good work because it has been good work, and Mt. Tabor Neighborhood Associations for doing what neighborhood associations should do, which is stand up for legitimate interests of their part of city and negotiate.

I guess my feelings about this in addition to the good comments we've already heard is I think at a time when politics seems awfully polarized and where compromise seems elusive, it's great to see that people can negotiate, get to a responsible compromise in a climate of goodwill, and then make sure that that compromise and those agreements actually happen. I like living in a city where those things are possible. Thank you very much. Aye.

**Hales:** Let's move on to our regular agenda, please.

**Item 861.**

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**Hales:** This is an important turning point. We thanked the members of PURB this morning and now we open a new chapter with this set of appointments. Commissioner Fish, do you have some comments?

**Fish:** Thank you, Mayor. I want to say, if it looks like the utilities have taken over our agenda today, actually the truth is we have and we won't do it again. But there are real milestones actions that we're taking today.

Mayor, I'm very pleased to join with you in bringing to Council our proposed nine inaugural members of the City's newly-created Portland Utility Board. The City Council previously directed the creation of the new board based on the recommendations of the utility overnight blue ribbon commission chaired by Dwight Holton. This new body will report to the City Council and will independent oversight of the Portland Water Bureau and the Bureau of Environmental Services.

Both the quality and number of applicants that we received for those positions speaks highly of the importance that Portlanders place on the new board. Starting with the list of name recommended by the community and by members of the blue ribbon commission, we used the Office of Neighborhood Involvement distribution list to advertise the positions. I'm told once it went out through neighborhood list serves, as many as 40,000 people could have seen the solicitation. We ultimately received 50 applications, which is a very strong number in light of the history that we've had and difficulties that we've had in recruiting people to the predecessor body, the PURB. We took those 50 candidates and Jackie Dingfelder from your office and Jim Blackwood in my office served as a screening team.

And I want to take this moment, Mayor, to really thank and applaud Jackie for all of this hard work. She chose a hell of a day to call in sick, because this is a day we could really thank her for the good work and frankly the great partnership we have experienced with her. And I know she and her husband have announced they're moving abroad for a while, and she will be greatly missed in this building. She has provided yeoman's service on many issues, including moving the Mayor's environmental agenda.

The proposed board members represent a variety of technical and management disciplines, including, I'm pleased to say, representatives of public and private utilities, engineering, environmental advocacy, planning, finance, environmental science, water system management, and even neighborhood activism. As stated in the ordinance that created the PUB, the terms will be staggered once the body can meet and appointees can state their personal preferences. I intend to return to Council with an item that documents the final proposal for staggered terms.

The first meeting of this body is scheduled for September 1st. Again, we are really delighted with the quality of the applicant pool and we're even more delighted that nine of the very best people who applied for this position have agreed to serve if appointed.

Mayor, we've been working on this for a long time and I know there were some in the community that doubted our commitment to this exercise, and I think today is just another important milestone in the process and I hope that my colleagues will join with others we've heard from the community who have been really impressed with the quality of the people that have offered to step up. We're excited to make this a meaningful oversight body and to get to work. Today, though, we have the nominees before Council seeking approval.

**Hales:** Thank you. Questions?

**Fritz:** I have a friendly amendment to suggest. The ordinance that we approved whenever it was -- back in May -- required that the terms to be staggered when appointed. I certainly concur with Commissioner Fish's recommendation that we appoint members and that they then figure out who wants to do the different terms, but I would suggest that instead of all

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of the terms ending September 1st, 2018, we make them all end June 30th, of 2016. My understanding in talking to Commissioner Fish's staff is that it's intending that they would run fiscal year to fiscal year, and that way we are sure we can get back into compliance with the authorizing ordinance sooner rather than later.

**Fish:** Mayor, I support this as a friendly amendment for a couple of reasons. It gives us a year to sort out the staggered terms and it also gives us a year to work with Office of Equity, ONI, and others on any proposals that are developed concerning term limits for boards and commissions. So, we would accept that as friendly amendment, or if we are so directed we would be pleased to put it for a vote.

**Hales:** I'll assume that is an amendment before us and we will take a quick roll call vote to amend the report to have September 1, 2018 changed to June 30th, 2016.

**Fritz:** Correct.

**Roll on amendment.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Fish:** Aye. **Hales:** Aye.

**Hales:** Anyone want to speak before we adopt this report? If not, then a motion to accept the report as amended.

**Saltzman:** So moved.

**Novick:** Second.

**Hales:** Roll call.

**Item 861 as Amended Roll.**

**Saltzman:** Thank you, both Mayor and Commissioner Fish in particular for leading the charge to create this new committee the Portland Utility Board, the PUB. It looks like an impressive roster of initial members and I look forward to them providing us guidance and to the bureaus they also help oversee as well. I think it's a great new committee and I appreciate all of your work on bringing this together. Aye.

**Novick:** Some might argue that Portland doesn't really need a new "pub" but in this case, I hope that even the naysayers to new pubs will make an exception. Aye.

**Fritz:** Having just returned from England, you cannot have too many pubs. Thank you, Commissioner Fish, for your thoughtfulness working with the Mayor. I'm a little disappointed -- I have been out of the country for the last three weeks -- because I'm somewhat concerned that the demographics don't reflect the city as a whole and that we don't have as much of a voice for environmental advocates as I might have preferred to see with having the amendment come back again within nine months, and then looking at term limits, as everybody will remember, when we discussed the implementing the authorizing ordinance, I expressed concern about not having term limits on a body which is going to be so important. It seems to me that we're not appointing the Supreme Court to serve ad infinitum and it's politically and also Portland polite to object to reappointments as well as appointments. And so, I think having term limits, as the Office of Equity and Human Rights is looking to implement for all boards and commissions, is something that will help make sure that that doesn't happen.

This is definitely a very impressive slate of folks who are willing to serve and as previously mentioned, they are going to be working enormously hard both to get up to speed and diligently attending the meetings and I look forward to being part of that process.

I also need to express my great satisfaction. As Commissioner Fish noticed in an earlier item, there are two utility experts in the City Budget Office that have been supported and funded. When Commissioner Fish and I worked on setting up the City Budget Office, that had been a hope and a plan at that time, and it's good there is now the political support to do it. Aye.

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**Fish:** Thank you very much. You know, we haven't invited all of the candidates to be here today, Mayor, but I think it would be important to take a moment and reflect on a number of the people that have agreed to serve.

Let's start with Meredith Connolly. And there's a number of these people I don't know, which makes it even more exciting to me because I know them through the screening process, I know of them, I've reviewed their CVs, but there are some new faces and I think it's very good and healthy for our processes to bring new citizens into the mix to give us different perspective.

Meredith Connolly works at the Natural Resources Defense Council, the NRDC, which is one of the leading environmental advocacy groups of America. And I particularly like the fact, Commissioner Fritz, that she volunteers with the Portland Parks tree inventory program. She's got her priorities right.

Michael Harrison is someone we're familiar with from OHSU, which means he has a perspective as a customer. He has also previously served on a bureau advisory committee and he's lived in neighborhoods ranging from Cully and Homestead to Lents and elsewhere.

Janet Hawkins is employed by the County, DCHS community services. She's the current chair of the Hayhurst Neighborhood Association. One of the things, though, that really stood out in terms of her application is as we move forward, Commissioner Novick, and think about equity and discounts and how we can better serve older adults and struggling families, we thought having someone like Janet on the panel would be enormously helpful to track those issues of concern to the Council.

Gwynn Johnson, teaches at a place called Portland State University, and her background is environmental engineering, which we think is enormously helpful. She has a Ph.D. in soil, water, and environmental services. She's also served on the governor's resilient Oregon steering committee water and wastewater task group, so again, she brings a particular focus on resilience that I know is important to this council.

Rob Martineau fills the position that the Council directed be created for a labor representative. He has boots on the ground, rank and file, and has done a great job serving in a representative capacity through AFSCME as well as being a valued employee of the Water Bureau. And I'm told he attended all meetings of the utility oversight blue ribbon commission, so he probably shares that honor with a lot of people -- shows, I think, his dedication.

Lee Moore Sr. is one of the biggest catches for a number of reasons. We know Lee because of his community service because he grew up in Vanport, because he's been active on so many issues. I had the honor of serving with him on the Home Forward board, but he is the general manager of the Clackamas River Water, which means we will have someone on the oversight body that leads a peer organization that has particular expertise around water issues and we'll learn from him how we might do our business better or differently.

Julia Person is the sustainability manager at the Craft Brew Alliance and she's affiliated with the Widmer Brothers brewing. She has a Master's degree from PSU in regional and urban planning and she has a perspective of large water users and of the growing number of breweries in our community that have chosen to locate here because they think the Bull Run water is the secret to their success.

Kendra Smith is the director of the Model Watershed Program in Oregon for the Bonneville Environmental Foundation. She has an extensive academic background in environmental and ecosystems. She was a member of the blue ribbon commission, so she brings that continuity. And she serves on the Metro green spaces capital grant selection

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committee and the Portland Urban Forestry Commission. So, she's deeply grounded in community service.

Allan Warman, who rounds out this distinguished group, works for Portland General Electric where he focuses on customer service. Mayor, that's one of the issues that you have noted that you would like us to continue to make progress on and you've particularly challenged us to expand our monthly billing program and our e-billing program. We're actually inching towards 20,000 people who have enrolled and we'll continue to press that case. Allan serves on a number of nonprofit boards. He's currently president of the Rocky Butte homeowners association and he's been active in Oregon Mentors and the Institute for Youth Success.

I'm incredibly impressed and proud of this group, the breadth of their experience, they're from all corners of our community. They bring I think an unusually high level of professional expertise, academic achievement, demonstrated community service at a time when historically we've had difficulty recruiting people to serve on these kinds of bodies and this in some ways is among the most demanding assignment that we will be asking of someone. To have 50 people step up and say they wanted to serve and ultimately to have nine people of this quality agree to serve I think bodes well.

I'm grateful to everyone who participated in the screening process and who helped us get to this point. Appreciate the partnership with Jackie Dingfelder in the Mayor's office. We're ready to get to work and begin the process of bringing them up to speed so that they can be full partners in our next budget process. Thanks to Jim Blackwood in my office and everyone who helped on this. Aye

**Hales:** Thank you, Commissioner Fish, for actually giving us that summary view of each of these people as individuals and their qualifications, because I am impressed with the group and want to thank them and all 50 people who applied, and yes, Jackie and Jim and others who have helped get us to this point. We depend so much on volunteers. I think the five of us are always conscious of that because we see these different citizen boards and commissions come through here whether it's a land use case, a Landmarks case, a design review case, a major planning effort. There's so many places where we depend on citizens to step up and we again will be blessed by having these folks with their qualifications doing that volunteer job that really makes government work effectively here in Portland. So, I appreciate it. We do need to clarify, however, that given the earlier discussion about the acronym, that although we always try to take good care of our volunteers, this particular "pub" will only be serving pints of cool, clear, Bull Run water -- just in case anyone has the wrong impression. We look forward to them enjoying that water and this volunteer roll and helping us to a good job of managing our public utilities. Aye.

**Item 862.**

**Hales:** Commissioner Fish or bureau? Go ahead, please.

**Christine Moody, Chief Procurement Officer, Office of Management and Finance:**

Christine Moody, procurement services. You have before you a procurement report recommending a contract award to James W. Fowler in the amount of \$3,399,421. This is 40% below the engineer's estimate of \$4.8 million. The City identified six divisions of work for potential minority, women, and emerging small business subcontracting opportunities. MWESB subcontracting participation on this project is at 32% with work being performed in the areas of hauling and traffic control. At this point, I'll turn it over to Theresa Elliott or David Shaff if you have any questions about the project.

**David Shaff, Director, Portland Water Bureau:** I'm David Shaff, I'm the Director of the Portland Water Bureau and with me is Theresa Elliott, she is the project manager, and we didn't have a presentation. We're just here to answer any questions that you might have. As you know, this is the final step in that LT2 compliance project involving Mt. Tabor, and



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this is a project that we did redesign working with the neighbors, and we're very pleased to move forward today.

**Hales:** Thank you. Any other questions for either bureau? Thank you all very much. Anyone want to speak on this item? We'll take a vote, please to accept the bid -- a motion to adopt the report, sorry.

**Fritz:** So moved.

**Saltzman:** Second.

**Hales:** Roll call.

**Item 862 Roll.**

**Saltzman:** Very pleased to adopt this report and move ahead. I also just wanted to, once again, thank David Shaff for seeing this through to the end and appreciate all of your service to the City. Thank you very much. Aye.

**Novick:** Thank you, David. Aye.

**Fritz:** Is this the last, last time you'll be here?

**Shaff:** I think so. I just looked to be sure we don't have something coming up next week. I believe so.

**Fritz:** Well, thank you very much. It must feel good to have this as the implementing ordinance before you leave. It's been a long haul and you've done a great job of leadership, I appreciate that. I also saw that procurement services got an award while I was gone, and that is terrific, too. 32% is terrific too on a bid of this size. And great to see it coming in under estimate also, so maybe the tide has turned a little bit on the whole construction pricing thing. Thank you very much. Aye.

**Fish:** Yeah, I want to just acknowledge that it is wonderful it came in under bid. In this instance, we didn't have a lot of unknown variables to deal with. This becomes less of a science when we have geotechnical and other issues, and we'll have a chance this fall to talk about those issues in the context of other reservoirs. But in this case, we're grateful that bids came in well below. We're pleased with the very aggressive numbers on MWESB, and that we know is very intentional.

I just want to acknowledge that what this contract includes is disconnecting three reservoirs from the drinking water distribution system, constructing a new pipe from conduit three to the drinking water transmission system to bypass the reservoirs, making pipe connections between conduits three and four and between conduits two and four, and providing corrosion protection for an existing 48-inch pipe among other things.

Mayor, today, we've honored the folks that served us through the PURB and thanked them for their service. We've authorized the first inaugural class for the PUB. We have closed a chapter in what has been a long-standing and I think in fairness a somewhat contentious land use appeal where we have found common ground thanks to the efforts of all, and now we are poised to move forward with on the ground work with Mt. Tabor.

I want to thank in particular the team at the Water Bureau for all of their hard work in getting to this point -- Theresa Elliott, Tom Carter, Mike Stuhr, and David Shaff. Aye.

**Hales:** Christine, congratulations on your bureau's national recognition, and David, nicely done. Going out in a blaze of goodwill.

**Shaff:** Thank you.

**Hales:** Well done. Aye. Thank you very much.

**Item 863.**

**Peter Koonce, Portland Bureau of Transportation:** Hello, my name's Peter Koonce, I'm the division manager of signals and street lighting for the Portland Bureau of Transportation. I'm here to represent the Bureau of Transportation in the purchase of the street light poles associated with the conversion to led street lights. We're about a year into our program, and finishing with of course some negotiations related to street light poles

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and purchasing them from the utility was a requirement of the project. The purchases of 4257 light poles and 154,755 feet of associated circuits -- I checked that myself. The cost is not to exceed \$1.6 million. The project is well on its way. We have good news that we're well on target to be under budget and within the time scale originally decided back in 2012.

**Hales:** Great. Commissioner?

**Novick:** Peter, just one thing that should be emphasized I think is that we're buying these poles from PGE, which will relieve us of the cost of renting the poles for the purpose of putting street lights on them which will pay for itself in a pretty quick time frame, right?

**Koonce:** That's correct, it's a three and a half year pay back. The rental that we have been paying is something that we've always been looking for an opportunity like this to purchase these poles and to have that opportunity to reduce the costs ongoing.

**Christine Moody, Chief Procurement Officer, Office of Management and Finance:** I just wanted to clarify -- the procurement authority on this is the special procurement through City Code 5.33.220 and it allows the City to enter into a direct contract without competitive solicitation for price-regulated goods and services when the goods and services can only be provided by a specific regulatory authority such as PGE. The action you have before you is to recommend the purchase of the street also light poles for a not-to-exceed amount of \$1.6 million.

**Hales:** So this was negotiated, not bid then.

**Moody:** Correct.

**Novick:** And Mayor and colleagues, peculiarly, it was negotiated not just with PGE but with the PUC because they weigh in on pretty much everything that PGE does. So partly because of that, they were somewhat protracted negotiations.

**Fritz:** Could you go over the timing of this? I know we decided to do it back in the previous mayoral administration, and then we had the revenue bonds approved, and then we approved some last year. It looks like we have a 1.3 million purchase and now we've got this 1.6 million. Is this it? Is there more? Could you just walk us step-by-step with what was done?

**Koonce:** Happy to do that. The lighting efficiency program, essentially, as I mentioned before, we started that negotiation as a part of the project. We knew that we were going to have to purchase those poles back in 2012 when we made that decision. We presented that to Council. This gives us an opportunity -- the negotiations have taken several years and at the PUC, they approved the sale that was between PGE and the City.

The schedule is before you there. So, that initial installation of an LED was really a year out from that decision from Council. We did some renegotiation with both the LED provider -- the prices of the street lights coming down kinds of like the price of a flat-screen TV. You can see that the technology has been getting better all of the time and the costs are cheaper. So, we waited a little bit to make sure that the prices that we would have as a part of the overall project could be done within the schedule, within the budget. And the contractor we've been working with, Christenson Electric, they have accelerated their schedule through improved business practices that we have implemented as a bureau.

We're well on our way to completing by 2016, really very confident about that and that was within the scope that was agreed to back in September 2012. Currently, we are using credit instead of doing a bond because the bond prices are still very low. So, we're really very confident that at the end of the day, the overall project would be bonded and will have all of the costs and we'll have a project that we can wrap up and put a bow on and start the pay-back process. The pay-back process for the overall project is eight years.

**Fritz:** So when we approved the bond in December of 2012, we didn't actually take the money out at that point?

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**Koonce:** We had great discussions with OMF and they advised us on doing a line of credit while doing the project -- a line of credit lower than the bonds so that we didn't have to pay interest on that immediate amount of money.

**Fritz:** I see. So, we're thinking that it may come in at less than 18.5 million altogether?

**Koonce:** It's looking like that currently.

**Fritz:** And you're thinking you'll be planning to come back with us with multiple iterations of one point something million dollars?

**Koonce:** We are. The second to the last bullet there -- we are converting 45,000 of our LED street lights, including 300 for parks. It's all the cobra heads you see in the neighborhoods. The ornamental street lights are something -- the historic street lights that you see in many parks and along the downtown and in different districts -- we do not have a program for that just yet. We're working on that currently, trying to come up with a cost estimate so that we can then have even more savings as a part of that. Those costs for those lights are a little bit more expensive, so we're factoring in the pay-back right now. So, that's our next step. We will be coming back to you for additional requests for funds, but we only want to come back if and only if we need more money. If we can make savings on this project, we see those 11,000 that we can do in-house, we will do those as quickly as possible.

**Fritz:** I really appreciate how prudent you're being with the public money.

My last question is about the brightness of LEDs. I have the only lamp post in my neighborhood. I mentioned earlier that I live in deep Southwest where we don't have any City services. My house is like Narnia, it's the lamp post under which people can meet and I love it because my house is higher so the brighter light doesn't shine into our rooms. Is there something that we can do in more traditional streetscapes to stop the lights from shining into people's bedrooms and such?

**Koonce:** The picture before you is an example of that. Now, the good news of the light is it's more of a moonlight than the previous light, which was the yellow glow. So, there is a difference. It's essentially -- and we've got good feedback, both negative and positive. We actually as a part of this program have come up with an online program that essentially we can -- if you go to Portland online, you can click on the street lights and we get that feedback directly from citizens. That's been a really nice way in which to tell the contractor to do different wattages for the different lights. And so if you have a problem, you can call our hot line at 865-LAMP, that's 503-865-LAMP, and we get that feedback or you can do it online.

**Fritz:** Or you could call 823-4000, which is an easier number to remember and they'll direct it to you. So, neighbors can request a smaller -- a different wattage which would be less bright in their homes.

**Koonce:** That's right. And LEDs are brighter at the start and they burn in and take a little time and they get dimmer over time. So, that's something that we have -- we do field those complaints and work with the community to make sure that we're aiming them in the correct way.

**Fritz:** Well, this is a terrific program. What about the streets that currently don't have street lights?

**Koonce:** With some of the savings, we were able to look down the road and try to carve out some savings so that when we do get requests -- and we do get requests constantly, and previously we did not have a way to fulfill those requests. What we're doing is we're collecting those requests and we will review them on a six month basis and then decide which ones meet the requirements based on an equity lens, so, trying to look from a community standpoint what is the highest priority? Where might the most pedestrian and

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bicycle traffic be? And then make investments in the community with additional street lights where we can.

Certainly, we know that there are gaps out there and we're revising our guidelines right now to try to figure out how do we change from our old standards of -- from the 1980s to current-day standards so that they're more pedestrian and bike-friendly than your standard design of the street light system. A lot of those date back from 35 to 40 years ago, so we are looking to make improvements as we can.

**Fritz:** This is a terrific program and I very much appreciate all of your answers. I have also appreciated your commitment of equity and looking at doing the most dangerous and the outer areas first rather than starting with where there may be more people noticing them and such. That's been great. I would be happy to work with your Office of Neighborhood Involvement or perhaps do outreach to some of the neighborhood associations in underserved areas. They might not know that they can ask. So perhaps your staff and mine can work together on that and would be happy to meet with you.

**Koonce:** Thank you.

**Hales:** Thank you very much. Other questions or comments for staff? Thank you all very much. Anyone want to speak on this item? If not -- sorry?

**Ben Walters, Chief Deputy City Attorney:** Mayor, as a point of clarification. After the Council approval of the agreement, we will be transmitting this back to PGE, who will be submitting to the Oregon Public Utility Commission for final regulatory approval of the utility asset. That's where we were previously. We had negotiated a price, we submitted to the commission and staff had some questions, which caused us to have to go back into renegotiations, which is why we're back before you again with a revised agreement. We're relatively confident that we've addressed the commission's concerns at least on a staff level, but we do have that one final hurdle. Hopefully, we will not be seeing this again but just to raise that for you, we do have that one additional process check-off before we're done with this.

**Hales:** So if Council approves this contract, if this is approved by the PUC it doesn't come back, but if this goes off the rails, you do have to come back.

**Walters:** And hopefully we will not be back again.

**Hales:** OK. Appreciate the clarification. A motion, please, to adopt the report.

**Fritz:** So moved.

**Saltzman:** Second.

**Hales:** Roll call.

**Item 863 Roll.**

**Saltzman:** This is great work. Thank you. Aye.

**Novick:** This is a very nice piece of a lovely larger project. We are converting our street lights to LEDs, saving a big hunk of money, saving a bunch of energy and therefore reducing our carbon footprint, and by making this purchase, this is going to pay for itself within three and a half years because we will no longer be renting poles from PGE. And I have to tell you, colleagues, these discussions with PGE and the PUC were somewhat arduous and at times frustrating, and it's very nice to see them come to a successful conclusion and thanks to the City Attorney's Office for their help with that as well. Aye.

**Fritz:** Commissioner Novick, you're taking transparency to a new level in many ways. This is an excellent report, thank you for responding to my questions and having the explanations teed up so that the public can see them. It's remarkable how much safer the streets are, too. I think that's the other benefit in addition to the cost savings and the energy savings. It's so much safer. You can see on both sides of the street. I appreciate you have that particular pair of photograph. Thank you very much for all of the work that you're doing. Aye.

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**Fish:** Nice work, thank you. Aye.

**Hales:** Yeah, appreciate the point about safety. Unfortunately, when you're the Police Commissioner, you get this number in your head. As of today, we've had 19 Portlanders lose their life to homicidal violence and 22 to automotive violence. And not every accident or crash, rather, can be prevented by engineering, but some of them can. And certainly, if people have the opportunity to see a pedestrian or a bicycle rider or another vehicle in time, then those crashes can be avoided. So, the safety piece of this really is important and the climate piece is as well. I'm proud of this work. Thank you, Commissioner Novick and PBOT for moving this forward and thanks to the rest of the City partners here that have gotten us to this point with PGE. Good work. Thank you. Aye.

**Item 864.**

**Hales:** Well, Commissioner Novick, why are we building more things?

**Novick:** Well, we have more money than we expected. Because we have more money to do more stuff, then we need more architecture and engineering services. Isn't that right?

**Andrew Carlstrom, Portland Bureau of Transportation:** That's correct. Good morning, Mayor Hales and City Commissioners. Andrew Carlstrom, employee services division for PBOT, and with me today is supervising engineer Lola Gailey if you have specific questions about the capital projects related to this contract ordinance.

First, PBOT would like to emphasize that the bureau is requesting amendments to on call any contracts because of the significant one-time general fund resources Council dedicated to transportation projects in this fiscal year's budget, and on behalf of PBOT, thank you for the support. PBOT requires additional on call services capacity through these emergency amendments because the bureau has tight time lines as many of these capital projects will not identified until late in the budget process, and PBOT does not possess either the specific expertise or capacity in-house.

Council passed ordinance 186964 in January 2015 providing 1.825 million in total contract authority over nine on-call A and E service areas. The total proposed additional contract authority of \$1.025 million in this ordinance is within five of the nine service areas: geotechnical services, structural engineering, traffic engineering, traffic signal design, and street design. Portland's capital projects and engineering staff determined that this is the amount of additional capacity needed now to ensure an adequate supply of services, but please note that even with the passage of this ordinance, PBOT will require additional on-call capacity beyond the bureau's immediate need. However, for this purpose, PBOT will have sufficient time to complete a new RFP process and this work will commence within the next few weeks.

PBOT capital project staff worked closely with prime contractors to ensure that should Council authorize this additional capacity, receiving the additional work was contingent on demonstrating specific commitment to MWESB subcontractors. At this time, PBOT's estimate is 30% MWESB utilization for the additional capacity, and to date in dollars, this is 259,000 of 864,000 in identified specific task orders. And you might be interested to know that of the subcontracted work, 90% is going to subcontractors that are minority-owned or women-owned businesses. Thank you for your consideration.

**Hales:** Thank you. Questions? Thank you very much. Anyone want to speak on this item? Then a roll call vote, please.

**Item 864 Roll.**

**Saltzman:** Aye.

**Novick:** Thank you very much. Aye.

**Fritz:** Terrific to see another supervising engineer who's a woman and here having done many decades great service to the City. Thank you, Lola, for being here for this great presentation and also for briefing me and my staff ahead of time on it. I was particularly

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happy to hear that 90% of the MWESB are minority and women, and 33% is also significant and I appreciate your additional attention to that in these contracts. Aye.

**Fish:** Aye.

**Hales:** Aye. Thank you.

**Item 865.**

**Hales:** Commissioner Novick.

**Novick:** Colleagues, as Karla just said, this is a step that's necessary to achieve payment card industry compliance standards, and I'll turn it over to our team to elaborate.

**Hales:** Good morning.

**Michael Jacobs, Portland Bureau of Transportation:** Good morning, Mayor and Commissioners. My name is Michael Jacobs, I am the division manager for off-street parking and regulatory services in the Bureau of Transportation. With me today is Christopher Paidhrin, information security manager for the BTS.

The ordinance before you addresses PCI compliance requirements for the Smart Park garages. We are requesting Council's approval to modify the existing contract with the garage management company in order to meet PCI compliance requirements. The contract amendment would upgrade and migrate the parking garage network system from City equipment to a dedicated private network owned and operated by the contractor. This action will transfer the burden of PCI security compliance from the City to the contractor. And as Commissioner Novick indicated, this transfer of risk is essential for the City's PCI remediation initiative.

This amendment would increase the contract dollar amount by approximately \$148,000 to cover the upgrade and migration project to be paid for by parking garage revenues. Once the project is complete, the contractor will issue an attestation of compliance to the City so that we have documentation that their system is compliant. Then annually thereafter, they will provide us with an attestation of compliance. At this point, Christopher and I would be happy to answer any questions.

**Hales:** Questions, if any? A necessary and important step. Thank you both. Anyone else want to speak on this item? And it's also an emergency ordinance. Roll call, please.

**Item 865 Roll.**

**Saltzman:** Aye.

**Novick:** Thank you, Michael and Christopher. Aye.

**Fritz:** Thank you for getting this done. I understand that we're going to be having further discussions on parking meters versus garages and the whole incentive program coming up later this year. Aye.

**Fish:** Aye.

**Hales:** Good work, thank you. Aye. Thank you all. We're recessed until 2:00 p.m.

**Fish:** Mayor --

**Hales:** Did I miss something?

**Fish:** I would prefer we have a quorum for the last four items. [laughter]

**Hales:** What did I do? Ah! Failed to turn the page --

**Fish:** You've signaled your impatience with the agenda --

**Hales:** Yes, summertime -- sorry. We are not recessed until 2:00 p.m., we will take up item 866 in proper order.

**Item 866.**

**Hales:** Commissioner Fish.

**Fish:** Thank you. Bill Ryan is here to fill us in on the details, but the gist of this is because constraints of the location of our SW 86th Avenue pump station, it is not feasible, Mayor and colleagues, to install a diesel-powered generator to provide back-up power to the power station and thus this agreement for alternate electrical services from PGE. Bill?

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**Bill Ryan, Bureau of Environmental Services:** Thank you very much.

**Hales:** Good morning.

**Ryan:** Commissioner Fish, good morning, Mayor Hales and Commissioners. As Commissioner Fish -- oops, I have the wrong one, sorry.

**Fish:** I'm guessing -- are you on 867?

**Ryan:** Yeah, this is Skidmore, sorry.

**Hales:** Nope, that's the third one.

**Ryan:** That's alright. There we go. Thank you, Karla. OK, that's what I was expecting.

As Commissioner Fish said, this is to provide alternate electrical power service, which is required by the Department of Environmental Quality. In case of a storm or some other activity that causes a power outage, we need to be able to continue to operate the pump stations. That's typically done in one of two ways. One is to have an engine generator on site that takes over the power needs, or, on occasion, you are close enough to two different sub-stations that you can actually bring power in from a separate substation. It is so rare that power actually goes out in more than one substation that the DEQ considers that to be a suitable alternate.

The SW 86th pump station is a critical pump station in our system. It's one of our four large pump stations, and we need a fairly large service -- in fact, a 2000 amp electrical service to serve the pump station. As Commissioner Fish mentioned, we are very constrained on the site. We're in a floodplain -- actually, we're staying out of the floodplain, but the floodplain surrounds us and is very close. We're also tucked into a residential neighborhood very tight.

Preliminary estimates for installation of an actual engine generator were on the order of two to \$2.5 million, and that's just for the installation of the facility. Since there's insufficient space and we still do need to provide power, the alternate power feed from PGE was the best solution.

You can see on this overview, the actual location of the power feeds on the left-hand side of the red box is the existing Fanno pump station and on the right-hand side is the construction site. You can see where we are building the SW 86th pump station. The two power feeds, the existing from the north is shown coming from the Denny Road substation, and the proposed power feed from the south will come from the Garden Home McKay substation.

This is a picture of the existing engine generator at the Fanno pump station, and you can see it's a rather large building. It's about the size of a conventional home and we anticipate that the similar facility that would be required on site would be about twice that size.

So, as we said, PGE -- we have been working with them to provide this alternate service and they have given us two opportunities. One is that we can pay a monthly charge of over \$4000 in perpetuity or we can pay a one-time lump sum payment. The payoff for that lump sum payment is about 13 years, and given the fact that we consider these facilities to be 20 to 25-year lifespan, it was clear that the choice was to go with the lump sum payment. So, that's what our recommendation is, that we select a lump sum payment option and authorize the execution of the proposed agreement with PGE to provide power. And I neglected to mention that I've got Dan Hebert here, who is our design manager who's responsible for all three of the projects that I'll be talking about. So, if you've got deep technical questions, we have the answers.

**Hales:** This isn't a deep technical question but it's just sort of a calculation of risk, which you mentioned. I realize this almost seems absurd today or maybe lately, but if we had a really big ice storm and lost a lot of transmission lines, odds are still that we would have more -- one of these substations would still be in action?

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**Ryan:** That's the thought. And we're actually in a very good situation for redundancy here in that we will continue to maintain the generator station on the Fanno pump station. So, we will still have electrical generating capacity, not just for the -- we just wouldn't be able to run the maximum capacity of the pump stations, correct.

**Dan Hebert, Bureau of Environmental Services:** Yeah, no, that's correct. If it were an area-wide outage, we'd still be able to operate the existing Fanno pump station up to about a 24 cubic foot per second capacity, which in most cases is going to be sufficient.

**Hales:** So that generator and that generator building is not going away.

**Hebert:** No, that's gonna stay as part of the system and be maintained.

**Hales:** Alright. Appreciate that. Other questions for the team? Thank you both very much. Is there anyone who wants to speak on this item? If not, it's an emergency ordinance, let's take a roll call vote.

**Item 866 Roll.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Fish:** Aye. **Hales:** Aye.

**Item 867.**

**Fish:** Bill Ryan is joining us again. This ordinance would authorize a contract to remove old sewer monitoring equipment and install upgraded equipment at five different locations. This project will improve our ability to monitor levels of flow in the sewer system and will improve combined sewer overflow control. Bill?

**Bill Ryan, Bureau of Environmental Services:** Great. This one is even more fun because I can rarely say the six words in order without screwing one of them up. This is about sewer level remote telemetry system modifications.

**Hales:** There you go.

**Ryan:** I did it right that time. The sewer level monitors are actual monitors that we have to measure flows, the height of flows in our sewer system across the city. We've got approximately 100 of those monitors just out in the sewer system, plus a lot more in our pump stations and treatment plants, but these are just out monitoring levels in the pipes.

We are required by the DEQ to manage our system in a manner that we can minimize overflows to the Willamette River and Columbia slough, and we do that through a series of pump stations and gate valves and different mechanisms where we can actually transfer sewage flows from one location to another. In order to do that, we have to know the level of sewer in the pipes, and that's what these sewer level remote transmitters are all about.

There are five of them that have been made unnecessary as a result of the work that we have done on the system. If you recall, there were many outfalls that are no longer active outfalls at all. We're taking out five SLRT or SLRTs as we call them. There are three of them have been in place and are necessary to keep in place that need to be reconstructed just to bring them up to modern standards, and two brand new ones that we need to better manage our system.

These range all across the city from Buckman community, to Concordia, to Multnomah and the Northwest Industrial District. They are all across the city. On the right-hand side of this picture, you see some of the older installations, the type that will more than likely be replaced. And on the left-hand side, you see the newer facilities which we're trying to obtain facilities that can be -- graffiti can easily be removed from.

If you approve of this contract, our expectation is that we will receive construction bids in September, about a month away, and actually be completed with the construction in June of 2016 for a cost of approximately \$513,000.

**Fish:** Thank you, Bill.

**Hales:** Questions?



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**Fritz:** In looking at that list of neighborhoods, I'm assuming that it's not the outer neighborhoods because they've already got the newer equipment that doesn't need replacing yet?

**Ryan:** It's actually primarily based on the fact that our combined sewer system is really the core third of our city area. It was the first part of our sewer system that was constructed.

**Fritz:** Thank you.

**Hales:** Other questions?

**Fritz:** Is this the first of many or once we've done these, we're good?

**Ryan:** There is a regular cycle that we go through. A lot of these are aging out, some of them are as old as 15 or 20 years old and need to be replaced. We also are learning a lot about our system since we put the CSO system in place and are taking advantage of parts of our sewer that were actually constructed many years ago and were constructed larger than necessary. So, we're finding opportunities for storage and redundancy through the use of these systems and find purposes for adding systems.

**Fritz:** These are the only ones that need doing right now?

**Ryan:** These are the only ones that need it now, yes.

**Hales:** No other questions? Anyone else want to speak? Thank you very much. This moves to second reading.

**Item 868.**

**Fish:** This ordinance would authorize a contract to remodel the Skidmore pump station. The City built the pump station in 1988 and because of growth in the area, we need to increase pump station capacity. Bill Ryan is here with us this morning to answer any questions and make a presentation. [laughter] Bill, welcome to Council.

**Bill Ryan, Bureau of Environmental Services:** Thank you. This pump station is on the other end of the spectrum from the SW 86th pump station that I described earlier and the Fanno pump station. If you add Fanno and SW 86th together, their capacity is approximately 42 CFS -- ?

**Dan Hebert, Bureau of Environmental Services; 47.**

**Ryan:** 47 CFS. The Skidmore pump station is about a third of one CFS, so it is one of our smaller stations. As Commissioner Fish mentioned, it's about 28 years old and we consider 20 to 25 years to be the life of these kinds of stations. So, the pump station is due for remodel and as Commissioner Fish said, it is also a bit under capacity. And that's a squishy issue, because the DEQ actually requires us to have capacity that is enough to handle a five-year storm, which is a large event, and it also requires us to have redundant pumps hanging in the pump station. So, generally you have enough capacity in a pump station to do a lot more pumping than is coming to you and we are just upgrading this in order to comply with regulations.

The Skidmore pump station is located just south of the intersection of Sandy Boulevard and I-205. It's actually in the parking lot of the Grotto. The project objectives are to provide a reliable pump station with sufficient capacity. We want to minimize the amount of unscheduled call-outs that we've had to the existing station. We want to minimize impacts to the neighborhood and disruption to activities of the Grotto. Should you approve this, we expect to be advertising at the end of this month and should be complete with construction in March of 2017. The estimated construction cost is \$731,000.

**Hales:** Questions? Thank you very much. I don't think there is anyone here to speak on this item. It will also pass to second reading. Thank you both very much.

**Fish:** Thank you, gentlemen.

**Hales:** We have a second reading item remaining.

**Item 869.**

**Hales:** Second reading and roll call please.

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**Item 869 Roll.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Fish:** Aye. **Hales:** Aye.

**Hales:** And now we're recessed until 2:00 p.m. Thank you.

At 12:01 p.m., Council recessed.

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**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: \*\*\*\*\* means unidentified speaker.

**AUGUST 19, 2015 2:00 PM**

**Hales:** Good afternoon, everyone. Welcome to the afternoon session of the City Council. Would you please call the roll?

**Novick:** Here. **Fritz:** Here. **Fish:** Here. **Hales:** Here.

**Hales:** We have a single item on the calendar this afternoon, item 870. Would you read that please, Karla?

**Item 870.**

**Hales:** We have three people here to present this item to us, Deanna Wesson-Mitchell, Judy Prosper, and Kathleen Saadat. Please come up together. Good afternoon. Welcome.

**Deanna Wesson-Mitchell, Office of Mayor Charlie Hales:** I'm Deanna Mitchell, I work in Mayor Charlie Hales' Office and am the project manager for the City for these citywide portion, I guess, of implementing the DOJ settlement agreement. Mostly that covers the City's responsibilities with the COCL, which is the Compliance Officer/Community Liaison team, and the COAB. I kind of coordinate from the City's perspective and coordinate with the other Council offices.

Back in January of this year, we were before Council to get the contract approved with the Compliance Officer/Community Liaison team, and that was done -- we hired Rosenbaum Watson LLP out of Chicago. The team has had some changes over the last seven months, eight months, and that's part of what we're here to talk to you about today.

Judy from the City Attorney's Office will discuss different amendments to the contract so far, and then Kathleen Saadat, who is the new community liaison portion of the COCL team, will actually talk about the work that the COCL team is doing.

I wanted to it start off, because it was requested when we did the January budget and \$725,000 annually was put into the 2015-16 budget for the COCL work. Of that, 240,000 was originally for the COCL contract, 380,000 was for administrative costs, and we were asked -- I believe it was Commissioner Fish who asked what that was going to cover specifically, and we honestly did not know at that point and we said that we would come back and more fully explain what the administrative costs of the COCL and COAB are. So, that's what we're going to do today. What do I do to make it show up up there? Sorry.

**Hales:** Stand by.

**Wesson-Mitchell:** This is in the public Council documents that went out. The administrative costs so far for the COCL for the overall kind of administrative things -- we've got general areas here which include the translation services which are needed at each meeting, audio-visual recordings which are also needed. Each COAB monthly meeting and the public hearings are all aired on PCI, and then the video link is at the website also so people can see it. The community policing survey -- which was a requirement in the settlement agreement -- that cost is estimated at about 72,500. It's increased from what the original cost was with Portland State. We switched to DHM -- I can't remember what DHM stands for. We switched to DHM. The COAB did a lot of work in trying to find a different company who would do the survey on community policing services.

**Fish:** Davis Hibbitts firm?

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**Wesson-Mitchell:** Yes. Thank you.

**Saltzman:** Which item are you talking about right now?

**Wesson-Mitchell:** Oh, I'm going down the list. The external materials and services, they fall into the big buckets of translation services, which are about \$21,000 a year budgeted.

**Saltzman:** Yeah, OK. I didn't see the DHM reference. But you're just referring to them. OK.

**Wesson-Mitchell:** Yeah, sorry. The community policing survey, which is required in the contract to be able to measure if the community believes services have improved. The additional professional services, which include office supplies, repair and maintenance, minor equipment for the office; and then the lease, which was estimated at 18,000. Right now, it is 6000 for the space they have in the Office of Equity and Human Rights -- 6000 a year. However, DOJ is requiring a locked office, so we are looking at making either a buildout in that space or moving to a new office location that will provide a locked office for the COCL team. That just came up a little bit ago. And then internal materials and services are about 11,500. Again, those are kind of standard costs for the computers, internet access, phones, etc.

The position that is agreed to in the settlement agreement is the assistant program specialist. That person is housed out of the Office of Equity and Human Rights now, so that budget has been moved to their annual budget out of the Mayor's Office. Including benefits, that was about \$90,000. So, the total administrative -- including that position -- is about 240,000.

The Council budgeted originally 380,000 for administrative costs. We did not know what that cost would be, we didn't know if there would be any new challenges or new costs, expenses that came up, and so we asked for more money to start with. The thing that has had the greatest increase is the work that is expected from the COCL team, and I think Judy will talk about how the contract has changed over the last few months unless you have questions about the administrative budget.

**Hales:** Questions so far?

**Saltzman:** So the 90,000 for the assistant program specialist in the Office of Equity and Human Rights was a position previously in the Mayor's office?

**Wesson-Mitchell:** No, it did not exist in the settlement agreement. We agreed to provide them with administrative support. When talking with the Bureau of Human Resources --

**Saltzman:** "Them" being --

**Wesson-Mitchell:** The COCL team.

**Saltzman:** OK.

**Wesson-Mitchell:** So, the City agreed to provide the COCL team with administrative support person. And through its conversations with BHR as to what that person would need to do, including the community engagement, the job description that BHR said most fit was an assistant program specialist. And so the City created an assistant program specialist position and then it was housed in the Office of Equity and Human Rights because we didn't want it to be housed in the Mayor's Office.

**Saltzman:** OK. So, I don't know, maybe I'm jumping ahead, but I guess I'm -- what you described to me sounds like a position of program manager that Amy Ruiz is doing. How is that different?

**Wesson-Mitchell:** Ms. Saadat will be able to explain more detail about how the project manager is different from the assistant program specialist who also does the administrative work with their billing, contracts, invoices, along with community engagement and outreach work.

**Fritz:** And we approved that in the budget, the 90,000 position in OEHR.

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**Wesson-Mitchell:** From the original 380,000 that was budgeted, the unknown costs yet are going to be if there's an office buildout or if we have to move them to a different space to get that locking door private office, which is required by DOJ. And the focus groups which the COCL has identified to really hear from houseless communities, youth, the LGBTQ communities who might not be reached in the DOJ-required mailing survey to home addresses. So, those focus groups -- that's part of the increase in the COAB budget, which isn't really part of the contract conversation, but we are increasing the COAB budget through the admin funds. Part of it is advertising, which had been in the administrative budget already. The COAB will be in control of advertising for the COAB, which makes sense, and then they want to do focus groups for specific underrepresented parties. They're estimating probably \$5000 for that. We don't know -- it's probably going to cost more. So, that hasn't been completely fleshed out. And I say all that to say I will probably be back for a fall BMP request regarding specifically the focus groups and specifically the office buildout if that's needed.

There could be some cost savings. The \$75,000 that you all approve for travel back in January -- so far they've only requested 23,000 this year to date. So, there will be some savings in that 75,000 not-to-exceed amount. So that may be able to be used for the office buildout. I'm doing all I can to keep it under that 725,000 that was originally budgeted by Council.

**Hales:** Questions for Deanna before we move on?

**Saltzman:** So, the agreement we have with the Department of Justice focuses on issues the police have with people with mental health problems.

**Wesson-Mitchell:** Yes.

**Saltzman:** So I guess -- connect the dots how that relates to focus groups with, say, the LGBT community or numerous variety of groups that we can all sit here and come up with and say, well, we've got to do focus groups. How does that tie into the central crux of what we're trying to accomplish with the Department of Justice?

**Wesson-Mitchell:** That is an excellent question, and I think Ms. Saadat will be happy to answer that because that was a request that came from the COAB.

**Hales:** Let's proceed through the presentation and then let's circle back and answer anything that hasn't been addressed.

**Judy Prosper, Office of the City Attorney:** Good afternoon, Mr. Mayor and Commissioners. I am Judy Prosper, a Deputy City Attorney for the City of Portland. Together with Deanna, we were before you in January to get the original COCL contract approved. As Deanna mentioned, it was for \$240,000 per year, plus \$75,000 not-to-exceed amount for travel expenses. I'll walk you through.

So, since that time, there have been some amendments. The one before you is proposed amendment number four, so I'll walk you through and let you know what happened between then and now. Amendment number one was necessary -- it was just a wording issue. Because the COCL team began on the 15th of January, we wanted to be able to pay them for half a month rather than a full month. So, we had just a quick contract amendment to allow for that because there was a fixed amount for an entire month. So, that first amendment took place I think two weeks afterwards in order to pay the first invoice.

**Fish:** Can I make a standing objection? This is a wonderful chart, but for some of us it's not readable. The font is getting small in order to cram a lot of information. So in the future, if it was possible to print it out in a bigger font and do a handout while you have it on the screen, I would appreciate it.

**Wesson-Mitchell:** Will do.

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**Prosper:** Apologies for that, not very thoughtful on our part. So, that was the first amendment.

The second and third amendments were necessary because we needed an additional DOJ-required expert on police practices that was not envisioned in the original contract. In the original contract, there was Geoff Alpert, and he was slated at \$5000. And we added Heather Daniel, who was a different police expert at \$10,000. An additional \$30,000 was included in the second amendment for the services of Amy Ruiz through 360 Strategies, and she was to serve then it was thought for about six months to transition between the former community liaison Justice Paul De Muniz and Kathleen Saadat, who came on as of June 1st because of his resignation. That increased the contract by \$40,000. That amendment was approved by the Chief Procurement Officer Christine Moody back around June 1st to accommodate the expert and Amy Ruiz.

Today, we're before you for you to consider an additional amendment to the contract to move over from the administrative budget that Deanna just spoke of, the \$380,000 -- the original number of 380. She just spoke to you about using a portion of that, and we would like an additional portion moved over for the costs in the fourth column. And I apologize again for the legibility of it.

Those costs would increase by the following. Kathleen Saadat's subcontract amount would increase from the original to Paul De Muniz from 75,000 to 120,000. Amy Ruiz's position would be an ongoing permanent project manager's position, so the amount that you see there is for a full year. Thomas Christoff, who is the research associate on the team -- his salary would increase as you see there. Geoff Alpert, the original expert, would be doing twice as much work, so going from 5000 to 10,000. And Heather Daniel, the expert added in the June amendment, would go up to 20,000. So, from 240, the contract increased in June to 280, and we are requesting today that you approve it up to 383. If you do math well, which I don't, you'll notice a discrepancy that would bring you over 725. And Deanna didn't speak of this, but there was a one-time transfer from the Police Bureau to this budget for the survey, and that's 22,490, which brings us under the 725 total COCL budget at 717,827. Questions?

**Fritz:** I have a question. I understand all of those are for increased scope except for Tom Christoff. His involvement was part of the original bid by Rosenbaum and Watson. I don't understand what's changed in the work that he's doing compared to what he was expected to do.

**Prosper:** Thanks for that question. I will tell you that I am not a data specialist and I'm not intricately involved in the actual day-to-day work that Tom Christoff does, but I will sort of read for you a summary of the changes in the job description that the COCL team, Rosenbaum and Watson, provided to us to justify this change.

Mr. Tom Christoff is an integral part of the COCL team who must be retained in the second year of the compliance assessment. In the fall of 2015, he will complete his Ph.D. in criminology, law, and justice, at which point, his market value will increase significantly. In year two, the COCL team will move him into a leadership position as the manager of all field work and survey work. He will plan field interviews and oversee new and ongoing surveys. He will also oversee the PPB auditing process. As a member of the COCL team, during the first year, Mr. Christoff evaluated the policies and practices of the Portland Police Bureau and documented efforts to comply with the settlement agreement. He has become very knowledgeable regarding PPB's record system, auditing procedures, employee information system, and ECIT-related services, and has developed good working relationships with people in Portland.

Beyond the scope of his original assignment, Mr. Christoff designed a new auditing system for PPB to use in reviewing force case and has been involved in assisting the data

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systems use of force and compliance subcommittees of the COAB. His salary is being adjusted to reflect his new doctoral level education and his new responsibilities as the manager of field work and surveys and his oversight of the auditing and records keeping systems at PPB.

**Fritz:** Ms. Wesson-Mitchell, can you remind me -- was it envisioned that he would be staying on after he finished his doctorate?

**Wesson-Mitchell:** I think there was hope he would. I mean, he was part of the team --

**Fritz:** I know he was part of the team -- that's what I'm struggling a little bit with this particular piece.

**Hales:** Well, the data collection work that he leads, right, is ongoing.

**Fritz:** Right.

**Hales:** Somebody has to do it -- if not him, someone else.

**Fritz:** I had thought it was envisioned that he would continue working and so therefore -- we knew he would be finishing his Ph.D., so I'm not sure why that piece gets changed.

**Prosper:** If I may, I think the Ph.D. piece is probably secondary to the expanded scope of his assignment that they define here, designing the new auditing system and continuing to be actively involved in assisting the data system use of force and compliance subcommittee. My understanding is it would be akin to a promotion. His job responsibilities are enhanced and his duties have more responsibility.

**Fritz:** Thank you. I'd be interested to hear when Ms. Saadat gets her turn to hear how you envision him working with your team.

**Fish:** Can I just make sure I understand where we are so far? The amendment sheet that you've shown us -- in proposed amendment four, the contracted service goes up, but you stay with under the 725,000 budget because of the other things you described to us. So, I think I understand that, but then how does that relate to the ordinance seeking -- where is the \$458,000 that's referred to in the ordinance? Is that above and beyond what we're talking about?

**Wesson-Mitchell:** No. That includes the 75,000 annual for travel. So the actual contract work will be 383,000 and there's \$75,000 in travel that was improved.

**Fish:** OK, but as I read the amendments, are we still operating within the framework of a ceiling of \$725,000?

**Wesson-Mitchell:** Yes.

**Hales:** Yeah, that's why we're 715 and 725.

**Fish:** So what you're really walking us through is changing some of the subcomponents, but not increasing the total amount?

**Wesson-Mitchell:** Yes.

**Prosper:** Mostly, it's changing the contract. We need to come before you to amend the contract.

**Fish:** Right, amend the contract. I think if you just read the ordinance in the introductory paragraph separate from the chart, you might assume that this is new money rather than -- what I guess you've explained to us is you're proposing to change how the money is allocated, but we're still operating within a 725,000 dollar general fund budget.

**Hales:** We're not asking to change the budget yet.

**Wesson-Mitchell:** Yes, not asking you to change the budget yet. And I should have moved that up, thank you for that also. That was the final paragraph of the ordinance and should have moved it up to the top part that it wasn't asking for additional budget money this year. It is still within the 725,000 and I'm going to work to keep it there with the office buildout and the focus groups.

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**Fish:** Since you've given a preview that we may see new that chair at the fall BMP, what is the likelihood that you'll come before us, what categories might you be seeking funding, and can you put a guesstimate on that?

**Wesson-Mitchell:** The broad estimate for an office buildout including furniture is about 35,000. Depending upon how much is still left in the travel budget for the year at the end, that may be covered in the travel budget and then the \$8000 kind of left wiggle room under the admin budget. The other issue will be the focus groups. I don't know how much that's going to actually cost, it was kind of a rough estimate that was given from the COAB. We haven't gotten a full estimate on how much focus groups may cost.

**Hales:** It may oversimplify it a little bit, but we're talking about tens of thousands of dollars, not hundreds of thousands.

**Wesson-Mitchell:** Yes.

**Fish:** You're looking at potentially a 5% increase or something like that. Now at least I have the conceptual framework.

**Wesson-Mitchell:** OK.

**Hales:** That's helpful. I appreciate that question, Commissioner Fish. Judy, are you finished with what you wanted to cover?

**Prosper:** I am, sir. Thank you.

**Hales:** OK. Ms. Saadat, welcome.

**Kathleen Saadat:** Thank you. Good afternoon, Mayor Hales and Commissioners. Thank you for allowing me to be here today. I started this position as community liaison for the COCL in June. I have been very busy ever since. I want to tell you a little bit about the work we're doing. The Community Oversight Advisory Board -- I'm responsible for chairing that board.

I want to first start by talking about a perception we have about the work that we're doing. I hear again and again that we are rebuilding trust between the police and communities. I would say that I want you to consider the possibilities that for some communities, we're not rebuilding trust -- the trust never was there. We're starting on the ground. And that does have an impact on how we approach the work, how we talk to people, listening to people, making sure that voices are heard. If we really want to repair or to establish trust with some communities, we have to work really hard at that.

I think it's also important that we continuously and repeatedly remind ourselves how big a job this is, how important it is. And its importance in the fact that we're being focused on makes it very, very important for us to do things well. Doing things well with a board of 20 people takes a lot of time. We're being looked at as a potential model for other cities in our country, and we should be very proud of that. At the same time, it means we need to shine, we need to hold this up -- and I think I've said this here before -- we need to hold this up as important, recognize it as important, that it needs to be in the light.

This big job started with the recruitment and selection of volunteers to form the COAB. 20 members, 15 volunteers, people who come and work 10, 15, 20 hours a week instead of the 10 a month that they thought they were coming to work for. And that has to do with the nature of the work, the complexity of it, and the fact that many of these people came on to this group not being informed about the magnitude of the task or the context in which they would be working.

Members of the board have varying levels of experience working on the public board. Some are subject matter experts in the area they've chosen, the subcommittee that they've chosen to be on. Others are responsible for bringing the voices of the community into the room so they can be translated into language that allows us to make recommendations to the COCL, to the Police Bureau, to the City, to the Department of Justice. All appear to be committed to success, but we encounter lots of frustrations.



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There's been ongoing work to provide our board with the information and tools they need to carry out their charge. In addition to informing them of public meeting law, their role as public officials, and orienting them to the work, a lot of what we've had to do is create structures that didn't exist before -- structures for communication, structures for process. As Amy Ruiz says all the time, we are building the plane as we fly it. It wasn't there before. So, we didn't walk into an environment where there was a City bureau that we plugged into and all the policies were already there and all the connections were already there. We're forming the connections, we're forming the relationships, we're building the structures that allow us to be clear in our communication. We get complaints about people not knowing things all the time. That means we do more work.

Our job is to help -- the local COCL is what I call us, that's Amy and Mandi and myself -- is to help the COAB do its job. We provide administrative support and the four subcommittees -- there are now four -- and executive committee. That means minutes, getting them out, getting them posted, etc., website maintenance, facilitation of relationship-building, information gathering, organizing, planning to ensure tasks are completed to meet timelines, coordination with DOJ, the City, the Portland Police Bureau, AMA Coalition, Chicago COCL, other stakeholders, and we respond to the public's inquiries and requests for information. That's a Monday.

The work is satisfying on some level because we do have the opportunity to build the structures that allow people in this community to voice their concerns, their opinions, and their recommendations. So, it's not just a series of events where people are complaining, they're also trying to solve some problems. We know we have to do this working with the Police Bureau. We have advisors on our committee -- they are nonvoting -- and we've had to work to get them to speak up in the context of our meetings.

We have a lot of tension that we're working to overcome between people because they don't trust each other. I mean, I could make a list of everybody involved, and there would be, you know, 80% don't trust the other 20%.

The potential for the impact of this is what attracted me. The wonderfulness of having people feel that they have the power to shape their government and to shape the behavior of the people who police them is just incredibly invaluable.

On the question of the subgroups mentioned, the focus groups -- if you look at the mental health issue and you look at the people who populate that community, you will find within it every one of the groups we named. And as we're advising on the development of policy and/or training, it is important to keep that in mind. So, being mentally ill doesn't mean you will be one or the other. You could be both, you could be three, you could be anything in those categories. And it's the belief, thought, and direction that we're taking that says our police officers in policing us need to be aware of that and be prepared to respond to the differences that arise out of those different categories.

**Saltzman:** So how many subgroups are there?

**Saadat:** I don't know, we probably could think up some more. But right now, we're looking at people who don't have houses because we can't mail them a survey. We're looking at members of -- probably young members of the gay, lesbian, GLBT community who may be on the streets, who may be gathering at Q Center. We're looking at members of racial and ethnic groups to make sure -- since a lot of what happens in terms of complaints about treatment come from the African American and Latino communities, we want to make sure that voice is there. Do you have another one you want to add?

**Saltzman:** Not off the top of my head, but I guess -- my concern remains, I guess, and I'll wait until you're done and I'll say my piece.

**Saadat:** I'd like to hear your concern.

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**Saltzman:** Well, I'm just afraid it becomes focus groups run amok and that this budget begins in act to look like a plane being built as it's flying with respect to its budget. Now, I've a lot of respect for you, Ms. Saadat, and I have a lot of respect for Ms. Ruiz, but I just feel that you're working with a group that's a very important group, and we obviously got an important agreement with the Department of Justice we have to live up to. My interest in being the role model -- you know, I'm not interested in being the role model if it means trying to satisfy every conceivable angle under the sun that relates to the crux of the agreement in how the police better react to people with mental health issues. And you could probably make an argument that police respond to somebody who is a gay or lesbian or bisexual differently with a mental health crisis than somebody who is an ethnic minority, but I'm not really sure about that, I'm just saying there's probably an argument that could be put forward and hey, if we've got the focus group budget, why not, what harm does it possibly do?

**Hales:** Well, I guess -- let's hear from her more about this -- my sense about this, Commissioner, is that one that's a relatively minor part of our cost structure, and two, I guess looking at this work on behalf of the Police Bureau as the Commissioner-in-Charge, there are multiple doors into the problem. I think it's good that we try to open each one of those, and a relatively modest expense in reaching out to those different communities by means other than committee meetings -- committee meetings have their value -- to me is worthwhile. Your point is well made about cost drift in this or any other public involvement enterprise. I believe you're correct to highlight that. But to me, a modest investment in careful outreach to different groups -- because we are, to put it a little poetically, we're groping our way into this problem with professional help. I mean, we've got Dr. Rosenbaum and Dr. Watson and Ms. Saadat and other resource people that understand this work, but this is the first such venture that I've ever been involved in and that the City's ever been involved in, and so a little extra information from communities that we haven't served well to me is worth having. So, again, from a macro view, that's my approach to it. Does the cost matter? Yes.

**Saadat:** I'm not going to argue about cost because you guys get to decide that. I'm going to say there is a piece of this that I hope we don't ignore. If an officer approaches a person though think they have a mental health problem, it is important for us to notice that those people don't all look, behave, or respond alike and that some of the behaviors, some of the responses are tied to ethnic background, age, etc. If we hear from these groups as part of the focus group process, maybe we learn something. Maybe we learn we don't really have much problem over here or we've got a bigger problem than we thought over here. Those are my thoughts.

**Hales:** I guess the other thing you might reflect on a bit, Deanna, is we're doing this work with the COAB and COCL. It also feeds back into training. What we learn in the COCL/COAB process feeds back into training, and we're doing enhanced crisis intervention training for our officers. In fact, I think we've gotten the first of those reports about how that training is working out in the field. Well is how it's working, in my opinion. 600 incidents, 49 arrests, one use of force, and that use of force was an officer pointing their gun and directing someone to do something, which they then did. That seems to me positive in terms of the statistics. But what we learn in this process has to feed into training because that's one of the things the agreement requires. So to me -- again, that's part of why I got enthusiastic. We're learning things, we're changing our training, starting to see some of the positive effects of that different training in everyday life in terms of how our officers are interacting with people. That's not a one time around the merry-go-round experience.

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**Saltzman:** I don't know who's going to explain the difference between the assistant program director at the Office of Equity and Ms. Ruiz's position --

**Saadat:** I can start on that and maybe if I need some help, one of them can help me. Looking at Amy as a project manager, does the planning, connects people, helps with meetings. There's a whole list -- I'm not sure what's in here, but a whole list of things Amy does and they often look like this. We have a draft of the plan for -- she'll be overseeing the implementation of the planning process between the COAB and the Portland Police department on the development of the plan for the police department to engage in community engagement. That is one very, very large piece that needs a lot of attention and will take a lot of work to get done. If I talk about Mandi, Mandi is connecting with people, helping to connect people, but she's doing a lot of the administrative part, the part of posting on the web, the part of listening to people. The part of meeting with people I think will come very shortly, but she's only been there like a month, a little over a month, and she's trying to learn all the systems that we have and the ones we need. She's arranging the meetings, she's arranging for the set-up and all the stuff that goes with setting up a public meeting and breaking it down. I think she's probably averaging some weeks well over her 40 hours just because there is so much. Minutes in, minutes out.

**Saltzman:** So, Ms. Ruiz -- I'm not picking on you, even though you're here in the audience -- but how does it happen she goes -- I guess, is this a proper procurement to be hired initially on a \$10,000 contract and we're being asked today or next week to approve going to a \$60,000 full-time subcontractor. Again, it's a contract. So, we're all pretty -- our ears perk when we hear contract amendments in any of our bureaus, and this sounds like a person that's becoming paid in perpetuity through a contract amendment. Was that cleared with -- was that signed off on by our procurement officer?

**Wesson-Mitchell:** She's actually a subcontractor of Rosenbaum and Watson. She assisted with -- starting in December, we were working out with DOJ the schedule for getting the COAB seated, and we were given a very tight timeline which we didn't have City employee who's could cover all the outreach and work needed for that. So, the City hired her as a short-term to assist with getting the COAB seated. That was a large community -- the difficult positions were the community-appointed positions, which had a large community selection committee, lots of meetings, lots of outreach, which Amy was hired to coordinate that portion of it. When the COCL was actually hired -- the COCL team was hired January. We still didn't have our admin position that the settlement agreement required the City to have, which became Mandi Hood's position. So, Amy was filling in. She did a little extra work at the beginning of the year in getting the COAB going. And then later on, the COCL team decided they wanted her to assist. They didn't realize how extensive the work was going to be to support the COAB, and they decided they needed additional help keeping -- to support the COAB through training and meetings and building the processes and the structures that they needed, and they selected to have Amy Ruiz as their subcontractor to do that work.

**Saltzman:** Rosenbaum and Watson.

**Wesson-Mitchell:** Rosenbaum and Watson, yes.

**Saltzman:** So she is subcontracting to Rosenbaum and Watson?

**Wesson-Mitchell:** Yes. The only City -- Mandi Hood is a fulltime City employee. That's the only City employee that is directly tied with the COCL team. Brad Taylor, who is the City's mental health specialist -- as part of his regular job, he does support different community neighborhood associations, community outreach, community boards, and he does support with assistance -- mental health or accommodation assistance with our board. But that's not specific to the COAB, that is part of what he does for the City. So, he's not even a part of this budget.

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**Saltzman:** So the increase from 10,000 to 60,000 for Ms. Ruiz comes out of the pie that was allocated to Rosenbaum and Watson? As you were saying before, there's no new money today. So, this is money that was budgeted for some other function that Rosenblum and Watson, and they're saying, no, this is a priority for us that we're willing to pay her 60,000 a year?

**Prosper:** No, sir. We are asking for an increase to the COCL contract, which started at 240, and the request before you is for an increase to 383. The \$10,000 that Deanna spoke of -- which compensated Ms. Ruiz early on -- was paid by the City to her. Rosenbaum and Watson decided to keep her on as a subcontractor. So, that's part of the increase in the contract budget to accommodate that additional subcontractor. I'm not sure --

**Saltzman:** How long is our contract in effect with Rosenblum and Watson?

**Prosper:** Five years.

**Saltzman:** Five years, OK. So when you earlier described Ms. Ruiz's position as being full-time ongoing, it's only full-time ongoing perhaps as long as the contract with Rosenblum and Watson --

**\*\*\*\*:** It's not --

**Saltzman:** I'm sorry, it's not full-time. It's a subcontract with Rosenblum and Watson as long as Rosenblum and Watson is employed by us.

**Prosper:** That's the understanding.

**Saadat:** I would like to inject here. None of us are full-time, we're more than full-time. We're doing more than eight hours work a day, and that includes Amy. And that includes Mandi. We are communicating at 9:00 and 10:00 and 11:00 at night in order to make sure things are ready for the next day.

I know that you hear all the time, "we need more money, we need more staff." I know that's what part of your job is figure out whether that's true or not. I will tell you, we could use two more people right now just to get on top of what was not done in the beginning to put this board in place and to have it be secure in its ability to do the work and to have it trained and focused on being able to work together to bring forth the recommendations that we need. We're getting there. We're getting there. But at this point, the work is overwhelming. I'm not sure how we would do without anybody that we have right now.

**Hales:** Thank you. Other questions?

**Wesson-Mitchell:** I just wanted to add -- just a clarification on the increase for Tom Christoff. I think his role was seen more as collecting data initially, and as the COCL team has been working with the Police Bureau and the audit process and developing auditing processes for the Police Bureau, Tom's role is doing more guidance and consulting with the Police Bureau as they develop their auditing system to meet the standards in the settlement agreement. So it's a little different than just collecting the data from them for the COCL team, it's really helping them set up the structures of the auditing process.

**Fritz:** One thing you might consider when you come back in the BMP is to consider whether Police Bureau money might be more appropriate to pay that part of the increase that would free up the money for the office rebuild and other things.

**Wesson-Mitchell:** OK. Thank you.

**Hales:** Good suggestion. Thank you. Other questions or issues to raise before we thank this panel? Anything else the three of you want to cover?

**Saadat:** I just want to say I think all of us -- you know, when I got the call, somebody said something about five hours a week and I knew that wasn't true. Because this is new and because of what we're doing and how we're doing it, it is taking so much more than any of us ever thought. Just wanted to point that out.

**Hales:** We appreciate you stepping up to that level of effort.

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**Fritz:** I do, too. And particularly when you said you started in June, I was like, really? No, you've been here six months. You've done six months' worth of work since June and I really appreciate that, and you've really pulled together the group.

The other thing that I think we're going to want to discuss when we come back in the fall is the amount of work the volunteers are doing -- the COAB. They also were told 10 hours a month as you said, and are doing more like 10 or 20 or 30 hours a week. And so, I think in my mind this group is different from even some of the commissions I've overseen over the past couple of years -- the Design Commission has been doing three eight-hour meetings a month. I think we should consider whether we need to give stipends for things like child care and other expenses that the COAB volunteers are incurring above and beyond what they thought they were going to. That's not for today, I just wanted to highlight that for my colleagues on the Council that this is a different kind of committee. This is not an advisory committee -- well, it is an advisory committee but it's also connected with oversight and establishing a new way of doing things with our Police Bureau. So that's -- planting that seed of thought for us all to think about how are we going to support these volunteers. Because I certainly appreciate, as you said, they're 15 very different people.

The other thing that needs to be said is we did it so fast because the Department of Justice settlement says we have to do it so fast. So, it wasn't that we all thought we had set up the ideal process. It was very clear that we hadn't, however, we have a mandate that we're doing the best we can to follow. And so, it's nobody's fault that we are building the plane as we're flying it. It's also an opportunity to do things differently and to explore together how are we going to make this work. And so I think each one of us on the Council bears responsibility for that as to challenging ourselves -- what's different about a focus group? I appreciate your questions, Commissioner Saltzman. What I was thinking as you were asking is, how could we do things differently in the Office of Neighborhood Involvement to make sure we're always thinking about who might need to have a focus group, who is not going to respond to our survey, who is not going to come to our neighborhood association meeting and yet who is integrally affected about the topic we're talking about. So, I think it's probably going to be cost effective to pilot this use of focus groups which hasn't been the way we've normally done things to reach out to communities beyond boundaries. Maybe it's a way we could relatively short order find out a better way to do things so that we are actually helping people as we're trying to.

**Hales:** Good point. Thank you. Anything else? Thank you all. Stand by in case we have other questions later on here, and we'll take public testimony.

**Saadat:** Thank you for your time.

**Prosper:** Thank you.

**Hales:** Do we have folks signed up to speak on the ordinance?

**Moore-Love:** Yes, we have five people signed up. The first three, please come on up.

**Dan Handelman:** Good afternoon, Mayor Hales and Commissioners. I'm Dan Handelman with Portland Copwatch. I'm very interested in having this discussion. It's been a while since the COAB and COCL have been brought up before Council in any way, so this provides us a time to talk -- as you've already been doing -- both about the substance of what's been going on as well as the money being shifted around today.

I think there's still a sting out in the community that the team that was chosen is from out of town and that some of this money -- the travel money and hotel money -- are coming at the expense of if you had hired somebody local. We have 60% of our officers don't live in the city of Portland and we have these people coming in to help us improve the Police Bureau who are coming from outside of Portland, and they don't have to live with the consequences. It's good we have Ms. Saadat on the team. I think that she was a very

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good person to replace Justice De Muniz, because we need local people to understand what's going on in the community.

I am concerned about the idea of putting off the question about supporting the COAB members with a stipend until later this year because you've already lost five out of the original 15 members at this point. And I don't know if you're hearing from the people that each of you appointed -- none of them have dropped off yet -- I don't know if you have backup plan if one of them does drop off, but that's probably will happen because there's a lot of pressure and those people are doing a lot of work. So, I hope that you will figure out the policy for finding alternates as soon as possible as well as consider the stipends.

I was really appreciating the comment that this is building trust from the ground up and there's communities that don't trust the police at all. But unfortunately, tomorrow evening, the community engagement and outreach subcommittee of the COAB is meeting in North Precinct, which to me speaks -- that's something that can be done when this problem is solved. Right now, the people who are afraid of the police aren't going to go into a police precinct to have a discussion about engagement and outreach with the police. So, I'm hoping that the COAB will consider moving those meetings away.

And kind of related to that point, the thrust of the agreement is that the Portland Police's pattern and practice of using excessive force. It's particularly against people with mental illness, but the people with mental illness are just the people who are most visible in the statistics and the cases that were reviewed. If there is a reduction in use of force against people with mental illness and not against everybody else, then we're not succeeding. That's not the point of the whole agreement. So, I think the survey digging down into other communities that are vulnerable to police abuse is very important. I'm very glad to hear Mayor Hales being supportive of that idea.

The office space for the COCL was approved at this body in January being at a community center in east Portland where a lot of the diaspora from gentrification has moved. It got moved downtown with really no discussion, after it was moved first to a building that houses a police precinct or a traffic division. A lot of the stuff like that is happening not transparently, so I'm really glad we have this opportunity today, I'm sorry there's not more time to talk about these issues. But certainly having the office move again rather than build out an office downtown would probably be the better idea.

**Hales:** Thank you. Thanks very much. Mr. Davis?

**David Davis:** I'm David Davis with Multnomah County Copwatch. I wanted to discussion that maybe I should invest in giving cameras to members of the community to film the police. If you're going to offer up millions of dollars for simple citizen review boards and different accountability boards, then you might want to give cameras to a group of citizens or even sponsor some paid copwatch groups that go around and film the police and how they deal with the mentally ill people and homeless people, and all kinds of different people in this community that are disproportionately affected by police abuse and corruption and misconduct. And Dan Saltzman, I can't even believe that you asked that question about why there needs to be certain focus groups to deal with members of the different communities. That really shows that you don't get it and that you are obviously not qualified to hold any position of power in this town if you can't even realize that different people are affected differently by the power structure and the police. I know it's easy for you to just be a rich white man in a place of power --

**Hales:** Let's stick to the subject, Mr. Davis --

**\*\*\*\*:** This is the subject --

**Davis:** Yeah, this is the subject --

**Hales:** Mr. Davis --

**Davis:** Don't try to interrupt me, Mayor.

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**Hales:** Mr. Davis, let's stick to the ordinance, please.

\*\*\*\*\*: [inaudible] -- you're covering up everything -- [indistinguishable]

**Davis:** Exactly what she said. You come from a place of white supremacy in a position of power and you can't understand how the rest of us are treated. Well, you know, Charlie Hales, I remember when you were saying you were going to sleep with the homeless. I think you should still do that and do it for like a week or two with maybe not a security guy to back you up. You could probably find a couple of homeless people that would make sure you're safe, or even more safe than your security guys. I suggest that Dan Saltzman, that you go out and sleep in the streets too, and every one of you guys. Then you might have some perspective. Go do a week in the streets in the dead of winter, and -- [beeping] -- you know, maybe even change your appearance so you get harassed by the police. I know they have people in Hollywood that could make you look like a completely different person. Then you might --

**Hales:** Thank you.

**Davis:** -- you might gain some perspective.

**Hales:** Mr. Johnson, you're next.

**Charles Johnson:** Good morning, Commissioners. Sorry -- good afternoon. It's not my usual time. I think -- to the issue Commissioner Saltzman raised -- we have Jewish community centers, we have the Q Center, Cascadia, the mental health association of Portland, NAMI, are something not the same as those. So within the Black community, within the gay community, people need to be encouraged to develop connections with people who are experiencing mental illness and help those people then have a sense of security where they can relate to the COAB, they can get on this important process of making sure the Portland police don't shoot and kill them. So obviously, we could go down a rabbit hole of infinite focus groups, but I think when we look at some core things, the way that people in the Black community, within the LGBTQ community can engage with their neighbors who may have mental health issues and let them know, "hey, there's this experience we're going through in Portland of building this COCL and COAB. If you can engage and identify with the person having experience with mental illness you can help save lives." So you know, I think in addition to this, we should look at better engagement with NAMI, mental health association, cascade behavioral health, to get direct involvement, but there's still a need to reach people in the communities that they identify with.

At first. I was very discouraged about this proposal. I think that lingered from a huge sentiment in our community that we should have adopted a contractor who was local. But instead of quibbling over this little bit of budget, I think it's important to inject some words that really matter to the money here: Kafoury and McDougal. We're talking about pennies compared to the money you pay out every time you kill and injure one of our citizens. So while we want to spend the money responsibly, let's look at this whole budget in the context of the expense of doing crappy policing and as an investment in bringing an end to problem policing.

The fact that we have 15 of 20 original COAB members still needing support from somebody who's going to go from a \$10,000 job to a \$60,000 job doesn't really reflect poorly on even Rosenbaum and Watson that I'm not that enthused about, but it shows us the scope of how intractable this problem is. The fact that it's been going on in Portland for a long time and that this could be a very good investment. When we have 15 original COAB members who feel unsupported and frazzled and they say they can do a better job if we find 50 grand to have a better coordinating person, it's probably a good investment. Put them in the office back at the community center in the 160s, Rosewood. Thanks.

**Hales:** Thank you very much. Let's take the next folks. Good afternoon.

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**Nancy Newell:** Good afternoon. I'm Nancy Newell, long-time activist in our community on many issues. I'm very concerned about the quality of policing in this city, and very much in the belief it can be corrected in many ways and much more open discussion and transparency will take place. The [indistinguishable] I've worked in are free trade agreements, labor agreements, labor protests, I've been trained as a Portland peace team member, and I'm very familiar with de-escalation of critical situations where people are trying to communicate and can't communicate because things escalate as they're talking.

And since we have had Judge De Muniz depart, I must give you a better characterization of how community members have felt since we have new leadership on the collaborator facilitator role. And I have actually experienced bullying from Kathleen Saadat, and I don't think that's appropriate for an official in that position. It was concerning a book Sam Walker wrote about police accountability. This team -- you've got to be proud of this community, because they're working, studying, trying to figure out what other cities are doing, looking at Seattle's methods. We're not the first. Seattle has instituted a lot of these practices already. So, this effort can learn a lot from other -- and people want to -- and the distribution of the book was stopped to COAB members and they were called public officials, so it was over the value -- it was donated by well-meaning citizens and hardworking citizens that make very considerable international efforts to have police brutality not part of the community. And so, I was confronted over that issue. I have people on the COAB that have been confronted. I have had experiences where she comes in after Judge De Muniz has departed in her role, and people don't even know her, and here we're trying to build trust, and her manner of taking over a committee is pretty much at times very forceful.

I don't know what can be done about that. I don't know how you handle the situation like that. But let me remind you that it's our money that's making all this possible. We want to be treated better. We've got wonderful people in this community. They have mental health issues, some of them. We can do a lot better than we're doing. This is not acceptable. And we've lost five people since Judge De Muniz has left. I think you should look into this before you make any budget agreement and carefully analyze whether you're getting the results you want if you really want trust in the immunity and you want to advance this. We are advancing, but I think a lot of people put in a lot of time, like as has been mentioned, and I think we can do better. That book has now gotten circulated to 100 people in our community and some of those are COAB members because a used book as you circulate it loses value, so it fits every agenda. The state is more value than the City for some reason, but we solved that problem. So, I don't agree with some of Ms. Saadat's efforts to communicate because she really creates a wall. Thank you very much.

**Hales:** Thank you. Anyone else who wants to speak this afternoon? Any further questions or discussion?

**Fish:** I just had one question relating to where the meetings of the COAB are held and the difference between meeting downtown versus the eastside, or generally the decision-making process about where the COAB meets. Could you illuminate that for me a little bit?

**Wesson-Mitchell:** I will defer to Kathleen.

**Saadat:** Most recently, they've been held at PCC Cascade. The problem has been -- OK. When I came on in June, we are meeting at a church, Montavilla Church, where it was hot, dark, no air conditioning. We wanted to get out of there. To be able to acquire a space big enough for us has required a lot of work, a lot of research. And we have moved the meeting several times. We're hoping to find a place -- and we hope it may be PCC Cascade -- to be able to permanently have the COAB meetings. Now, the subcommittee meetings are different, and they are held based on what the subcommittee wants to do, what room they want to use.



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**Fish:** And the benefit of PCC Cascade is it's got parking, it's got public transportation -- and is there a theatre space there?

**Saadat:** There's a theatre space, there's space for the COAB itself, there's ability to hook up the electronics that let us communicate with the public. It's air conditioned, it has room out in the vestibule for people to come and have some semblance of dinner before the meeting starts. It's easy in-and-out, it's wheelchair accessible.

**Fish:** Do you need any help from us to make that a permanent arrangement?

**Saadat:** Let me talk to Mandi and Amy and I'll let you know. I think it'd be great. But you know, I do have concerns about it being here and staying there forever and not getting somewhere else. At the same time, people seem to prefer knowing where the meeting is going to be and being able to get there. So, we may come back to you for that.

**Fish:** Thank you very much. That's helpful.

**Fritz:** Following up on that question, what are you thinking in terms of office space? You mentioned the requirement for a lockable office. I know there's been discussion regarding whether it should be a City building or should not be a City building. Can you tell us your thoughts on that, please?

**Saadat:** I don't care where the office is. If it's accessible, if it's clean and bright, if it's safe for the employees to work at night -- because we do. I would like for it to be centrally located. It doesn't have to be in the commonwealth building, but where we are now, we have access to transportation, we have an arrangement for paid parking, we have access to printers, to copiers, to all the other things that you have as a bureaucracy being able to do the work. If we need to move, then I would like to have all those things. I would like to have an available printer. I can't print yet because I'm working on my laptop and it's not hooked up yet, but glory be, when it is hooked up, I'll be able to print and do all the things you can do when you work.

**Fish:** How many square feet do you need, do you think?

**Saadat:** I have no idea, Nick -- I mean, Commissioner. [laughs]

**Fish:** I'm not speaking for Dan, but I remember we took out a big space for the Housing Bureau, and then we were able to carve out a space for the Office of Equity.

**Fritz:** That's where they are.

**Saadat:** That's where we are. And there's a part of that --

**Fish:** I'm sorry. And that doesn't work because you don't have a door?

**Saadat:** We don't have a door where we are. There's another part of that floor that I'm looking at and recommending that we take a look at for a buildout. It's on the front side of the building, we get lots of light. It has a small conference room attached to it, which would allow for small meetings. We could still schedule larger meetings in the other rooms.

There is still some question about whether or not the perception is that the City is running the COCL/COAB. It is a perception I'd like to work on, because I think -- well, it doesn't do us much good if people feel negatively about that. At the same time, we need to get the work done. And the reason that -- when I first had this discussion, I said, no, we have to stop looking. We're putting all of our energy into looking for places and none of our energy into getting the work organized and done. So, you know, find me a place with all those amenities, and maybe -- that would be wonderful, but I think -- we're never going to find the perfect place.

**Fritz:** Where is the Department of Justice on whether or not they would -- are they requiring to us move out of City space, or no?

**Saadat:** No. They're requiring a locked door.

**Fish:** I wonder whether we could address that through just a modification to the buildout?

**Ellen Osoinach, Office of the City Attorney:** Ellen Osoinach from the City Attorney's Office and I'm the lead attorney on the DOJ settlement.

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This issue of finding a space has kind of taken on a life of its own and I think probably Ms. Saadat particularly appreciates all of you applying your big brains right now to helping to solve this problem. There's been a lot of staff time that's gone into attempting to balance and solve these issues. The settlement agreement requires that the COCL be independent of any City office. And so what the Department of Justice is struggling with is that to the extent that we house the COCL team in a City bureau's office, they see tension there. They have no wish to continue to drag out this process and have -- we're at a fragile state, I suppose, I've heard it described that way, so stability is important so they're trying to work with us, but I think that's -- there are a lot of factors that we're trying to balance. So, I don't have a straight answer for you about whether or not the DOJ would approve or not approve. They're trying to work with us, but the language of the settlement agreement says that the COCL team should be independent of any City office. And they certainly are, but we are also trying to provide them the support that they need in order to get -- as Ms. Saadat described -- their administrative needs met such as copiers and computers, and to make sure the City administrative person is plugged into the City networks and processes as they support the COCL. So, those are some of the factors we're trying to balance.

**Fish:** I hope one of the things you're going to consider is whether you can do a little buildout at your existing space. Because it is an affordable lease, it is an accessible building, and I personally like the connection with the Office of Equity there. You also have all the hardware and all the equipment. There's conference rooms, there's a generic entrance, and -- I don't know, I understand why it needs to be separate, but I wonder whether someone coming to a space at the Housing Bureau and the Office of Equity would feel unwelcome or uncomfortable. It's for to you make that adjustment.

**Saadat:** If we take a careful look -- what we need to do is define ourselves by the space. And I think I know how we can do that. Now, whether we can get some agreement from the Housing Bureau to give up that space is a whole other question.

**Fritz:** Ms. Saadat, you've been through this before with the office of human relations and the discussions we had with moving the Office of Equity and Human Rights downtown. I know from my own experience trying to get to a remote location that's not downtown is quite difficult some evenings and weekend and such. So, it does sound to me like that might be the best in a world where there's not a perfect option. I would also offer myself and the Office of Neighborhood involvement to have discussions with you to see if there's any other facilities we could help make available to you.

**Saadat:** I'm willing. I just don't want this distraction to take over what we're doing.

**Fritz:** And as you said, as long as you have this support, you're OK. So perhaps that's something Deanna and I and others could present with you some options. The other thought occurs to me is that perhaps you could put that in the community survey and have it just as a minor question and a small topic for the focus groups to discuss. Are we and the DOJ actually inventing the concepts people would not come to the Office of Equity and Human Rights? I understand Mr. Handelman's concern about it not being in a police precinct. How far separate does it have to be? That might be something to get a truth test with the survey.

**Saadat:** The peace group meets in the police department. It's one of the most successful and best-attended community groups in the City. I understand the concern. My question when presented with it again today was how do we start to work with the police and understand and talk with the policer if we keep being separate from them? And I think that's a community discussion that needs to happen.

**Fish:** There might be a sublet in that building in another space as an interim as you do the buildout. But every time you move, it's disruptive to you. You've got to change your mailing address, you may have to change your phone number and stuff like that. You can't operate

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under those circumstances. So, I would argue in talking to the landlord about whether there's a buildout opportunity that meets the security needs or whether there's a sublet in the building that allows to you have access to the equipment at the Office of Equity but maybe be a floor away. And I'm not speaking for Dan, but I'm sure he agrees with me. [laughter]

**Saltzman:** I'd love to take a look.

**Hales:** Alright, that's great.

**Saadat:** Thank you.

**Hales:** Thank you all very much. Unless there are any further direction or questions from Council, this will pass to second reading next week.

**Fritz:** Before you gavel us out, I also -- I had forgotten that it was going to move to second reading. I want to celebrate again the fact that we have reached a settlement with the judge in the case and to commend both Gail Shibley formally of your office and Dora Perry formally from mine, as Ms. Osoinach, Ms. Prosper and the team for coming to that agreement. Otherwise, we would have had another discussion here at Council today about how we should withdraw the appeal, so I'm very glad that we have.

**Hales:** Hear, hear. Thank you very much. We're setting this over for second reading next week and we're recessed until tomorrow at 2:00. Thank you.

At 3:20 p.m., Council recessed.

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**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: \*\*\*\*\* means unidentified speaker.

**AUGUST 20, 2015 2:00 PM**

**Hales:** Welcome to the August 20th meeting the City Council. Would you please call the roll?

**Saltzman:** Here. **Novick:** Here. **Fritz:** Here. **Fish:** Here. **Hales:** Here.

**Hales:** Good afternoon, everyone. We have a single item on the Council calendar, which I'll ask Karla to read in a moment, but just basic ground rules I iterate at the beginning of every Council session.

If you're here to testify on this item, there's a possibility of signing up to do so, and please exercise that and let our Council Clerk know if you want to speak. We actually have some invited testimony on this particular item, and those folks will be called first and given five minutes, I think, given the number of people here -- otherwise, we'll limit individual testimony to two minutes each just so we can hear everyone. On the subject of hearing everyone, we want to make sure we follow the rules of decorum in this chambers. If you hear an opinion you agree with and want to indicate that, feel free to give them a thumbs-up or a wave of the hand, and if you disagree with them, feel free to give them a thumbs down or some other polite hand gesture, but we ask that we not make vocal demonstrations in favor or against our fellow citizens' points of view in this room so that we get to hear all of them. If you are here on behalf of an organization or a registered lobbyist, make sure you disclose that because the law requires it. And with that, I think I will ask Karla to read the item and we'll begin.

**Item 871.**

**Hales:** Thank you very much. I'll make a couple of comments, turn it over to the Commissioner-in-Charge of Transportation Commissioner Novick to do the same, and then we'll start calling on the folks that we have for invited testimony. We'll follow that with public testimony.

Appreciate the good work that the task force has done, look forward to hearing from you this afternoon. The goals remain I think the same, which is give people transportation options, make sure that the system is safe, make sure the consumer is protected, provide service to people with disabilities, and create a playing field that's fair and open for competition. I hope that we're achieving all those goals, and I look forward to hearing from you and from the community about whether we are or what we need to change in order to get there from here. So again, I want to thank you Commissioner Novick and the task force for the report this afternoon. Look forward to hearing it. Commissioner Novick?

**Novick:** I also want to thank the task force. Jim Owens told me the other day that he thinks that task force members have put in combined something like 700 hours working on these issues and that's extraordinary, particularly given that we didn't start meeting until this year. So I'm just amazed, delighted, and everlastingly grateful for the task force for all the thought and work they have put into this process.

I am going to put the cart before the horse a bit because for those people -- I could make these next comments at the end of these proceedings, but for the benefit of people who can't stay all the way through, I want to identify some issues that to me remain open. And some of these are issues where the task force has already made a recommendation or decided not to make a recommendation, but they are issues which I still want to explore.

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One is the issue of the level of insurance coverage. Under the pilot, we require TNCs to carry primary coverage as soon as the app is on -- before they've accepted a ride -- a level of insurance which is much more than is required of a regular citizen -- a non-commercial citizen -- but much less than is required of the taxis. Then once a ride is accepted, we require them the TNCs to carry more insurance coverage than the taxis are required to have. I am not sure that we have struck the right balance there, I want to explore options for modifications to the insurance requirements.

Actually, I recently asked the taxi companies -- TNCs say that in period one, they do not present that great of a risk to people because half the time -- not exactly half the time, but some of the time they might be sitting at home drinking coffee with the app on. And I said to the taxi companies, "maybe there's the same argument for some periods of time for taxis, that sometimes somebody's in a coffee shop waiting for a call, so could the taxicabs develop an argument for their equivalent of period one where they carry a lower level of insurance?" And the taxi companies weren't particular interested in that, so I don't want to explore that further, but I think there might be other options to modify the insurance requirements.

On surge pricing, the task force is going to recommend no limitations on pricing. I am somewhat uneasy with the idea of the possibility of surge pricing during hours where there might be no other means of transportation available, like between 2:00 and 6:00 in the morning. So, I want us to think about the possibility of having a limit or prohibitions on surge pricing in the wee hours. The TNCs have said that they don't do surge pricing there anyway, so that probably shouldn't matter very much to them except sort of as a matter of principle.

An issue of concern to me is the fact that some taxi companies purchased WAV vehicles in recent months or years in order to comply with our 20% fleet requirement. And they have argued that it's unfair to ask us to spend money in a requirement and then immediately repeal the requirement. I think that that is a legitimate fairness concern. I mean, on the one hand, government regulations change to the disadvantage of the people who are investing in the previous versions of those regulations all the time. So, I don't think we should always compensate people whenever they're injured by a change in regulations, but I have to say this is an argument that kind of tears at my heartstrings a bit so I'd like to analyze the possibility of some sort of compensation for taxi companies in that position. And I've asked the companies to identify what the level of their recent expenditures have been.

Then, as you know, one of my concerns about this whole industry is that we've got most drivers classified as independent contractors, which means the companies are not contributing social security, aren't providing worker's comp, aren't providing unemployment insurance, aren't paying minimum wage. I have asked both the taxi companies and TNCs and drivers to recommend -- also, by the way, I've asked the AFLCIO to think about what protections could the City offer by regulation to drivers that we wouldn't be preempted by state or federal law to offer? And I've received some thoughts from that, nothing that I feel is actionable yet but I'm going to continue to explore that and that's one of the reasons I want to continue the pilot for a while rather than adopt final regulations.

Finally, I want to mention that we are going to be stepping up our game on monitoring and enforcement, particularly on operations. And specifically, I want to note that on WAV service, the TNCs I think have made a commitment to WAV service in Portland they haven't made in any other city, and they've been making progress towards compliance with service requirements, but so far, it hasn't been enough. And based on our recent data, a significant period of time, WAV vehicles are unavailable.

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So, I do want to put the TNCs on notice that 24/7 citywide service is a requirement, including that requirement for WAV vehicles, and we are going to have to start assessing penalties if we don't see full compliance. And by the way, historically, we have not really tracked compliance with the taxicabs with that requirement, either. We're going to be stepping up our monitoring of that for taxicabs, as well. So those are the issues that to me remain open, and I will now shut up and first year from Jody Yates --

**Fish:** Commissioner Novick, can I just ask you a procedural question? Because some of the issues that you've identified are issues of concern to other of your colleagues. Today, we are technically accepting a report --

**Novick:** Exactly.

**Fish:** Which sometimes gets politicized in this body, but just to put a fine point on it -- a citizen group has issued a report and we are going to accept it. And we accept it whether we agree with the recommendations or not, we accept it whether we think it's been edited correctly, we accept it generally because a citizen group has given us a report and it's a courtesy that we extend to formally receive it.

But I understand the experimental period has been extended by administrative rule 120 days. So for purposes of what you want to accomplish today, to the extent any of us have concerns along the lines that you've mentioned in those categories or others, what is the most constructive thing we can do today to build a record around those issues and what do you anticipate as action items going forward?

**Novick:** I think the most constructive thing is to ask questions that you have, particularly questions which you think are important to ask in a public forum. So, I made the statement I just made precisely to address the issue you raised about when we accept a report, sometimes people get the impression that that means that we are implementing all those recommendations. I just wanted to state for the record there's some issues that I want to continue to explore. I think that it might be useful if my colleagues sort of did the same and say, "these are issues which I want to continue to explore."

**Fish:** And again, I just want to put a fine point on it, because this has come up when we've had reports on issues ranging from the Joint Terrorism Task Force to other kinds of things. In general, it's the tradition of this body to accept reports furnished to us by citizen committees whether individually we agree with all of the recommendations or not. So as Commissioner Novick just noted, it is not a statement -- a blanket acceptance of all the recommendations, it is literally transmitting it from the citizen group to the City. Because we're not being asked today to vote on final rules, we're being asked today to continue to evaluate the information we're going to during this test period and later. At some later date, the Council will have a formal vote. Did I say that correctly, Commissioner?

**Novick:** Exactly.

**Hales:** Yael, so it probably good for both the public and for us as we go along for Ms. Treat and Jody and others to articulate what are the areas where the Council will return to changing regulations based on the report, or where you may have the administrative authority to proceed but Council members and the community might want you to do more work. So, it would be good for people to understand where some of these issues -- how and when some of these issues are going to come back to Council for actual legislative action. OK, good. Thank you for that discussion. I hope that helps to clarify this for everyone. Let me call on Jody Yates from PBOT to come up with a staff presentation, please.

**Jody Yates, Portland Bureau of Transportation:** Good afternoon, Commissioners. My name is Jody Yates, I'm with the Bureau of Transportation. I'm here to provide a summary of the data, the update from what we did in July. I think Mayor Hales and Commissioner

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Fish were absent, so I'll just give a brief summary of what happened for the May and June data for you.

We're receiving data from both the taxicab companies and the TNCs, and the trends remain similar from May to June. I'll give you a quick summary. The number of trips are very similar for both months, but the distribution has changed. From May to June, the taxis provided 25% less dispatched service and the TNCs have increased by about 30%. The TNCs provide a majority of their trips on the weekends and during evening to late hours, so the 5:00 p.m. to 2:00 a.m. Both taxicabs and TNCs are providing 24/7 service throughout the city -- we are receiving trip data that shows that trips are being provided throughout the city at all hours. T

NC trips are concentrated around the city center, about 75% within the 10 zip codes around the city center, and taxicabs provide a greater number of rides in twelve of the other 32 zip codes. If you weren't aware, there are 32 zip codes within the city.

Ride durations are very similar, 12 and a half minutes for taxis and 14 minutes for TNCs. They also have similar -- they're short distance, both company formats are short-distance during the evening and late night hours and longer during the commuting times. Wait times are very similar between -- sorry -- similar patterns. Taxicabs were 10 minutes in May and reduced to eight minutes in June. The TNCs remained five to six minutes between May and June.

**Saltzman:** What was that number measuring again -- those times?

**Yates:** The wait times -- so the time you request a cab or a TNC to show up. Five to six minutes for a TNC and it was 10 minutes for cabs and reduced down to eight minutes in June.

**Fritz:** Do you happen to have handouts for us?

**Yates:** I did not have that.

**Hales:** It's in the report here --

**Yates:** I'm just giving a summary of the report that I think you received.

**Fritz:** I didn't see --

**Yates:** But if not, we'll provide that to you.

**Fritz:** When we had the previous hearing, we had numbers and charts and graphs and such which were most helpful. It's hard for me to process when you're just giving us the numbers without having them written down.

**Yates:** Yeah, we can provide those to you.

**Fritz:** Thank you. I see some of them, yeah.

**Yates:** Just almost done with the data. The peak wait time for both TNC and taxis are at 5:00 p.m. and 4:00 a.m. And for WAV service, there were 550 WAV -- I'm sorry, wheelchair accessible vehicles -- rides in June. 80% were served by taxi companies and 20% by TNCs, and the average wait time for a taxi WAV was 28 and half minutes and a TNC WAV was 12 minutes.

**Fish:** Does the data on time change depending on when you make the appointment? In other words, if you reserve a taxi the night before to take you to the airport, does the wait time -- is that different than if you call within an hour of needing service?

**Yates:** I'm looking at my specialist over there who did a lot of the work.

**Fish:** I'll just say anecdotally, my experience is if I schedule a car 24 hours in advance, it usually comes a little early. But I can understand if I try to schedule a taxi an hour out, now I'm in the queue and competing with a lot of other folks.

**Yates:** It is my understanding that -- do you want come up and help answer?

**Fish:** We can come back to it.

**Fritz:** There was a question last time about whether prescheduled rides are included in those numbers or not.

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**Yates:** And that's what I'm -- they are not. That's what she said.

**Hales:** So this is rides called for --

**Yates:** Immediate dispatch.

**Hales:** "I need a ride now."

**Yates:** Immediate dispatch, yeah.

**Hales:** Alright.

**Yates:** So, there was a question in July about complaints. So for June, we have received a total of six complaints, one for an LPT, which is a limousine type of service; taxis had three; TNCs had two. In July, we had eight complaints -- kind of a similar three on the LPT, four on taxi, TNC. And generally speaking, the complaint category is about driver safety or driving safely, whether they're driving with a handheld device or speeding, those types of complaints.

And there was also one more question following up on Commissioner Fritz's -- there was a request on how many vehicles were available between 2:00 a.m. and 6:00 a.m. Lyft reported that they had an average of 22 vehicles available during those times, and Uber reported that they had 140 was the average.

**Fritz:** So, those are averages. Could I see the chart over the course of the weeks as to what's their lowest and the highest number of cars they had available during those hours?

**Yates:** I've received that for Lyft, I'll have to look back to see if I have that for Uber.

**Fritz:** One of the good things about this hearing is that we have another hearing, coming up in October.

**Yates:** That was my final point, so thank you. And that will be bringing a full report to you guys on October 7th with the 120 days of data.

**Fritz:** And if we could possibly have that report a week ahead of time, that would be very helpful.

**Yates:** Will do.

**Fritz:** Thank you.

**Yates:** Are there any other questions on my data summary?

**Saltzman:** No question, but I wanted to ask, Mayor and Commissioner Novick, we have Terri Williams here from the Revenue office and I had questions about business license fee compliance. And I don't want to make her wait until the end of the hearing. Can she come up here and just give us a quick update on that?

**Hales:** As soon as she's ready to do that.

**Saltzman:** She's ready. [laughter] She's always ready.

**Hales:** Generally, that's been the case with her. Thank you, Jody. Thanks very much.

**Saltzman:** If you could just update us on business license compliance.

**Terri Williams, Bureau of Revenue and Financial Services:** Sure, I can do that. One of the things that I did to try to answer this question -- since I was given an idea that you were going to be asking -- was I did look at our new business list that we generate on a monthly basis, and looked at three categories of the national code that identifies a business type that would include taxi, private for-hire, drivers where they would be selecting for registration. They included other services, and I only know in other services that I've gotten some additional information about what that looks like -- taxi service, and then we added a new and private for-hire transportation.

So beginning in March, it was very small. We had like maybe 10 with that. In April, that increased to 462 registrations. In May, that increased to 519 registrations. In June, to 738 registrations. And then July, 865. So, that's over 2500 new registrations. Now, I don't know who that was for. That could be a taxicab driver or that could be a TNC driver or that could be a limited passenger transportation driver. But that's a significant increase in registrations with the business taxes.



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**Saltzman:** That was under the private for-hire category?

**Williams:** Either "other services" that gave some indication that they were a driver based on a business name or something, taxi service, or private for-hire transportation service. So.

**Saltzman:** But your sense is?

**Williams:** We've got a lot of registrations. And I also can tell you anecdotally that our phones have been ringing for folks registering online wanting assistance, wanting to get their certificate of compliance so they can complete the process.

**Novick:** Terri, can I piggyback off that and just ask you -- what tools do we have to verify that the folks that are advertising on the internet platforms are only people that have obtained their business license?

**Williams:** I don't know what the platforms are using for information that they have to advertise, but if they were to include their business license tax account number, that would tell you they've registered.

**Fish:** Let me flip it around. Have Uber and Lyft confirmed with you that 100% of the people that have access to their platform have in fact demonstrated that they're licensed?

**Williams:** I'm not in contact with Uber or Lyft, that's all going through PBOT, but I understand that they cannot drive until they've got their registration with us and so that's why -- I know the drivers can be very insistent upon getting that printed certificate of compliance to show that they have registered.

**Fritz:** How often so the taxi companies pay their business income tax?

**Williams:** The taxi companies pay on an annual basis based on their fiscal year end. So generally, if you've got a calendar December year end, you're going to have a tax return that's due on April 15th of every year. If you're not ready to file it by then, then you can get an extension of time to file, which would be October 15th.

**Fritz:** Do most of them run on the calendar year rather than fiscal year?

**Williams:** Most individuals are going to be on a calendar year. If you're a corporation, you've got some choices in your fiscal year end. Other than that, unless you select it, you can be a business that has one -- it would be December, yes.

**Fritz:** So I'm asking about the existing taxicab companies. Do all of them use the calendar year or do they have a fiscal year that might have ended June 30th?

**Williams:** I don't know off the top of my head which ones have what fiscal year. They could have.

**Fritz:** If you could check, please?

**Williams:** Mm-hmm.

**Fritz:** Because one of the things I'm interested in is the loss in business income tax revenue to the City compared with last year. So if there are any that file based on the fiscal year ending in June 30th, we would be able to look at their income for this past year and compare it with the previous year to see what the impacts are, both on their income and consequently on ours would be. Similarly, if there are any by the time we get to October, whose fiscal year ends in September. I'm trying to gauge how much lost -- with Airbnb, we were getting income. With this, it seems likely that we're going to lose a significant amount of revenue, and I'm interested to try to find out how much.

**Williams:** OK. We can do an analysis and an overall potential sense because individual financial data is confidential. So, we can only do perhaps a percentage change or something like that.

**Fritz:** Right. But I'm assuming that most of the part-time Uber and Lyft drivers are not going to reach the \$50,000 income threshold to pay any tax at all?

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**Williams:** It would depend upon if that driver also had a business license tax because of another business that they had, then that would be combined and it might put it over. So, it's really hard to say.

**Fritz:** So if they were self-employed altogether.

**Williams:** Right, a consultant or did something else, or whatever -- the combined could put it over and therefore have to report.

**Fritz:** It's not per license, it's per individual.

**Williams:** It's per individual and how you file your taxes. So, if you file a joint return and you have a rental income, you have a consulting business that you file on your schedule C and then became a driver, that would all be on one tax return and one filing. So, all of those gross receipts could be over the \$50,000 and therefore you would pay based on that.

**Fritz:** Do we give these newly-registered drivers that information? Are they aware of those rules?

**Williams:** [inaudible] send them a welcome kit, we have information on our page. But we haven't sent out special notices to say "hey, you have to file." We do that in January of every year before filing to let them know that they have a tax obligation in that and they have to file a return.

**Fritz:** So if they had previously had a business license for, say, having a rental property, would they have to get another one for driving for Uber and Lyft?

**Williams:** No, they would use the same account number for that rental property or that other business.

**Fritz:** OK. So, we might think about at the end of this calendar year including in your packet that goes out -- particularly to these newly-registered TNC drivers -- information letting them know about a tax obligation that they didn't have before.

**Williams:** Yes, we can certainly do that.

**Hales:** Do you want to add some things?

**\*\*\*\*:** Just a quick comment about the business licensing confirmation. We did do a specific audit around business licenses, and we audited about 30% of the drivers and we found over 99% compliance and only one case where we had to ask for the driver to be removed from the platform.

**Fritz:** That's based on the information that the companies gave us, right? We didn't know if there were other drivers --

**\*\*\*\*:** We were able to confirm the business license number on our own.

**Fritz:** Right, but that was based on the identification of the driver given to you by the companies? There may be other drivers out there that they haven't reported to us and therefore, we don't know whether they've got a license or not?

**\*\*\*\*:** Correct.

**Hales:** Thank you both. Let's move on to the task force itself and ask Mike Greenfield and Jim Owens to come up, along with the other task force members as you see fit. Good afternoon.

**Mike Greenfield:** Good afternoon. My name is Mike Greenfield, chair of the task force. And members of our task force include Joe VanderVeer -- and would the others please raise your hands? And we've certainly been meeting frequently, as Commissioner Novick suggested but I understand that among venues to get sympathy for being in long meetings, this may be not a good one. And I think Jim now has --

**Hales:** Oh, a PowerPoint. Alright. There we go.

**Jim Owens:** I'm going to be very brief and just touch on process. And in your introductory remarks, Mr. Mayor, you already spoke to the charge of the group. A reminder then.

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In phase one, you asked us to focus on mandated criteria, insurance, inspections, background checks for TNCs and taxis as essentially a short-term fix. And in phase two, you asked us to take a comprehensive view of the entire private for-hire transportation program, address issues that we didn't have an opportunity to do so in phase one, and to reconsider the issues that we did address.

I don't think I need to run through the principles again. Again, they've been articulated already in your opening remarks and they'll be touched upon as we explain some of the recommendations.

In terms of the process, we have had to date 13 task force meetings, and in the second phase, we broke up into three subcommittees given the breadth of issues we're addressing. And in those subcommittees, we invited the active participation of the taxi companies and TNC companies, drivers, accessible service advocates and providers and experts and Travel Portland. And it made a big difference to have those folks at the table working with us to develop recommendations. And as Commissioner Novick noted, we're close to 700 hours of volunteer service. We walked in today with 670 hours, depending on how long this goes today, we'll get there.

And just very briefly, the scope of the recommendations that are in front of you. We are addressing taxis and TNCs. We are not forwarding at this point in time recommendations regarding the LPTs, limited passenger transportation -- the limousines, town cars, shuttles, pedi-cabs, horse-drawn carriages. We will be back to you in September with recommendations on that aspect of the private-for-hire transportation program.

And again, we have three subcommittees. We had one on operational considerations, we had one on accessibility considerations, and one on market and program considerations. And at this point, I'm going to turn it over to our chair.

**Greenfield:** Thank you. I'd like to speak to two or three issues that I think brought us the most attention -- some of which Commissioner Novick has referred to -- characterized generally what we've done and then Joan, the vice chair will go through the specifics.

Let me talk about data. Prior to the pilot period, there was really not a collection of data that would be useful for comparison purposes. Probably sometime in the future after you have approved some final regulatory structure, there will be some very useful data. The data that we now have is a slice of information which may be useful for general kinds of conclusions. But in advance of the eruption of the volcano near Pompeii, you probably could have gotten a good view of what that city was like. And later on, you probably could get another good view. If you gathered data during the eruption, it probably wouldn't be that useful, and this is a pretty big eruption in the TNC and the transportation and taxi venue. And so, I would be careful about getting down to the micro-conclusions from this particular slice of data, because it's right in the middle of a big change that's going on.

Certainly, in the dynamic, entrepreneurial, and technical environment that we're living in, the City of Portland can't maintain a regulatory structure that is static. Updating the regulatory structure doesn't require I think a change in the policy objectives of the Council. The task force is recommending a regulatory structure that reflects your charge to the task force and the policy priorities you articulated when we talked with you in April. Briefly, insurance.

Insurance we spent a lot of time on, and it certainly is a cost of doing business and it is coverage for potential injured parties. We got as close to parity as we could in the current insurance market. In our recommendations, you'll find that we are recommending that you leave the latitude for PBOT to continue to examine the insurance market and work toward more parity as more insurance products become available.

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We also -- after a lot of anecdotal testimony -- made pretty clear that the taxis and TNCs would have to be the primary insurers in all three of the time categories, and we are recommending that you insist that paper copies of insurance certificates from the companies also be carried in the car.

**Fish:** Can I jump in on that one point? It's my understanding now that in fact in practice, the commercial insurance is not the primary insurance. It may be that the personal automobile insurance is the primary, with the commercial insurance as the backup. Am I correct on that?

**Greenfield:** I don't think it's as clear as that. It certainly wasn't to the task force. But what we're recommending is that the commercial insurance be the primary insurance in all three periods.

**Fish:** And I think it's helpful at this point if you just very succinctly and plainly explain why having the commercial insurance be the primary insurance is in the best interests of the consumer.

**Greenfield:** Well, it is -- in the event that there's an accident -- we heard a lot of testimony about actual accidents during the pilot period, and a lot of confusion on the part of the drivers about which insurance policy should be primary and where to make the claim. If it's crystal clear to drivers who it is that they pass the claim onto, that will expedite settlement of the claim.

**Fish:** And so I'm not an expert on insurance law, but if you spend the first year arguing about who's primary and secondary, which policy does or doesn't apply, whether there's been a breach of any policy and on and on, what happens is the person that we're hoping to compensate for their injuries is left in limbo. Having clarity about who's primarily responsible ensures that the consumer or the victim in an accident is compensated more quickly and there's some consistency in coverage.

**Greenfield:** Exactly. And so that's why we're recommending that in the regulatory structure, you make clear that the primary insurance is from a company, not the personal insurance.

**Fish:** Since I think you're going to find broad agreement here on that point, why in your judgment -- if we're going to make the commercial insurance primary, why not also just mandate the same level of insurance at each of the different stages?

**Greenfield:** We heard information that due to the two different business models that that's not available given how those distinct business models operate. I don't understand it really much better than that. And so what we suggested is that when and if that becomes available, that PBOT be given the authority to bring that into parity.

**Fish:** I'm going to defer to Commissioner Fritz on this broader subject because it's something she's passionate about, but I am just going to offer you a homey metaphor. If you have a small business and you come in at 7:00 to set up for the 9:00 opening, we typically don't view 7:00 to 9:00 as someone not being involved in a commercial activity. And it just seems there's a certain common sense view on this that the moment you are in any way involved in a commercial activity, it's harder to justify distinction in terms of behavior and particularly hard to justify if there's a victim, if there's someone who's been harmed in stage one versus two or three. So, Commissioner Fritz feels very strongly about that and I will join her in those concerns, but I just want to preview that point.

**Fritz:** I find it really interesting that you were told that the insurance is not available. You can buy insurance for anything. David Beckham had his right leg insured. [laughter] So, it's not incredible that you can't buy insurance for that period. The taxi companies have it covered whether they're sitting in a coffee shop or not. Why -- did you find that credible?

**Greenfield:** We didn't question the credibility of it. What we did was to say that your administrators and PBOT can sort that out, and if it's possible to do it that they should do it.

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**Fritz:** And I'm assuming that you would support the Council if we say, "we don't care how you do it, just do it, you need to be at the commercial level" that that would be something that the task force would support?

**Greenfield:** I would support the Council in any way it chooses to act.

**Fritz:** Thank you very much.

**Novick:** Chair Greenfield, I do want to ask -- do you think that there's a strong argument for having different levels of insurance in period one versus two and three?

**Greenfield:** Speaking for myself, no.

**Fish:** And I think what you said earlier about the beauty of a bright line on primary insurance -- that the commercial insurance is primary -- I think there's a certain elegance in having consistency from beginning to end in terms of insurance coverage, and I have no doubt that it is within our authority to mandate both.

**Novick:** And I should say that very recently, I had a conversation with some representatives of the insurance industry and I asked them, "would it be possible for people to buy insurance for higher levels for period one than they are getting now for the TNCs?" And they said that they thought it should be possible, although obviously they knew the TNCs wouldn't like it. But that's based on the conversation with two representatives of the insurance industry.

**Fish:** Thank you, sir.

**Greenfield:** I think insurance companies are anxious, particularly with large potential customers, to offer the products that they're required to have.

Joe VanderVeer will give a more complete discussion on the wheelchair accessible vehicle topic. What we've done is to rather than have an implicit subsidy for those vehicles -- so, if you have a company that has 50 vehicles and you give a WAV ride, the other 49 vehicles are subsidizing that. What we've done is suggest a more explicit subsidy which collects a per-ride charge and then explicitly subsidizes those rides, which then is an encouragement to give good service rather than sort of a disincentive to give good service. And we worked closely with Nicole, Joe and other members of the accessibility committee, and we used the Lewis and Clark study metrics for setting standards and then suggested the explicit subsidy idea.

On the status of drivers, drivers as independent contractors predates the arrival of TNCs in Oregon. That was the case for most companies prior to their arrival. On the advice of the City Attorney, we recognized the issues within the authority of the BOLI director. However, we recommend that in the absence of BOLI action, the City pursue options for obligating taxis and TNCs to pay for benefits such as work-related disability insurance.

**Fish:** Mr. Chairman, as a practical matter, isn't it likely that the first time this is going to be tested is when someone either asserts a claim or exercises a right claiming to be an employee, and some administrative agency has to resolve that question? For example, a group of people get together and say, "we want to organize. We're employees. We want the protections of the National Labor Relations Act." Or someone brings a claim under some statute that provides a benefit to employees. And somewhere along the line, someone is going to have to determine whether they're employees or independent contractors.

**Greenfield:** In my experience, government plays catch-up with the private sector. And so what we've got now is either an employee or contractor based on a model that is, you know, decades old. And so now government, in my opinion, has to catch up with the new reality of the sharing economy, the enthusiasm of employers to define workers as contract workers. So, I think this is not certainly isolated to Portland, but on a national level at some

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juncture, government will catch up to the new reality and perhaps have some sort of modified category.

**Fish:** I think it is worth noting although we're getting ahead of ourselves in terms of a later subject, under federal law, and in particular under the Americans with Disabilities Act, it does not matter whether you're classified as an independent contractor or an employee. There is coverage under that federal law. So, it's often specific to the regulation or the law. But at some point, an administrative body is going to decide this, and I suspect -- my own guess -- is it will happen the minute a handful of people decide they want to try to organize or exercise any federal or state right and then someone is going to have to decide the question of whether they're employees or independent contractors.

**Greenfield:** There's always an ignition point, you're right. So, that ends my portion unless there's any questions. Joan Plank is next.

**Joan Plank:** Commissioners, Mr. Mayor. Mine is going to be pretty brief. Mike covered some of my areas. I know you have the full report in front of you.

One of the areas that the task force is making recommendations on has to do with caps. We are recommending that there be no caps on the number of drivers or the number of vehicles permitted to operate. And I think from some of the data -- albeit, only a couple of months -- there is desire for more service in the City of Portland.

To our knowledge, no jurisdiction has a cap in effect on the number of TNCs authorized to operate, and we didn't find a rational basis to do so. We also felt that if TNCs weren't going to have a cap, then cabs shouldn't with a cap.

**Fritz:** As part of that discussion, did you have any thoughts about the effects on climate change of having more people driving around?

**Plank:** One of the issues that we discussed had to do with the environmental impacts in general, and we had limited information -- some information from some City staff that basically said we just don't know enough about what the environmental impacts are. We're going to have to watch it over time, it's going to have to be monitored. We made some recommendations that the City might want to partner with PSU in the future to try to determine if there are issues that need to be addressed.

**Fritz:** So, we probably should do that -- if we adopt a future ordinance, we should start then, right? Because otherwise we wouldn't be able to see over time.

**Plank:** Right. Our recommendation was that the City staff try to gather data.

**Fritz:** And contract with PSU sooner rather than later?

**Plank:** Yes, and suggested that they might want to contract with PSU or another entity.

**Fritz:** Thank you.

**Hales:** Good question. That data collection is not already underway, right, on the environmental issue?

**Plank:** The City has limited data I think on effects of environmental impacts of vehicles. I mean, we all know that vehicles do make a difference and more vehicles make a difference, less vehicles make a difference. I think some of the issues that we don't know is maybe there will be fewer vehicles if more people are using taxis and TNCs, maybe they won't be driving their cars. Some of the TNCs offer more than one person in a vehicle. I mean, there's just a lot of unknowns until this plays out that we don't have all the information yet.

**Hales:** OK.

**Novick:** Commissioner, I should tell you, I asked the Oregon Environmental Council this question and they said as this point, they just don't think that we know. I mean, it could be that there's fewer trips because people who would have driven to work and then driven back took transit in because they knew they could get an Uber ride back. It could be that

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people are taking Uber trips that otherwise would be transit trips. So, it's not clear yet at this point what the impact is, and people around the world are trying to figure that out.

**Fritz:** I think since we're aiming to be innovative, we should set up a study that will find out that information.

**Plank:** Alright. One of the other areas that we are -- key features of our recommendations are that the administrative responsibility for the licensing and bringing drivers into the system be shifted from the City to the private sector. With a big increase in the size of the market -- and what we don't want to see is a huge new bureaucracy that's processing a bunch of paper. We think it's time to shift the responsibility for the cost of permitting from the public to the private sector. City resources need to be committed to the enhanced compliance monitoring, training, and enforcement, not administering permits.

**Fritz:** And what would happen to the staff that are currently doing permits?

**Plank:** Our recommendation is that they be used -- or that their duties shift towards the compliance monitoring and enforcement actions that need to be taken, and helping the taxis and TNCs meet the necessary regulations. So, they would shift from kind of pushing paper administrative to more of an active management of the program.

**Fritz:** I'll be interested, Commissioner, at the next hearing to find out a financial assessment of whether that would require changing classifications, labor impacts because, you know, staff have a job description of doing a certain amount of something and also skills to do a certain amount of something. To ask them to do something different may involve some labor costs. So, I think we should look into that.

**Plank:** And we certainly understand that but we also we think that staffing is an important component of making this pilot -- and ultimately, what you decide to undertake -- successful that the proper staffing is very important. I think I speak for the task force that we believe that some of the -- there just wasn't enough staff to take care of everything before in terms of the way the program was run and so things didn't get done. They did the absolute best they could but it needs to be staffed appropriately.

**Fritz:** Right. So again, that's going to be a general fund impact, particularly of concern to me since we won't have the taxes coming in as well.

**Plank:** Actually, the model that's being recommended is that the TNCs through whatever fees they pay for drivers or vehicles or whatever the final assessment is will cover the costs of the program. So, my understanding is general fund is not the hit -- and I don't know, are any of the staff shaking their heads behind me?

**Fritz:** Are you recommending then a significant increase in the amount that we would charge the TNCs for being able to have their platform operative?

**Plank:** We haven't seen any numbers yet in terms of what it's going to take to administer the program effectively and efficiently.

**Fritz:** But that is part of your recommendation -- that it should be borne by the TNCs?

**Plank:** Yes, and I assume just from my experience in these kind of business before that the industry generally likes to have things run well and that they're generally supportive of paying the fees needed to have a successful program.

**Fritz:** Am I remembering them correctly that we just charged them \$20,000 for this pilot?

**Plank:** I couldn't tell you what the current fees are.

**Fritz:** That's the number that's stuck in my head, which is clearly inadequate. So, I will be interested to know how much the pilot has cost us in terms of staff time.

**Hales:** OK. Let's turn to Mr. VanderVeer -- I'm sorry, Joan, am I cutting you off?

**Plank:** No, I think the rest of it has been covered.

**Novick:** Commissioner, I actually do just want to note that the specific language of the recommendation of the task force is "utilize a sliding scale cost recovery based approach,

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ensuring adequate and consistent funding to [indistinguishable] all aspects of the private for-hire transportation program” which includes the cost of monitoring and enforcement.

**Hales:** Mr. VanderVeer.

**Joe VanderVeer** I'm Joe VanderVeer -- is this thing on?

**Hales:** It will be. There you go.

**VanderVeer:** I'm Joe VanderVeer and I'm with the Commission on Disability, and I've been involved in this process since the beginning of phase two representing our commission. I just want to say that our chair will be speaking later, and she'll speak to the recommendations that involve our commission going forward with this issue in the long term, but I'll talk about the task force recommendation and the process that got to it.

When I started this, I came in and I replaced another Commissioner and I was skeptical about the way this was going to go and how it was going to go as far as accessibility went, and I was pleasantly surprised. It turned out very good. Pretty much everything that I thought should be in this is in it, and so that's a very good thing.

In particular, I'm happy to see that there's a switch from fleet quota to access time, because I think that's going to be a much more meaningful metric to use and it's going to get us where we need to go. No pun intended. However, that's going to take a lot of enforcement effort and a lot of monitoring effort. So, that's one thing that really needs to happen.

The incentivizing of WAV service with the reimbursement from the surcharge funds is another great idea. It's a huge disincentive to the companies to provide this service in an equitable manner.

The better training and communication of drivers both for the taxis and the TNCs is a very useful, very needed recommendation. Effective yet -- right, good -- good penalties. I'm not sure how to put that. I think that the penalty system that we set up for noncompliance is very thorough, and it's effective yet not draconian in nature. I think that will be good.

We put in several recommendations for different tweaks to the accessibility of vehicles and parameters on those vehicles -- payment systems in the cabs, things like that -- methods of communication between drivers and riders and those kinds of things. That's all very important for effective service for people with disabilities.

Like I said, effective enforcement is key here, so really need to make sure that that happens and that data is collected and that all of the data that we suggest is collected on the accessibility issues, because without any of those pieces, it will be difficult to assess where we're at and keep things going on the right track.

And so I'm happy to say that I think service has gotten better for wheelchair users in particular. There's more ways available. As you saw in [indistinguishable] presentation, there's still a disparity. Certainly half an hour, 26 minutes for a cab is kind of a long time. So, that needs to improve, but the TNCs are doing a good job. They need to build their capacity a bit, but they do a good job on the time. And so, I'm happy with the way things are going and our commission heard this issue at our last commission meeting and we support the recommendation going forward.

**Hales:** Thank you. Questions?

**Fish:** Can I follow up? Two questions off that. The first is in the report at page three, it refers to the Portland Equal Access Plan concept and it says we the committee find PEAP to be an incomplete and potentially punitive approach but it doesn't quite explain why. Could any of you just explain generally how you came to that conclusion?

**VanderVeer:** Well, incomplete in that the access time focus is a good element. That's a good thing. However, the PEAP as I understood it -- I came in after that discussion pretty much -- and that plan kind of called for market forces to determine what happened and



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there to be extreme punitive measures for noncompliance or failure to comply. I think that's where the incomplete comes in in that we felt that there should be more -- it shouldn't be quite so draconian, and that there should be some subsidy of WAVE service by the City, by the system, as opposed to forcing the companies to do or die.

**Fish:** That's helpful, thank you. And my second question -- we all seem to agree on the goals, which is a fully accessible system and an equalization to the extent practicable of wait times. But we've also learned the data we were given earlier says that about 75% of the TNC rides are in the central part of the city, and we've also heard from TNC representatives that those are the most profitable rides. So, do we have a concern that over time, low-income, disabled riders outside the central core are not going to get an adequate level of service?

**VanderVeer:** I would say yes, that is a concern, for sure. The distribution of WAVs is a big issue. The further out you are, the longer you'll wait. I believe we at least talked about having a different access time based on location.

**Owens:** Yes, we did. And that concern was raised and there are recommendations on accessible services being available 24/7 citywide. It needs to be monitored very carefully at all hours of the day.

**Fish:** I guess that leads to maybe a related question, which is the statute that we are all citing to -- 16.40.270, minimum standards for service -- talks about service citywide but it doesn't define what that means. And isn't the next step here to actually put some content behind that?

**Greenfield:** I think that's right. I think -- to your first question, I think the explicit subsidy will make the economic difference a little less paramount in the minds of the riders. That's sort of the carrot part of the equation. The stick part of the equation is it's not optional.

**Fish:** Right, and I think that's the point. Because for example, someone recently took one of the apps -- I don't have it on my phone, I've never used it -- and showed me the wait times within the central city. But as you migrated out, the app finally just said "no cars available." And I think that's exactly what we want to prevent -- that we have a system where it's separate and unequal, and we have a whole category of potential customers who happen to be low-income -- i.e., more likely to be dispersed from the central core -- and in need of an accessible vehicle.

**Greenfield:** In a moment, I'll speak to enforcement, but we have to make it less profitable not to follow that rule.

**Fish:** There you go.

**Hales:** In fact, why don't you go ahead to proceed to talk about the implementation issues, and then we'll call on the first of our other panels.

**Greenfield:** When you adopt some set of regulations -- when you adopt a regulatory structure, that's one of three important parts of dealing with this issue. The second element is ensuring that the City can measure industry compliance with the regulatory standards. In other words, we've said, "here's how we want you to do it" and we have to be able to through the data that we collect and the initiatives that we take to compare the performance to the standard. And the third element is to have the courage -- administratively and politically -- when it comes time to sanction companies for noncompliance.

Educating companies and drivers, measuring compliance, imposing sanctions represents a work load. There is a work load associated with that. PBOT must come to you with proposals for sufficient staffing and funding to accomplish that workload, along with assessments on the industry to pay for the enforcement. Without staffing and funding, this policy structure and the objectives you're pursuing will fail. Without your approval of

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enforcement efforts sufficient to make compliance the most profitable option for taxis and TNC companies, whatever you finally approve will be meaningless.

You have to have the courage -- administratively and politically -- to convince the industry that it is more profitable to comply with the standards you establish than to not follow the rules. And I say this as a previous director of many regulatory functions at the state level. No administrative person who gets appointed to be tough in enforcement can be any tougher than the elected official who appointed them. So, I'm probably making that too clear.

We're providing you our best collective thinking and input on the input we received. We appreciate the input from the taxis and the TNC folks on our subcommittees, and we really appreciate the exceptional support from PBOT staff, City Attorney, the Commissioner's office, and your support. Thank you.

**Hales:** Thank you.

**Fish:** One last question. The last time we had a big hearing that I attended, we talked a little bit about the terms of service agreements. The boilerplate that -- by just checking online, you've agreed to the terms -- and we learned there's a lot of terms that are inconsistent with Oregon law and they are written more for a national audience than for a local audience. Any updates you can share with us in terms of the TNCs tailoring their service agreements to actually comply with Oregon law?

**Greenfield:** I don't have and, but we'll watch with interest while City staff made it clear.

**Owens:** Commissioner, we didn't revisit in that phase two.

**Fish:** Alright, so I'll just make a note that I think a sign of good faith during this trial period is actually adapting and updating the terms of service agreement so that they are consistent with Oregon law and that the consumer is not being asked to sign onto something that has terms inconsistent with our law which inevitably just breeds confusion and litigation.

**Greenfield:** And as I think I said to one of the representatives at a subcommittee meeting who raised "well, this is our business plan" -- I said you have a choice between sticking with the business plan and doing business here.

**Hales:** I want to thank you all very much for all the hours and effort. Along with Commissioner Novick and the rest of us, we appreciate it when citizens step up and volunteer for these kinds of roles, and we thank you.

**Greenfield:** Thanks for taking the initiative.

**Hales:** Thank you. OK, we have a panel. I want to start calling some invited testimony. I would like to start with Steve Entler from Radio Cab on behalf of the Transportation Fairness Alliance. Come up please, Steve. Good afternoon.

**Steve Entler:** As you said, my name is Steve Entler. I'm the general manager at Radio Cab and also here representing the Transportation Fairness Alliance today.

Every branded taxi company in Portland abides by two regulations imposed by the City of Portland to uphold three public obligations: 24/7 service, full city coverage, and WAV service. When first mandated, these pillars of service didn't originally fit into our business model but we followed them -- and quite frankly, it's a good policy. Uber and Lyft will ensure promise and cajole that they, too, are providing these legal obligations to the public. But they're not. They don't consistently provide them anywhere across the globe, so why would it be any different here in Portland? It isn't.

The original purpose of the task force -- the public was told -- was to ascertain if Uber would fit and would be a fit in Portland. It quickly morphed into a question of how Uber would fit into Portland, or rather, how can we modify Portland's regulatory scheme for providing transportation services so that it appeases Uber? We've heard it claimed that

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Portland is a model for how it is dealing with Uber. Pardon me, but Portland is actually a model for how Uber makes its way into a market and gets everything it wants.

The California-based taxi companies have convinced you that they do not need to be held to the same regulations that branded taxi companies do. You were even extending the so-called trial period by 120 days to allow them to dig deeper into this market. Uber has long intended that it is not a transportation company but a technology company and therefore should not be regulated by City's taxi code. That was its premise when it entered into Portland last year, blatantly refusing to apply for a taxi company permit.

However, its desire to operate here was stronger than its basic premise, so it agreed to enter into the task force process. However, Uber still insisted that it was fundamentally different from traditional branded taxi companies. It insisted that it needed special regulations as a so-called TNC. We in Portland's traditional taxi companies objected vociferously and demanded that any regulations specifically designed for Uber be designed to be level playing field and declared our motto as "same rides, same rules."

We have long argued that no matter what Uber calls itself, its only difference is that it operates unbranded taxis. Uber states that its unbranded taxi drivers are independent contractors, but so are most of Portland's branded vehicle drivers. Uber says its unbranded taxi drivers own their own cars. Well, so do most of Portland's taxi drivers. Uber says its unbranded taxis are dispatched by a smart phone app. Well, so are many of the City-branded taxis -- most of us even have our own apps.

Like unbranded taxi drivers, branded taxi drivers are paid through smart phone apps but branded taxi drivers also accept cash customers, street hails, and stand fares. Incidentally, it's our understanding is that Uber and Lyft are not supposed to take cash customers, street hails, or wait on taxi stands as a way of leveling the playing field, but guess what? There are numerous documented incidents in which Uber and Lyft drivers are blatantly disregarding these regulations. By the way, who's watching them anyway?  
[laughter]

And why is any of this important? Because the City had decided years ago that the taxi industry had a crucial role to play in Portland's transportation scheme. A public need existed for transporting citizens without their own cars, including citizens with disabilities, those who live outside the central core, and those who need short, economical rides. All of this required a system of branded companies that had a 24-hour dispatch and could provide transportation for all.

In order to make these requirements financially possible, a limit was placed on the number of vehicle permits. Although the system was not perfect, it did provide the required transportation services. Then came Uber and Lyft, their army of lobbyists, and the task force. The City eliminated the cap, resulting in an severe economic blow to the branded taxi industry, especially the smaller companies, not to mention drastic reductions in branded taxicab drivers' incomes -- a large number of which are immigrants.

So, the question before the City Council now is how to maintain those needed transportation services to citizens with disabilities, the elderly, those who live in the fringes of their city, those with needs for short rides, and those who need transportation at odd hours of the night. What we in the branded taxi industry maintain is that the obligation to the public must be shared equally between the branded and unbranded taxis.

All companies providing transportation services in the city must be required to step up to the plate with more than lofty goals or idle promises. So far, we have not seen Uber or Lyft actually provide more than token WAV service. All too often, requests for vehicles are responded to by "no vehicles available" message showing up on the smart phone screens. How is that serving the public?

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Additionally, a huge need -- which you've already identified -- exists to adequately protect passengers and innocent third parties who may become involved in accidents. The branded taxi industry -- even the smallest companies -- provide commercial liability insurance coverage 24 hours a day. We pay for the coverage for our independent contractors. The unbranded multibillion dollar companies need to do the same. Passing this responsibility off to their drivers is not a responsible option, either for these companies or for the City regulators.

Portland's branded taxi industry has been diligent in trying to help the transition to a system that regulates both branded and unbranded taxi companies, and we offer our technical expertise, the value of our experience, and the time and effort it will take to make the system work so that all citizens can obtain the transportation services they need and deserve. We still hold out hope that the City will establish a level playing field for all market players. Is anyone listening to us? We're making some pretty important points. I thank you for allowing me to comment. If you have any questions you would like to ask --

**Hales:** Thank you. Any questions at this point?

**Novick:** Mr. Entler, I had two questions. One is although you argue it's not being sufficiently enforced and we can try to address that, by law, the TNCs are not allowed to accept street hails, they're not allowed to line up at taxi stands and the traditional taxis are. What percentage of your business do you think comes from street hails and from taxi stands?

**Entler:** Well, you kind of asked me that in our meeting earlier this week, and I said I can only look at it from Radio Cab's aspect. And our company has kind of a different model than most of the rest of the cab companies in that I would say probably 80% to 90% of our business comes through our dispatch system. And if you drive around, take a look at what's sitting on cab stands or hotel stands, you'll see that most of the time it's some other cab company that's sitting there -- it's not very often you see a Radio Cab. Same thing applies at the airport. Very few of our cabs are in the on-demand line. But that being said, it probably had a pretty large effect on most of the cab drivers and it will be different for individual drivers, depending on the shifts that they typically work. You can't add 2500 vehicles to the streets of Portland without having a huge effect on the average cab driver's income.

**Novick:** On the effect -- that's the other question I had -- at one point, you said that you thought that Radio Cab had lost something like 6% to 8% of its business since the advent of the pilot. Broadway said it lost something like 30% to 40%, and I was puzzled as to why there would be a huge discrepancy on the impact to the two companies. Can you give me any thoughts on that?

**Entler:** And I went over that, too. A lot of it has to do with our business model. We market for our drivers and most of it comes through the dispatch system. And the other thing is you were asking at the last meeting a specific month and I was going by dispatch data, which is trip counts. I can't tell you how much each one of those trips is worth, but that was a specific time during the month of May, which is right after the pilot project started and a lot of those additional TNC drivers weren't on the street at that time. So, I believe I think I gave a quote of about 6% to 8% difference. And how it's down more, I'm sure. I didn't bring the numbers with me, but it's probably more like about 15% or 20%.

**Fish:** I have a question, sir -- actually first to Steve. Steve, is the last taxi company that we permitted, was that Green Cab?

**Novick:** I think it was EcoCab.

**Fish:** EcoCab. It is a green cab, but EcoCab.

**Hales:** In a different way.

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**Fish:** I believe that's the last one that went through the gauntlet and got a permit before we went to a -- before we entered into this pilot period. So, my question to you, sir, is is there a way to quantify the difference in the costs that a taxi company incurs under the then-existing rules before the pilot and then assuming they had been permitted during the pilot period?

**Entler:** I'm not sure I fully understand that question, but I actually would like to bring up something that's a little bit more pertinent to my company right now, which is what do we do about our annual permit which comes up here in about a month and a half? Now, Radio Cab has 155 Portland-permitted cabs and we pay at a rate of \$600 per vehicle plus a \$3000 per annum company permit for 155 vehicles. I just heard testimony that 2500 additional drivers and vehicles had been added, and that comes out to about \$1.5 million which they paid \$20,000 for. Something's a little bit wrong, and there needs to be an adjustment.

**Fish:** My question may not appear pertinent, but there's a method to the madness. Let me go back.

**Entler:** OK, go ahead.

**Fish:** Commissioner Novick earlier said he wants to take a look at the question of what was the cost incurred by companies complying with the 20% rule?

**Entler:** Oh, I was gonna --

**Fish:** And he and I shared this concern -- people who followed one set of rules and incurred the costs of complying with those regulations versus the new unregulated environment and the cost of compliance. I'm curious. In addition to the 20% rule, is there a way to quantify the difference in costs under the old rules and the new rules for traditional taxi companies?

**Entler:** I would have a difficult time with that. The wheelchair-accessible vehicle difference might be a little easier.

**Fish:** Let me flag that one. Let me say it as an open-ended question. I'm trying to lead the witness, even though I may not be perceived -- it may not be seen as pertinent. I would be interested --

**Saltzman:** What do you want him to say?

**Enter:** [laughs]

**Fish:** Beyond the wheelchair accessible vehicle question, I'd be interested to know, what other costs would EcoCab or anyone else have incurred under the old rules that they would not have to incur under the new rules, since I think there's an inequity about changing the rules after you've established them for one class of providers and then new rules for everyone else. I'm inviting any additional information in the future that you have for us beyond the 20% rule.

**Entler:** First of all, there's very little change for us. The regulations for the cab industry remain functionally the same. There's a few little tidbits here and there where they've allowed different kinds of training and different kind of background checks -- it was up to the companies -- but 90 some-odd percent of the code remains intact. If you're going to compare one industry against the other, it's pretty easy to put just a car on and do nothing, and you've got a smart phone. The costs for cabs and all the ingredients for a cab company are astronomically different.

**Fritz:** So, Commissioner Novick, for companies whose annual permit is coming up, will they be required to pay it or what?

**Novick:** I think the answer is yes, and the question is whether we adjust the permit fees we're charging the TNCs. However, if somebody has a suggestion as to how we can make a very quick change to the current rules, I'm willing to listen to it.

**Fritz:** And I do think I was correct in \$20,000, right?

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**Entler:** It's \$20,000 per company, maybe, I'm not sure.

**Fritz:** Per company, yes.

**Entler:** But the unlimited amount of vehicles and drivers -- and I wasn't sure what that number was until I just heard it.

**Fritz:** And I'm understanding that this extension is already happening -- that's not a question before the Council today -- but I am worried about the costs to the City and the taxpayers for continuing this experiment without proper reimbursement. So, could we consider charging the TNCs more for the additional trial period?

**Novick:** Let's see. Let me ask --

**Hales:** Let's put that question on the table and hear from the rest of our --

**Novick:** I just want to inquire with the lawyers as to what we have the legal authority to do immediately --

**Hales:** Let's --

**Novick:** But I think what we're moving to is a model of full cost recovery, so the permit fees should be related to that as soon as we can come up with a formula that meets those goals the better.

**Hales:** So maybe as we proceed, we could flag questions for either staff or the task force.

**Fritz:** Well, the principle that I thought we were doing this pilot on was that it should be roughly the same for the different types of organizations, and I remember that we waived some kind of individual driver permit fees for the taxi drivers over the course of this. So, it doesn't seem fair to charge one company a whole load more than the other.

**Hales:** OK, good point. Thank you. Steve, thank you very much.

**Entler:** Thank you for listening.

**Hales:** Let me call the next couple of invited speakers, Brooke Steger and Annabel Chang representing transportation network companies. Come on up. Good afternoon, whoever would like to go first.

**Annabel Chang:** Hi, good afternoon. Thank you, members of the Council and Mayor. I am Annabel Chang, Lyft's west coast public policy manager, and we wanted to thank the private for-hire innovation task force, the staff at PBOT, and your staff for working on this issue for so, so many months.

During this pilot period, thousands of Portland residents have been connected through TNC apps, providing mobility options to many, many people who do not have those options before. So, we really appreciated the time and effort that the task force put into this and we appreciate again in the phase two of the task force the ability to participate and provide some more perspective from the industry side.

I just want to address some of the outstanding issues that we'd like to discuss. I think we've definitively raised the bar in terms of WAV access for residents across the City of Portland, but there's still some remaining questions on how we can best serve the community. I just want to say that now that we're operating in the city and seeing firsthand the logistical hurdles of WAV access, I want to kind of discuss how that actually works.

For us to be in the pilot, we have partnered up with local WAV providers, Ride Connection and Wapato Shores. These relationships are based on hourly fees. What does that mean? It means that in order for us to have availability of WAV cars, you actually pay for the hours that they are available, which is the most meaningful way for someone to actually get a ride. Because what that means is when they turn on their app, they'll have a WAV vehicle able to connect to them. So, that is different. It's not a 20% fleet percentage, it is actually about having that vehicle available.

But then again, the cost is very significant. The question is, how do we make this meaningful so that people are actually connected from rides to the providers? We were really pleased to see that the task force came up with the accessibility fund. We also agree

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with the Commission on Disability that that is the right idea, and those alternatives are going in a positive direction. I think we'll improve WAV access for residents across the City.

We also want to talk briefly about insurance. So, we strongly agree with the task force's recommendations. These insurance standards were set nationally and they have been adopted by states all over the country, and we believe that they provide adequate and have proven to provide adequate safety for not only residents and passengers and drivers. So to be crystal clear, we are primary in the period one phase.

So, for additional feedback we've also given Commissioner Novick written feedback on street hails [indistinguishable] and mechanic certifications and late night availability and pricing, and we're happy to talk about that further as well. Thank you again for your time.

**Fish:** Just to be clear, is Lyft primary in periods one, two, and three?

**Chang:** Yes, we are. All TNCs must be primary in periods one, two, and three.

**Fish:** OK. And in addition, what is your view about whether it's commercially reasonable for us to require that there be a million dollar liability coverage in period one, two, and three?

**Chang:** I think that's a good question that has been discussed for probably a year or more. The conclusion of those discussions was that the fifty-one hundred thirty primary in period one was adequate and that one billion dollars in two and three provided also adequate. Now, I just want to be very clear that periods two and three -- we have doubled the insurance limits of taxis in the City of Portland.

**Fish:** Is there any question in your mind that we have the authority to regulate those minimums?

**Chang:** No, there's no question in my mind. That is possible.

**Fish:** And to the extent that someone is injured in period one or potentially very seriously injured -- as a company, what would you say to them if they needed coverage that exceeded the \$50,000 limits?

**Chang:** It obviously depends on a case-by-case basis.

**Fish:** Alright, let's say that unfortunately, someone dies. There are going to be instances -- we're operating under actuarial rolls of the dice. What would your company say if someone was grievously injured and there wasn't adequate insurance coverage in period one? Because that's really -- we're putting the human face on this. It can get very abstract.

**Chang:** And I think those are very important questions. It even comes down to "what are the limits for personal insurance rights for a driver" right? So I think those are similar questions. We would be happy to discuss it further.

**Fish:** Do you have any reason to believe that the marketplace would not provide up to \$1 million of liability coverage in period one for Lyft?

**Chang:** We have not seen it available at this point.

**Fish:** And have you sought it, have you asked?

**Chang:** Of course we have.

**Fish:** You say you haven't seen it available, you've -- what kind of outreach have you done to reputable commercial insurance companies?

**Chang:** That question has certainly been asked. [laughter]

**Novick:** OK, but Ms. Chang, I do think -- to Commissioner Fish's point -- I mean, have you called up an insurance company and said, "we want to buy half a million or a million dollars' worth of insurance from you for period one. Will you give it to us at a price that we can negotiate" And have they said, "no, we refuse to sell you that level of insurance at that price"?

**Chang:** So to be clear, that obviously is a private business negotiation, but that question has certainly been asked. So, I'm saying that those discussions have taken place.

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**Fritz:** Colleagues, if we can require \$50,000, we can require \$500,000. I think this is an academic discussion and the Council needs to decide what is most safe for the citizens of Portland.

**Hales:** Good point. Ms. Steger?

**Brooke Steger:** Thank you so much for having us today. I just wanted to applaud the task force for all of their hard work. As you guys have pointed out, they put in an extreme amount of hours. I had the privilege of sitting on a number of the subcommittees and saw all of the hard work and thought they have put into this. So, I definitely want to applaud them for being amazing citizens of Portland, and also for you, for all of the thought and work that you've put into this. I realize it's been a bit of a long road and it continues, and we look forward to continuing to work with you.

Overall, we feel that this program has been a success. We've seen over 2000 small businesses start on our platform and provided over 400,000 rides in the City of Portland. We believe that that has directly contributed to taking drunk drivers off the road, helping take people out of their personal vehicles and into public transportation, on to their bikes. We also launched Uber Pedal here in Portland a few months back, and we look forward to continuing to be a part of that fabric here in the City of Portland.

We've also been deeply committed to the compliance efforts for the pilot program. Every driver has to be inspected by an ASE or a blue-ribbon certified mechanic. We've only found two mechanics that we've been able to partner with so far in the city but have stayed true to that. And every time a driver is inspected, they are required to sign up for that business license, they are given a first aid kit and a fire extinguisher and a hands-free device. We have stuck to those very, very readily. As the City of Portland employee pointed out, every driver does have to have a business license before being activated on our program, as well as have their vehicle inspected, and a background check and MVR check passed. We also provide do primary insurance in periods one, two, and three, as Annabel pointed out.

I think Portland has taught us a lot of valuable lessons. We just opened up our permanent office here in Portland and have five full-time employees and look forward to growing that. We've also seen a ton of partnerships with -- we've actually partnered with almost 100 small businesses here in Portland, connected neighborhoods, partnered with nonprofits, and look forward to continuing those partnerships, and that's really why we put teams on the ground and why that's so important to us.

We look forward to primary regulations in October and look forward to working with you on changes to the existing pilot program.

One of the biggest and most systemic problems in Portland we believe was the wheelchair accessibility here in the city. And I'm not saying that we have been perfect in that solution -- there's a ton of room for improvement -- but we have partnered with First Transit. We are offering service. There are gaps in that service that need to be filled, and we are working with them to fill those gaps. They have committed providing us with 24/7 service -- and again, as Annabel pointed out, we do pay those drivers hourly, so we are committing a significant amount of funds to ensure that that happens.

Furthermore, Portland is the first city in the entire world where we have Uber has launched P2P wheelchair accessible options -- an option. This was not easy. It took a lot of time. We had to deal with our -- there were special insurance negotiations that had to happen. Even though it's outside of the regulations, we actually put forth additional inspections for those vehicles and additional training in person for those drivers. There's only four currently on the platform but we look forward to that growing, and it's truly momentous and I applaud the team for so much hard work into making this happen, and this is a first for Uber in the entire world. So, it's a huge deal and we're very, very proud of



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it and we look forward to growing that. I don't think it's an end-to-end solution, but I do think it's a step in the right direction. Also, we do support the task force's recommendations on creating a fund and we look forward to working with them and making sure that those funds are used to actually solve the problem and move this forward.

Lastly, we're just very excited to continue to work with you to find a permanent home and to continue to grow the team, support the thousands of small businesses we already are, and take tens of thousands of riders home safely.

**Saltzman:** When you -- both of you mentioned you pay your wheelchair accessible providers an hourly fee. I'm not sure I understand that. Are you saying you pay them -- take one WAV driver. You pay a 24-hour fee to that company to make sure there's at least one driver available for that 24-hour period?

**Steger:** That's correct. So currently, we are reliant obviously on the supply that currently exists in the market, and so we partner with First Transit, we pay that company, they arrange the drivers, those drivers partner with First Transit. And First Transit is our partner and we pay an hourly fee to that company in order to ensure those drivers are on the road.

**Saltzman:** So you pay the fee prospectively, it's not something they invoice for you afterwards and say, "we actually provided eight hours a day but sorry, we couldn't cover the other 12 or 14 hours"?

**Steger:** We have a contract with them that outlines -- we work with them to negotiate a contract outline which hours they can be on and agree to be on. I will say it has been difficult for them to create a 24/7 solution. It's something that they've been working very hard on and have committed to delivering. But in the contract, we negotiate which hours they will be on, which hours they can potentially be on. A lot of these vehicles -- especially during the day, for example -- are used for nonemergency medical transportation trips and so it's also very important that there's a supply available for that as well. So, it's navigating a path for this to find supply for the for-hire transportation.

**Novick:** [speaking simultaneously]

**Saltzman:** Well, I was going to switch gears to just having drivers available 24/7. I guess that's been another issue I've heard. This thing, something on your iPhone says, "sorry, nobody's available." So do you have incentives to have drivers serve those odd hours? Do you pay them incentive pay or maybe take less of their cut?

**Chang:** Are you referring to WAV or --

**Saltzman:** No, I'm not referring to WAV, I'm referring to general 24/7 coverage for anybody that desires to use Uber or Lyft.

**Steger:** From Uber's perspective, I think that's something we explored in cities early on but now we are able to meet and enter -- because of that amount of partners that we have on the platform and because of the dynamic pricing, we are able to see and ensure that there are vehicles on the road at all times. As PBOT pointed out, there are trips being completed 24 hours a day. We see 24/7 coverage here. We also supplied some numbers to the City to show that yes, there are drivers on the platform between those hours of 2:00 a.m. and 6:00 a.m. Furthermore, dynamic pricing actually encourages that. It is that exact incentive that you're speaking to. So, when dynamic pricing is available and on, drivers can see this, they can access that information, and they know that supply is essentially lower than the demand is, and it encourages drivers to come on the road and complete trips.

**Fritz:** You don't currently do surge pricing?

**Steger:** There is currently surge pricing.

**Fritz:** There is.

**Steger:** That's correct. We did not launch that, but when you're trying to do that supply and demand balance equation, when you first launch a city, obviously there's a ton of latent demand in a city and so you want to wait and ensure that you can build up supply to a

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point that is adequate to meet that. And we obviously have an algorithm that runs in the background that determines what that supply and demand equilibrium is and that was turned on I believe two months ago.

**Novick:** Ms. Steger, I can't remember if it was you or some other representative of the company -- it was my understanding that in the middle of the night, you haven't been using surge pricing because you haven't found it necessary. So between 2:00 and 6:00 in the morning, you haven't been using surge pricing?

**Steger:** That is not -- not to my knowledge. If you don't see dynamic pricing enabled when you open the app at 2:00 a.m. or 2:00 p.m. that means there's an adequate balance of supply and demand.

**Novick:** But you don't know whether it's true? What I was told before that you generally haven't been having dynamic pricing in the middle of the night.

**Steger:** That is not something that we have ever put into effect.

**Novick:** What do you mean? You haven't ever put into effect surge pricing in the middle of the night?

**Steger:** We don't control -- it's either surge pricing -- dynamic pricing is either on or it's off. So, if it's on, then if supply is lower than demand, then dynamic pricing will go into effect automatically. I don't have the ability to say, "OK, surge pricing is turned on but not between these hours."

**Novick:** OK, but in practice, do you have data on whether you've been using surge pricing in the middle of the night? Because what I was told was in practice you had not.

**Steger:** I'm not 100% sure. I can say that we typically see dynamic pricing go into effect at the end of a large event -- Friday night around 11:00 or 12:00 p.m. It is atypical that you will see dynamic pricing in effect between the hours of 2:00 a.m. and 6:00 a.m. That's across the board here in Portland as well as in Seattle.

**Fish:** I have a number of questions --

**Fritz:** Before you do that, I want to finish on this one. But Commissioner Novick suggested that we might ban you from using dynamic pricing between 2:00 and 6:00 a.m. Does your technology allow you to switch it off?

**Steger:** It does not.

**Saltzman:** That was for WAV, wasn't it?

**Hales:** No --

**Fish:** We'll come back. I have a couple of questions that I'm going to address to both of you, and just if I could get a "yes" "no" or if it doesn't lend itself to that, we can discuss it a bit. Let's start with business licenses. First Uber then Lyft. Are 100% of the drivers on your platform in compliance with our requirement that they obtain a valid Portland business license?

**Steger:** Yes.

**Fish:** And Lyft?

**Chang:** Yes, we had to sign that under penalty of perjury for our permit.

**Fish:** That's the lawyer in you saying that. [laughs] On the service agreements -- the long, complicated documents that no one ever reads but they've always checked online that they've read and agreed to its terms -- since you were here four or five months ago, have you tailored your service agreements to conform to Oregon law? First Uber.

**Steger:** When this topic came up before -- and I will preface that I'm not a lawyer -- but I believe in our service agreement, it does state -- and I think this is common -- that any state or local law will supersede a service agreement. So should a city law exist or a state law exist, just because our service agreement may be in slight conflict with that, the law that's in place supersedes whatever is in a service agreement. So, it's absolutely in compliance with state and local law.

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**Fish:** So, I'm a recovering lawyer -- I used to be a lawyer but I don't do it anymore. Let me just urge you -- because the service agreement is designed to provide notice to your customers of the ground rules, I don't find it very comforting that a typical customer would have to go get a lawyer to find out which clauses actually apply or don't or supersede it. So the one way I think you could give excellent customer service is to have a service agreement that's tailored to Oregon law so that there isn't a question about whether any of the clauses apply, and I'm just going to renew my request that you consider that. I think it's in some ways a reflection of your values as to whether you want to put out information that's inconsistent with Oregon law. And since all we're talking about is having someone scrub it so that anything that's inconsistent you remove rather than have a catchall clause that says it may or may not apply depending on Oregon law. I view this as a pro-consumer thing, so I'll just renew my request that you consider that.

Dan Saltzman was the third vote to move forward with this trial, so I was a little surprised that Uber has proposed that we eliminate the requirement for a fire extinguisher, which was one of his amendments. I'm just curious, what is it about a fire extinguisher that is a problem for the driver or for the company?

**Steger:** Sure. I think -- one, I would like to point out that every driver has a fire extinguisher in the vehicle and that is passed out at the point of vehicle inspection. Our largest concern is the precedent that that sets. If there is an emergency and there's a rider in the vehicle or the driver in the vehicle, we want that rider and that driver to exit the vehicle and call 9-1-1. We do not want a driver to feel that because they have a fire extinguisher in their vehicle that it is their responsibility to then take it upon their own hands to put out a fire. [laughter] We want them to call 9-1-1 and go to safety. I think that that's very actually fair. I guess that's my question to the commission, too, is what is the intent of putting a fire extinguisher in the vehicle and what would you like those drivers to use that fire extinguisher for?

**Fish:** As of now, you're in compliance.

**Steger:** Absolutely.

**Fish:** I don't know the answer -- Dan can speak for himself -- but it's sort of like, "why do we have a kit in the car containing bandages and ointments and other things?" We're not suggesting that people be nurses and doctors but it's a backup and it's an additional safety measure, and I'll leave it to Dan to propose that but it's something that Dan proposed that Council agreed to. If it does in some way become a problem, I'd ask you to put it in writing and explain to us practically how it's a problem.

And then finally, there's been some news stories across the country of people who have fallen through the cracks on background checks. And in any system, a background check is not going to be perfect. After all, I'm an example of someone who slipped through the electorate and got placed on this body, so no system is completely foolproof. So, my question to you is in light of the documented stories across the country of bad actors passing a background check and placing the public at risk, what assurances can you give people in Portland -- in the Portland metropolitan area -- that your drivers are safe?

**Steger:** So from Uber's perspective, we have been following the background check requirements laid forth by this commission. Those background checks -- a subset of every driver -- it's turned over and then reviewed by PBOT. So we think that that process is a good one and we're happy to continue to do that. So, we think that there is a checks and balances system there. Furthermore, we are akin to the same requirements as taxi here in the City of Portland. We go 10 years back on the background check, the requirements -- you know, if you have a violent crime conviction, they will be excluded from going onto the platform. So, I think the standards are actually very, very similar and we'll see the same things.

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I can also say that no background check -- as you pointed out -- is perfect. There are examples across the country of all kinds of background checks having things fall through the cracks. For example, in Seattle, we actually have denied approximately 8% of taxi drivers who go through a live scan check. In the state of California, there's over 600 people that made it through the California taxi process that have been denied to drive on the Uber platform, and there are over 475 livery drivers -- which is similar to a chauffeur vehicle in Portland -- that have been denied on the platform for failing a background check. So, you see holes on both sides.

**Fritz:** How many have you denied in Portland?

**Steger:** I do not know the exact answer to that. I would say it's probably between 5% and 15%.

**Fritz:** I'd like to know that --

**Steger:** I can get an exact number for you --

**Fritz:** -- in October, please. Thank you.

**Fish:** How about our friends at Lyft?

**Chang:** Absolutely, we follow all of the requirements laid out by the City. And on top of that, because we're in such close reporting partnerships with PBOT, PBOT has basically daily information about drivers. They also do receive any complaints and concerns so if anything does come up, that can be addressed immediately. So we do firmly stand behind our background check provider, SterlingBackCheck. I was actually on a series of meetings this week where I actually had a vice president of compliance to speak to cities, to speak to regulators and really talk through how that process works from the very beginning of running the official name, the driver's license, the social security number, past addresses. It's a very comprehensive background check that's national and goes down to the local data bases.

**Fish:** My final question is, someone showed me on an app the other day as you move away from the central city, you're more likely to get a reading that there is no available car for a WAV customer. Why is that?

**Chang:** For our example, we currently partner with Wapato Shores during the weekdays. Their office located in the center of town. Basically what happens is because we are -- as Commissioner Saltzman was asking -- we are paying them hourly to be available, they essentially sit at that office location with the app available so that they're able to take a request. Because in general, we are submitting data showing how WAVs are requested, how they are fulfilled, and it'll be very clear based on the data demand actually is pretty limited. In essence, the WAV drivers are typically sitting idle.

**Fish:** And Uber?

**Steger:** We have a similar response. I believe in the last data we submitted, there was approximately one trip a day, and the cars are for the most part sitting idle.

**Fish:** When you say one trip a day, does your data take into account people that have got a reading on their phone that says no car is available?

**Chang:** Yes, absolutely so. What that means is even if you turn on the app and the WAV vehicle is 29 minutes away, it will still show that you can actually request that vehicle.

**Fish:** But the app that I saw showed that you got closer to 82nd, it was more likely to pop up "no vehicle available." So, that's not a request. We wouldn't know whether that person - - we wouldn't know what the service level for that person was. And I have to impress upon you -- and this is anecdotal, this is just someone taking out their phone and walking me through this -- but it was kind of uncanny. The farther you got from downtown, the center of the city, the greater the likelihood there was no WAV vehicle available. And that is triggering some very dearly-held values in this community around equity. You're talking about people who don't live in the central city, may be disproportionately low income, may

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be disproportionately people of color, and if they have a disability, they're no different than anyone else who has a disability. And so if the system does not provide parity to people by zip code, we have a problem. And I'm going to want to know how we address that problem going forward.

**Chang:** May I briefly address? I think that is where the accessibility fund is a really profound idea. Because I think what the issue is is how we match the number of WAV vehicles actually available to give a ride to the people who want the ride? And the issue is many of the 20% of the taxis who are WAV accessible vehicles are being, for example, contracted for non-emergency medical transport. Similar to our partners, they also have non-emergency medical transport contracts in place that pay very, very well. So, the issue is for us, the concern is availability, right? And I think that once we can basically pool all of these resources together and essentially have true accounting of the WAV vehicles available, we will address that. The City will address it in the --

**Novick:** Can I jump in here?

**Chang:** Absolutely.

**Novick:** It was my understanding from a conversation the other day that you don't know how many times somebody has opened up an app and they haven't made a request but it shows no vehicle available. But I think that Ms. Steger said that you could put something that -- for WAV requests, you could put something in the app that says even if you see no vehicle available, if you want a vehicle, please make a request. And if people start doing that, we can get a better sense of how often people actually want WAV service and it's not available.

**Chang:** Yes, I thought that was a very good idea.

**Novick:** OK. The other thing, though, is that we frankly do not have a great history of enforcement of WAV availability before private-for-hire industry, period. A year ago, we couldn't have told you we were doing lots of monitoring of availability of WAV taxis and they were available all hours of the day in all parts of the city. But when we decided to authorize TNCs in the city, it was with the understanding that you are going to be providing WAV service and 24/7 citywide service. And by your own admission, you haven't been doing that. So, I want to know two things. One, how close are you to that now? And why shouldn't we assess penalties for the period within which you actually haven't been in compliance with that requirement?

**Chang:** If we go back to the pilot rules, we in compliance with those pilot rules and looking about availability and response times. We have tried as hard as possible to meet those. Those were based on averages. So, I just want to be clear that was what was set out on the pilot terms.

**Novick:** Well, my recollection is that the rules acknowledge that you might have differential response times between WAVs and non-WAVs but still require that you have some sort of coverage 24/7 WAV coverage, and it's my understanding that admittedly, for big chunks of time during the week -- at least until recently -- you simply had no coverage available at all.

**Chang:** I do want to go back to that question about supply. The question is, how many WAV vehicles are there in the City of Portland and how many are available at any given moment of the week? I think that is a critical question because that is how we can have those partnerships.

**Hales:** You mean across all providers?

**Chang:** Across all providers.

**Novick:** Right, but you could have chosen not to start operating until you knew the answer that question could provide 24/7 Citywide WAV service. [applause]

**Hales:** Folks. Ms. Steger, do you want to respond to that?

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**Steger:** Sure. Actually, I think the fact that we are operating while there are gaps and there are problems actually has allowed us to better -- I think -- I believe that there is better wheelchair accessible data than there ever has been in this city. It has allowed us to understand where the needs of the community are. It has allowed us to build a P2P WAV product that we would never have been able to build here in the city if we weren't operating here. So actually, I think this has actually -- and it's allowed us to sit on the subcommittees and provide feedback and understand the needs of the community. So, I think doing it and starting it and starting to learn is actually better than not doing it at all, and I think we've made some huge strides here. And I think with the subcommittee proposed by having a fund is a very, very good step in the right direction, but I don't think we should just not offer service to anyone because our service cannot be perfect, I think that we should learn from it and we should iterate off from it and grow from it and continue to make the service levels available for everyone -- no matter who you are -- better.

**Novick:** How quickly do you think you can implement that idea of if you turn on the app and you're seeking WAV service, it tells you -- actually, as soon as you open the app, it says "if you are seeking WAV service, request a ride and just don't just look at what the map shows you."

**Steger:** We'll have that done by the end of the week.

**Saltzman:** I guess just -- in your defense, I thought I heard Jody Yates say that the data shows that WAV requests for Uber or Lyft are responded to in about 12 minutes.

**Steger:** That is correct.

**Saltzman:** Whereas for taxis it's 23 minutes.

**Steger:** That is correct.

**Saltzman:** OK, so something's working here. It's maybe not perfect, but -- and I've heard a lot of people from the disability community express a lot of satisfaction with the entrance of Uber and Lyft into the market. Anyway, I just wanted to get that out there.

I guess I just wanted to ask you, for each one of you, who is your local agent of service and what is their phone number?

**Chang:** That depends -- are you talking about a legal agent of service?

**Saltzman:** I'm talking about what was agreed to under the trial period rules. Each company is supposed to have a local agent of service along with a local phone number and regular hours of business.

**Chang:** Yes, that's correct. I believe that is in our permit information. I don't have that off the top of my head.

**Saltzman:** Does somebody with you here have that information?

**Hales:** Why don't you try to get that while we're having the hearing. Same with --

**Steger:** Yeah, I'm not responsible for setting up our local agents of service, but I can of course get that to you. I will point out that we do have a permanent office with employees here but we typically do not offer phone support. We do offer 24/7 email and social media support. We also have support via the app. You can --

**Saltzman:** Yeah, but the rules you're operating under require a local agent and a phone number.

**Steger:** Absolutely. And I know we do have a local agent and we're happy to get you their name and contact information.

**Saltzman:** Phone number. OK

**Chang:** Yes, absolutely.

**Hales:** Other requests? Thank you both very much. Let's move along. Next we want to call taxi driver Darin Campbell.

**Darin Campbell:** Good afternoon, Mr. Mayor and members of the commission. Under Council rules, I am a registered lobbyist with Radio Cab. However, today I represent the

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2200-plus cab drivers as a private-for-hire taxi driver representative. After seeing some discussion already today, I can go in about a hundred different directions, so I'm a little conflicted. But I want to really push the importance of proper insurance on the industry. And when you say that -- when Uber says that there's a policy out there that's been written and approved by state and state and state, and it hasn't been by this state, and they want to impress upon you that they will not get an insurance policy unless it's of their choosing. There's policies out there. And as far as I'm concerned, I think the fair thing to do would be to have them be registered as commercial vehicles and have the same exact coverage as taxicabs. Period one is not just people sitting around at home watching TV drinking coffee. A lot of times, it's vehicles trying to get back down to a high area of call volumes in between calls. Sometimes, it's the most dangerous driving that a professional driver does because their income depends on it.

With that being said, I also had an opportunity to sit on the subcommittees during phase two. From the taxicab side, we were insistent that caps needed to be in place on vehicles for both the taxi industry and the TNC industry. It's oversaturation of the market, and you'll notice that there's a huge decrease in volume of Uber and Lyft drivers in this room right now. And that's because they started to become dissatisfied. I talk to every single Uber and Lyft driver that I can possibly get within talking distance to, and in the last number of weeks, they're saying there's less and less orders, there's more saturation, there's more drivers on the road, less orders per vehicle.

What that's going to do is that is going to drop service. That's going to make it more unsafe with less professional drivers on the road, and then at the last part of that, you're going to have less quality of driver. You're going to end up with shorter term drivers that can't make a living driving and so you're going to have revolving door drivers and constantly have rookies on the road.

Now, one of my other roles is the safety committee chairman at Radio Cab. Whenever we put on a bunch of new drivers, our accidents go up. It's always the new drivers that have issues, and if we have this revolving door, we're going to have issues there.

I've got a whole lot of other things that I really want to put out there. I guess I can do that via email, unless you want to set up a meeting time now, Commissioner Novick. I'd be more than happy to meet with you on some other things. There are three more cab companies coming to town for another 250 permits: united, independent, rainbow cab, and PDX yellow or something like that.

**Hales:** They're planning to start operations, you mean?

**Campbell:** Correct. They were authorized by Commissioner Novick at the beginning of the trial. They were passed by the private for-hire transportation board. At that time when they were passed, they were supposed to come to City Council. However, the rules changed on who approved those and so they were green-lighted by Commissioner Novick. I've seen the united independent cabs painted -- a couple of them. We've seen the Yellow PDX. I have yet to see the rainbow cab. So, they're out there, they're getting ready and getting geared up. PBOT could probably tell us how close they are to actually getting plates, but they're putting cars into service.

**Fritz:** Are we charging them a permit?

**Campbell:** One last thing. Brooke Steger was very clear on saying that their P2P service was a first worldwide out right here in Portland. So why can't Portland be the first one worldwide to put caps on TNCs? [applause] There's a lot of things here in Portland that we can do for the first time on TNCs that would be innovative, they would be seen as incredibly intelligent, and they would probably make this traffic system a great deal better.

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And I'm the first one to admit that we have improvements that need to be made. So with that, I will take any questions that you may have.

**Fish:** I just want to encourage you -- you said you have a lot other points you want to make. And all of us read our mail. Since we're -- since this trial period is being extended, I hope you will send your detailed comments in writing because they will be read.

**Hales:** Yeah, please do.

**Campbell:** Absolutely. And I admit, I'm horrible at it, but I'm going to make a point of it. One thing -- I know that I talked to Commissioner Fritz before this meeting -- I know that Noah Ernst from Radio Cab sent out a packet in regards to insurance. It's very informative on what's going on across the country right now with Uber, TNCs, drivers, personal insurance. I'd encourage you to really do an in-depth look at that. I'm sure you all have that.

**Hales:** Again, keep that kind of material coming, because we will read it.

**Fritz:** I'm just really -- I'm interested to hear that there's three new taxicabs coming. One of the guiding principles, according to the task force, is the ability for taxi and TNC company drivers to earn a living wage.

**Campbell:** It's becoming more and more impossible. And every single day, I hear of another cab driver that's got to leave this industry because they cannot make it.

**Fritz:** So that's my question. It's my understanding in other cities, there are medallion systems, there are other mechanisms to ensure that for taxis at least, drivers are able to earn a full-time wage. Are there any other cities that are just letting taxis be completely -- and what other cities allow unlimited numbers of taxis?

**Campbell:** You know, you could look at every city and look at a totally different taxi model. There are so many --

**Fritz:** We're not going to have any taxi model, right?

**Campbell:** Yeah. And even in the City of Portland -- to answer the question of employment -- you know, you have EcoCab that's employee-driven. You rode with them. Rainbow cab is coming. They're going to be employee-driven. You know, if you want to do some sort of quasi-independent employee status that's some sort of hybrid, I think that needs to be left up to the federal government. But right now, we have enough options for a driver to go to a company that might fit their needs as an employee or independent contractor -- and you've seen the data. Taxi drivers can go either way on that question. Some want the extra added incentives of being an employee and they're willing to trade off their lack of freedom to do that. Then there are those who want the freedom, are willing to take the lack of all of those incentives for the freedom.

**Novick:** Commissioner, I've been hoping to find some way that through regulation we can improve working conditions for drivers other than continuing to give a monopoly to a limited number of companies, because I just don't think monopolies to companies is the best way to protect workers. I mean, Wal-Mart has monopoly status in a lot of small towns but that does not mean they pay their workers well.

**Fish:** Commissioner, one of the ways, though, in a prior Council that we addressed this issue was we made it possible for a group of employees to start Union Cab, and they were folks that wanted to work on improving terms and conditions of employment. They were very intentional. They wanted to be employees and they wanted to maximize their rights under federal state law.

One of the things that troubles me is that we keep being told there's anecdotal evidence people want to be independent contractors. We're told we understand from the business model that there are enormous advantages for these technology/transportation companies to classify people as independent contractors, but it comes at a significant



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sacrifice of people's right under state and federal law, and that includes the right to organize collectively to improve working conditions. So, I find that deeply ironic.

**Novick:** But of course, the taxis have generally treated people as independent contractors, too, and so your concern extends to the industry before the advent of TNCs as well as --

**Fish:** No but I'm pointing out the Union Cab permit and the organizing around Union Cab was specifically designed to address this. That was something the AFL got behind because they were hoping it would actually raise working conditions for the industry. I agree that there were anomalies before. I just want to make it sure that we don't make it worse.

**Novick:** It's not that there were anomalies, it's that there were no requirement before that taxicabs treat drivers as employees, period. There might have been one or two that did, but it wasn't a requirement.

**Campbell:** Can I make one more --

**Hales:** Please.

**Campbell:** In regards to the payments that Mr. Entler brought up in regards to what's new in August -- a very fair thing to do would be to roll those back to 2012 prices, which were \$150 per cab. The whole reason for that increase from \$150 per plate to \$600 was increased enforcement, which we saw none. We saw more paper pushing, zero increase in enforcement. It would be really easy to go back to those prices, probably keep the staff levels the same. They've added a couple of employees during that time, however, they were absorbed by PBOT. They lost Frank Dufay. I don't know where they're at there, but I can't imagine that they are utilizing that much more money on staffing of not doing what they said they were going to do with the increase.

**Fritz:** And what does the board suggest that we do with these new companies? What are we going to charge them?

**Campbell:** You know what, private-for-hire transportation board has not met since Commissioner Novick has taken over the powers of that board. So, we're -- we're useless in regards to how that's concerned. My guess is that they were going to come in at the \$600 per plate charge, just like every other taxicab in the city. I'm sure that -- Ron Knori is here, he could probably testify that EcoCab is paying \$600 per plate on the 15 or 16 units they just put on at EcoCab.

**Fritz:** Colleagues, this is clearly something that we have to fix soon. We can't wait until October to fix this.

**Campbell:** The other thing with that payment is it's different at different cab companies. I just talked -- he pays for all of his cabs. At Radio Cab, it's the individual owners. I own two different vehicles at Radio Cab -- two half shares, I should say. I will pay \$600 more than my usual fees. That doesn't come from the company. [indistinguishable] company does. I think Broadway pays for all of their vehicles. At Radio, it's the owners themselves -- and there are many of us in this room that are going to be hit with a \$300 to \$600 bill -- if not more depending on how many shares you own -- at the end of August. And it's a huge burden, especially when you're dealing with trying to keep a car or two or three cars on the road and you're dealing with limited resources because a whole bunch of them have been taken away. And when Mr. Entler talks about that 7-8% to 13% decrease, we're not talking about an even decrease across the board of the TNCs picking up these trips and we're picking up these. We're losing prime quality trips because they're taking the ones that have credit cards, cell phones, typically going to the airport, longer trips, and we are picking up more of the grocery store, short trip rides. So, we're losing \$40 trips and picking up more \$7 trips.

**Novick:** Mr. Campbell, the data shows that the length of trips for TNCs and taxis is about the same, like 12 and a half minutes versus 14 minutes.

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**Campbell:** You know, I don't know how to undo all of that and look at all of that, I just know that I spoke to our dispatch manager who specifically looked at that information and that's the information that he told me. I can talk to him, I can get you that information in more of a dialed-in manner so that you can see exactly what I'm talking about. That's how he explained it to me.

**Novick:** On the permit fees, I think that we should -- if we legally can -- postpone assessing those permit fees on Radio Cab and the other companies until we've developed a comprehensive change to the permits based on the cost recovery model. I'm going to consult the staff and see if that's at possible -- simply postpone assessing those fees until we have a more comprehensive solution.

**Campbell:** You know, you could also charge Uber and Lyft and all of them the same fees and then work it out and see what the fair ratio is for everybody to pay into the system.  
[applause]

**Saltzman:** I'll ask this as a question, Mr. Campbell, but it's also something I was going to suggest Commissioner Novick in the next phase to consider. The task force has recommended that we really need to move from the permitting mode to a compliance and enforcement mode. And I know that costs money.

It costs resources to hire people in City government to enforce the laws, but I think it is critically important because, you know, I find myself at each one of these hearings trying to figure out, what is the truth here? And the only way we're going to have truth is to hard-nosed verification and enforcement. So, how do you feel about a 50 cent per passenger fee that would go to dedicate -- I don't know if 50 cents is the right number, but just like we're doing a 10 cent WAV fee, a 50 cent fee dedicated to compliance and enforcement. And we probably wouldn't need your permit fees under that scenario.

**Campbell:** I've been very open to the fact I think that -- and I've brought it up in subcommittees, and this is my point of view representing the drivers, so don't let the TFL get in the way here -- whatever they're called -- TFA, sorry. I believe that is the most fair way to do it. Whatever that number is -- 50 cents, 65 cents per trip. You know, the consumer is going to pick who they want to pick, but if they all have to pay that one fee that goes to fund the entire system, then that's the most fair way to do it in my mind.

**Saltzman:** OK.

**Fritz:** That's all well and good if the resulting savings is passed on to the drivers of whatever nature. If it's simply more money in the pockets of the corporations, be it TNCs or --

**Saltzman:** It would be passed straight forward to the passenger.

**Fritz:** I know, but currently, the corporations are paying for the permit fees and for the enforcement.

**Hales:** On a per-ride basis.

**Saltzman:** I'm suggesting we probably don't need the permit fees if we can collect a per-ride flat fee that comes straight from the passenger.

**Campbell:** It's like creating a sales tax to take the place of an income tax -- [speaking simultaneously] -- not that I'm proposing that.

**Saltzman:** We're talking about a 10 cent WAV fee, so this would be the same concept.

**Fish:** And since we're parking either questions or follow-up, Steve, could I also ask maybe our City Attorney could prepare a little memo on us for what currently is the scope of authority of the innovation task force and the existing regulatory body that we have? Because I think it seems like we have two different bodies that have some authority that now I'm getting confused about really who does what. And so, if we have a board of review and a set of regulations and code that apply to that and we have a task force, I'd like just a

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little primer on the legal authority of both bodies and to what extent does the board of review still operate and function and for what purpose?

**Campbell:** The recommendation is to get rid of the board of review and make it something ineffective -- basically a consulting group --

**Fish:** We haven't adopted any recommendations --

**Campbell:** I'm just telling you what the recommendation is.

**Hales:** That's another issue we'd like to hear from you on.

**Fish:** I would like to better understand what is its status in this interim period.

**Hales:** Thank you very much.

**Campbell:** Well, good.

**Hales:** Keep it coming. Thank you. OK, I think we have a TNC driver rep, Dan Payton.

**Dan Payton:** Good afternoon. My name is Dan Payton. I'm a driver and a passenger. I've only at this point driven for Lyft and ridden with Lyft, I haven't utilized Uber at this point. I just wanted to say thank you guys for all of your work. This is not just a simple "do we allow, do we not, do we send them home, do we keep them going?" There's a lot of ins and outs to make everybody happy here and I really appreciate everyone's work on the task force and councils to make this happen. Obviously, there will be a lot of butting heads going on when we're trying to merge a couple of different things together here. But the way I see it, everyone has a GPS locator and computer in their pocket, so it's just kind of next evolution to use available technology we have to make things more efficient and get the passengers basically service as quickly and efficiently as possible.

I just still would like to reiterate that everyone needs to think of the passengers involved. From my own previous experience, I had attempted a few times to use previous transportation options, but honestly, I stopped being a customer. So at this point now, I have options to get around. Granted, there's not 24/7 wheelchair access vehicles available, but I've been noticing improvements as time goes on. It's getting better and better. And as someone who basically didn't have very many options at all to get around, now I have a lot more.

That's kind of the issue with the WAV service is having those dedicated vehicles available for use. Because I know with some area transportation companies, they have wheelchair accessible vehicles but they're also available to be used for standard calls as well. So, it kind of affects the availability. How do we go and say, "hey, we need to have these particular vehicles available" and pull them away from whatever they're currently doing? I heard the non-emergency medical transportation pays X hourly rate. So for Lyft and Uber to have guaranteed WAV service, they're going to have to pay an hourly rate to match or exceed.

We're not 24-hour right now but it is getting better. At first, when I fired up the app on both of them -- I live down by Lake Oswego by Tualatin, so I'm pretty much out of the range of most of the services. But I notice both Lyft and Uber have changed their apps now so when you're further away from the City, you can still get a WAV vehicle. This morning when I looked before I came here, you could get one as far south as Wilsonville. It's obviously going to take them a little longer to get this, but I'm fine with that. I'm not in the central core downtown.

But I'm just saying, everyone stick with it. We're going to get this worked out. I urge you guys to listen to the passengers as well as the people operating vehicles. And on the driver perspective, it's worked great for me. It's the same thing everybody says, you know - - setting your own hours and controlling your work environment is key for me. Being a driver gives me flexibility when honestly, other ways I've not been able to have gainful employment. For me specifically, it works very well. I'd just like to thank everyone again and please just stay the course and everyone think of the other parties involved --

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passengers, drivers, business owners -- and just kind of take a step back is my main advice.

**Hales:** Thank you very much.

**Novick:** Mr. Payton, I do have a question, which is we've heard the argument made that lots of TNC drivers when they realize how much cost they're incurring in the wear and tear on their car realize that it's not worth it and quit. Are you able to sort of figure out in advance what the wear and tear on your car costs are and figure out if it's worth it to you counting that in?

**Payton:** It seems like there's a couple of different types of people driving. There are some that want to drive as a TNC for a full-time job, they're the ones driving for Lyft and Uber. There are other people like me that are a part-time deal. For me, I don't factor in wear and tear because I only drive a few hours a week. But I would say probably some cost involved, obviously, the more you drive.

The one thing that has surprised me is how few miles I've actually driven. Because at the most I've probably worked 10 or 12 hours a week, and I'd lucky to maybe do 30 to 40 miles in a night. It's a lot of short hops from here and there, people getting from the bars back to their hotels or homes. They say, "oh, we're could have walked but it's better to ride with someone." So it is a valid concern but surprisingly, I only have to fill up once a week when I'm driving -- the tank -- and it has been a lot less than I thought.

**Hales:** Thank you very much. Let's move to folks on the sign-up sheet. No, I'm sorry, I left out Lavonne Hester the Portland Commission on Disability. Good afternoon.

**Lavonne Hester:** Good afternoon, thank you for having me today. Thank you to the task force for asking PCOD to come. One thing I'd like to say is that this has been for the Portland Commission on Disability a real opportunity to have a voice and become more involved at an earlier stage. Oftentimes on the commission, we're brought in after all of the plans are already done, and you say, "oh, please approve this" or, you know, "give us feedback," and sometimes it's such a mess that it's a little bit late for us to be getting involved -- and I feel like this time we were brought in early.

There were some rocky starts, but really all of us have been very impressed in how we have been able to work together through Joe's expertise and lived experience coming in -- and he does have a lot of expertise above and beyond Lyft experience. He also has expertise because he's been working in the disability advocacy field for a long time. It's been wonderful to have this opportunity to work together, and I really do appreciate that and want to make that very clear.

For the commission, we're not so invested in how we get to wherever we're going to be, we're invested in the outcome. We're invested that people with disabilities are included in the process of making the decisions, that our voice is heard that we're not just there as a token -- "oh, look, we put someone with a disability on the task force so we've done our part" -- and that we're actually being included in the decision-making and bringing forth ideas that maybe wouldn't have come out of people who don't know the experience of living in a body that needs a wheelchair as tool to get around.

And so I think that that's what's really important to us is not how we get there. So we're not -- because we have people on the commission, we have an Uber driver on the commission. We have people on various different sides of the issue. For us, it's not about how you get there, it is about getting us there. And for the first time, really I think we feel like the disability community is being considered in this process.

The 20% rule of WAV accessible vehicles was a really great idea and there was someone in the disability community who did bring that in. That was a great idea, but it was not followed up on to see if it was actually making the difference that was needed. And I think that's where we're at now is that when you get to the end of the trial period --

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the pilot period -- that what is going to be done to make sure that it is going to continue working for our community? And so we would like to ask that we have people involved as this moves forward from the commission and that we also when there are -- you're ready to take things in front of Council, that you also come in front of the Portland Commission on Disability because you're going to get a cross disability perspective by coming in front of us, whereas if it goes straight here, you're going to have to have us come in and testify. But if you bring it in front of us, you will get people like myself who are legally blind, you know, you're going to get someone who has lived experience of living with a mental illness -- which let me tell you does affect your transportation needs -- and you're going to get this wider variety.

We've been focused on WAV accessible vehicles, which is really important, but I am hoping moving forward that this will also begin to look at some of the other issues that are experienced out in the community. So, really, I want to keep this short and sweet. I'm going to end it there. But I do have one other little note that is off topic.

Earlier, Mayor Hales, you did say about the -- you know, doing the wave or the thumbs up. And for those of us who have limited vision, that's not an accessible format. [applause] And I notice that you haven't really been enforcing it, but I would say if you can say "oh, I see some hands out there" or something like that so that we do create an accessible format.

**Hales:** Ah, thank you. Good suggestion. Thank you very much.

**Hester:** Any questions?

**Hales:** Thank you very much. OK, excellent. Let's move on to public testimony. If you've already heard your points made, obviously you can waive your right to speak, but those who have signed up let's take them in order.

**Moore-Love:** We have 65 people signed up. The first three, please come on up.

**Hales:** Whoever would like to go first, go first.

**Stephen Lovejoy:** My name is Steve Lovejoy, I work for Radio Cab. I've been a cab driver for six years. I would like to first start out by saying Radio Cab has been carrying people with bicycles for our entire time and unlike somebody else, we don't charge extra for it. So, it's not a big innovation for this Uber Pedal.

My tone has kind of changed after sitting here and listening to this today. After the last City Council meeting, I was furious like most of the cab drivers in here, so I kind of have to reprogram myself for what I'm going to say up here. But I would like to say that Mayor Hales, a couple of weeks ago I watched an interview with you on KATU at which during the interview you stated that you asked some very tough questions to the TNCs, and that you had raised the bar nationally -- if not internationally -- in dealing with the TNCs, and you specifically cited insurance requirements, driver background checks, and disabled people accessibility.

Since this 120-day pilot program is about over, these are a few things that I've noticed. Taxis are required to have commercial insurance, TNCs are not. Taxi drivers are required to go through a City background check, TNC drivers are not. And taxi drivers, taxi companies are required to have a certain percentage of their fleet -- like we've all been stated here -- to be wheelchair accessible, TNCs do not. What is there, 2500 Ubers? I just looked on there. They have one. One wheelchair accessible vehicle, and you're lucky if you can even get that.

So, after I watched your interview, I was kind of mad because you sat there and were telling people you have done all of this innovation, but it's -- nothing has changed. You know, it's like in every city, they're just kowtowing to Uber and then changing the rules to modify for them.

Things that I have noticed -- [beeping] -- is up until today --

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**Hales:** Try to wrap up quickly.

**Lovejoy:** Up until today, I have noticed a lack of concern for how this has affected our industry. Today, it's been a little more warm to our industry rather than just the TNCs. I've also noticed unlimited access from the TNCs to City Hall while we have very limited access to City Hall. And most importantly, I've noticed some questionable ethics that have gone on with members our City Council that have made everybody question it.

You also said in there that we were unhappy about the rules because we were afraid of competition. And that simply is not true. You've stacked the deck against us and essentially set us into a gunfight armed with only a sling shot, and that's what we are unhappy about. We're not afraid of competition by no means. We're professional drivers, we're not part-time drivers. I wanted to let that be said and thank you for your time.

**Hales:** Thank you. Good afternoon. [applause]

**John Orr:** Good afternoon. My name is John, Radio Cab driver. I'm here today because I want to talk about -- thank you all for letting me be here and for listening to me.

Uber says that ADA doesn't apply to them. That's great that you got them to put on four vehicles that were also in existence in Portland that you could get through another means of dispatch. So they really added a net of no vehicles, but wow, you can order them on your phone. That's great. So, they added no net new vehicles to the city and yet we're required to have 10% of the fleet, it was going to be up to 20. But the ADA doesn't apply to them.

Uber could incentivize WAV trips. They give out a ton of freebies, a ton of promos, \$20 off when you sign up your friend, blah, blah -- \$250 bonus to sign up a driver. They have money to throw around. If it mattered to them or they were required to do it, they could incentivize the WAV trips. But it's up to you to require them to do that.

They also say, "we're just a technology company." But in other markets, in California, they did a pilot program where in addition to their loan programs, they actually also did leases for drivers of sedans. So, they actually did a short-term lease that was more flexible than a typical car lease. If they can do that for sedans because that's profitable, they can be regulated just like taxi companies to have 10% of their fleet to have wheelchair accessible vehicles. They are in the business of leasing vehicles to their drivers, or at least they've experimented with that in another market. They could be made to do that here or they could leave and you could license more taxis and we'll continue to do it as a rate of 10% of our fleets or 20 if you mandate that or whatever the regulation is set for. We're not going to put four vehicles on the road that were already serving Portland through another means of dispatch and all of the sudden claim, "we're really proud of this, look at how many wheelchair accessible vehicles and our stats look really great because we cook the books" and you know, if a car was too far away and you ordered something else, then that's not included -- [beeping] -- this time started late, so I still have another minute. [beeping] Can we turn that beeper off?

Anyway, so the cab industry -- there's talk of a per-ride fee. The cab industry has already invested heavily in the cost of these wheelchair accessible vehicles. I have a friend who drives one --

\*\*\*\*\*: I drive one.

**Orr:** OK, these two friends also. Super expensive, transit connects as well. More expensive for fuel, more expensive to put on the vehicle, oil changes -- everything. That cost has already been incurred by our industry. I hope that you'll do what is fair and at least somewhat fair in one area and not saddle taxi industry -- the legitimate taxi industry -- with anymore of the costs to help Uber, who is just bleeding money out in promotions but can't afford to be ADA-compliant. Don't charge us to subsidize their ADA compliance, that would be ridiculous. [applause]

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Another way that these statistics are ridiculous is our time calls aren't included. So, you look at these numbers, their numbers are great and ours aren't. But we take a ton of prearranged calls where the wait time is zero because we're already sitting there waiting because we offer that service to our customers and you're accepting a data sheet that has that thrown out. Again, you're letting this be stacked against us.

With all of the lip service that has been paid to fairness and making sure that everyone makes a living wage, I was kind of baffled by this until I read an article in the Willamette Week that discussed how a lobbyist that has previously been hired by Mr. Novick, Mr. Hales, and Mr. Saltzman has been hired by Uber. I think one of your peers -- [applause] [cheers] -- and then it became -- it made a little more sense how instead of saying, "hey, these are policies that have been around for decades that sometimes aren't perfect, but most of the problems have been with a limited number of vehicles." Policies that have worked. But paying lip service to fairness, we're going to completely bend over backwards, change these policies to fit the TNC business model at a detriment to taxi companies who have their businesses built around the existing regulations, and now we have to change to adapt to regulations that are tailored specifically to their business model. And with the appearance of impropriety based on this lobbying issue, it really, you know -- I think you have explaining to do -- at least the two remaining members up here. I would like you to answer that. I was unsatisfied what I read in the newspaper and the stench of corruption.

**Hales:** Thanks. Go ahead.

**Nona Carrasco:** Good afternoon. My name is Nona Carrasco and I drive for Radio Cab and I also sit on the board, the safety board.

I come from a 16-year background in social services and developmental health. I have found that our company's standards of professionalism align with my personal ideas. I take a great deal of pride in the services that I perform, including my services as a wheelchair van driver, as I also believe that all of our drivers do.

We have learned through experience how to best navigate through the Portland streets, how to best service our riders sober or otherwise, and how to best keep our vehicles operating safely. It takes a professional to accomplish those goals, and I don't believe that Uber and other services are providing that level of expertise. They may have some full-time drivers, but their recruitment efforts are directed at part-time casual drivers. The concept of ride sharing is a quaint notion that has nothing to do with the reality of their business. Inexperienced and untrained people are attempting to provide professional services and they are compromising the safety of their passengers and my community.

As I already said, we learn through experience. Uber's business model however, anticipates and necessitates a large degree of driver turnover. In a Forbes article from January of this year, Uber's own statistics report -- and I will quote this -- the service currently has 162,000 active U.S. drivers, which is quadruple the amount it had a year ago. And of those 162,000 drivers, 40,000 gave their first trip in December of 2014, indicating that one in four Uber drivers is new to the service. Some drivers are filling out new markets, but others are replacing the many drivers who quit. Uber data shows 11% of Uber drivers stop driving within a month, and about half are gone within a year.

It has become the Wild West of transportation providers and virtually no oversight or accountability. We have an existing system with -- [beeping] -- I'm almost done --

**Orr:** Your time started late because mine went over -- keep going.

**Hales:** We are going to lose a quorum in about half an hour, so please --

**Carrasco:** OK. Virtually no oversight or accountability. I urge the Council to apply the same standards and regulations that govern the taxi industry to the new TNC industry rather than lift the regulations, which will be detrimental.

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We have an existing system with a group of people in the City private-for-hire transportation board that unlike the task force hand-picked by a Uber lobbyist have a wealth and depth of understanding in the industry and have been and are perfectly capable continuing to address and expend the need of taxi service in Portland without causing a destruction of people's livelihoods and without going backwards to the days that did not provide equal and safe service to everyone.

**Hales:** Thanks. Next three?

**Fish:** Mayor, could we do housekeeping real quick? I just want to be transparent about this. This was scheduled for three hours. I have a 5 o'clock excused absence and a second shift going into the evening tonight. We now have 60 people who are going to testify, this could go until 6:00 to 7:00. What is the will of the chair?

**Hales:** Well, there are a couple of options, and I want to see what Commissioner Novick thinks as well. Do you want to continue it or do you want to take a vote on accepting the report while we have a quorum at 5:00? What's your pleasure?

**Fritz:** Who else is leaving at 5:00?

**Hales:** Nick is. So three of us could stay.

**Fritz:** That's a quorum.

**Hales:** OK. We'll continue I think until 5:45, at which point you're going to lose me because I've got a 6 o'clock.

**Novick:** Mayor, in that case, we really need to ask people to stay within the time limit.

**Hales:** Let's try to get everyone to stay within the time limit. And if you've heard someone else cover your points, just say so. Welcome, have a seat.

**Jim Pohrman:** I'm going to stand. I have been sitting all day.

**Hales:** Same here.

**Pohrman:** My name is Jim Pohrman, I work for Radio Cab. I'm on an insurance thing that I've been working on for a long time. And I've been talking to a lot of people. I'm going to come up with a petition on the plan, insurance plan I got. I've had so many people. I mean, I've been doing it for five, six years now on this new plan. And the plan I got and the plans you got? I don't see no plan for insurance. I do not see no plan.

There's a lot of cars out there, right? They've got to have insurance, right? That's your job to make sure that these people -- you know, I'm not picking on you, but you are the boss. OK? Thousands of cars out there, driving without no insurance. Can you keep track of all of those people? How do you do it? I got a plan that you can keep track of all of those people. And plus, you're putting all of these people in these cars with no insurance today, you're doing that.

**Hales:** I think they do have insurance --

**Pohrman:** No, they don't have insurance. You think they have -- they have commercial insurance that you're supposed to have, but you ask any of these Uber drivers -- do they have insurance when they're driving around? No.

\*\*\*\*\*: Yes, I do! [shouting]

**Pohrman:** What, personal insurance?

\*\*\*\*\*: No, commercial --

**Pohrman:** You got commercial insurance? Show me the proof!

**Hales:** Sir, go ahead and finish your testimony.

**Pohrman:** Because I'm going to tell you why. Because I used to drive a town car service years ago. I was the only one -- pretty much -- driving my town car having commercial insurance. I went by rules and regulations.

**Hales:** You guys cover this later because we have to keep on schedule.

\*\*\*\*\*: [inaudible]

**Hales:** Guys, we will have the debate later.



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**Pohrman:** But that is that for what period? Is that --

**Hales:** I'll let you settle that with him. Make your points because you're running out of time.

**Pohrman:** Here's the thing. What I really want to -- my proposal is to make sure that --

\*\*\*\*\*: [indistinguishable] that's your job --

**Pohrman:** -- to make sure that everybody has insurance. I've asked that people on these ideas -- by putting tags on their cars saying they're certified, insured, with the expiration date. I mentioned it to so many people and they love it. And see -- because the thing is, why do we have -- all of these license plates with the expiration dates. Do you understand?

**Hales:** I need you to finish up.

**Pohrman:** Real fast, I'm going to say the reason is because people need to find out, you know, like the police, and see if they've got a license, but if we have a tag that says insured with the expiration date.

**Hales:** Got it. Thank you very much. Sir, you're next.

**Dorn Matthews:** Yes, sir. My name is Dorn Matthews, I'm a Radio Cab driver. I heard a monopoly mentioned. Somebody said monopoly, and 10 companies is not a monopoly. It's a "many-opoly."

\*\*\*\*\*: It's an oligopoly.

**Matthews:** Is that it? OK. There's a word for it that doesn't sound as good. Let's see. The things that should have already been handled before they even hit the streets -- for example, if there's a limitation on the distance between you and a driver and you can't place an order -- I thought these guys wanted to be cab drivers. I mean, there's so much business out there and if you don't want to do the trip, why even bother? And it's not their decision, it's the company that's decided to make the proximity of order placement extremely short. We don't have that limitation. You guys already know this.

I'm hearing -- yes, a question mark on the insurance. I have no idea. Every time it was brought up, I heard "mm mmm mm" and I couldn't parse any of it. As it stands, if there's any discrepancy whatsoever, those guys shouldn't have been on the road. That stands to reason. How many thousands of liabilities you're going to have to deal with in the future? It's kind of depressing. Let's see.

Also, if any of you have seen cab dude out there, he is a guy in a van -- he used to hide it. Now he has a top light because there's no enforcement. Everything's falling apart. So now we have cab dude. I'm sure he is a cool guy and your drunk daughters can trust him, but he's out there 00 and more than one of them. That's another thing.

Also, you know what's going to happen if you ditch the cab system. You know what's going to happen. Everybody is going to be eating their shoes. It's not going to be pretty. There has to be some way to stem the tide. We don't need three trillion drivers in the city professionally.

The hands-off approach. So, if there is anything about the improprieties and the scandal -- I don't really know, I didn't read too much into it -- but if that is the case and it has been going back as far as the implication goes, all you guys who showed up here in the onset, you were a meat shield. You got fined. I don't know if anybody got their car towed or anything, but it was just big a PR play stunt and that's not cool by me.

**Hales:** Thank you. Thanks very much. You're on.

**Paul Vannaman:** My name is Paul Vannaman, I've been a Radio Cab driver for just over three years. A little while back, I had the privilege of driving an older native of what's now referred to as North Williams neighborhood. She was the last holdout, her house was nestled in the shadows of two sprawling luxury apartment buildings, yet she refused to move. She told me this was her home and this was a community. When she went to a community meeting regarding her predicament, she realized that she was there merely to listen to what was going to happen.

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I believe that speaking here is an exercise in futility. While nothing as saddening as her story, I have come to believe that these companies are going to be here whether I like it or not. I have already begun to save to move out of this city because my income has dropped about 40% while rent is skyrocketing. With 1200 -- whatever they are, ride sharing things -- and then three more cab companies, I don't know how anybody is going to be able to make a living doing this.

I also don't understand that a company that came in here and wantonly broke the law was rewarded with to operate with impunity, at least over this trial period. [applause] That doesn't make any sense to me -- when a company violates law they're then rewarded. That to me is incredibly frustrating. I also believe that for every cheerleader of this system of race-to-the-bottom economics making this a \$10 an hour job that nobody can afford to live on anymore, I believe there are many people out there who feel as I do. They feel alienated and they feel like -- they feel the tension that any day that the ground might fall out from under them.

If there is any ethics involved in any of this, it would involve bolstering local business and not allowing predatory companies to claim our city as their new victory. That's all I have to say. [applause]

**Ray Roche:** Good afternoon, my name is Ray Roche, I'm a Radio Cab driver for about the last four years. Thank you for having me. I want to touch a little on the immigrant taxi drivers.

They were brought into this country and promised a lot of promises. And I'm not going to point out all of those promises, I'll let the lawyers for them do that. But they were promised to assimilate into our community, our customs, and our culture, and at these meetings, there's been less than one percent representatives for these people. They don't even know -- and I've talked to several of them the last week -- they don't even know that these chamber meetings are being held or where they're being held, which I think is -- it's a damn shame.

The rest of this basically pertains to them as well as the rest of us. For the last 120 days, our lives have been put on hold. We cannot make any decisions about our standard of living, whether we want to put our children in a better school, buy them more school supplies. I believe this chamber has had a raise in the last four months, where our incomes have diminished in the last four months. And now, you just added another four months, so that's eight months out of our lives so that we can't make any decisions. We can't make any decisions on whether we replace a 23-year-old car that we're driving or anything in relation to our families. I think it's selfish and I think it's just a rude way of treating your citizens.

I applaud your task force for the work they've done and the many hours they put in, but when I hear the recommendations they make, I have to wonder how many private room meetings they've had with Mr. Weiner. Because how can you not put caps when Uber wants to add 10,000 drivers to this city? And right now, unless Uber drivers are surging, they are not making any money. What they're doing is they're diluting everybody's income. They go out and make two or three rides a day. We get two or three rides a day. So, none of us make any money.

**Hales:** Thank you, thanks very much. [applause] Go ahead.

**Mike Engle:** My name is Mike Engel, and I'm retired. They've often covered many of the things that are my points primarily that Uber came here under the deception that they were something new, that they were a part of the sharing economy, a few people would be carpooling. Yet, they have testified at hearing after hearing about their jobs as cab drivers and how much time they're spending -- 40, 50, 60, 70 hours a week in their vehicles. Yet they claim to their private insurance companies that they aren't for-hire vehicles. That is

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the deception that brings on this whole Uber situation and you've talked about this. You need to demand proof from these vehicles and these vehicle operators that their insurance companies acknowledge that they are insuring a for-hire vehicle. And even though some of the drivers on that platform claim that they have collision and comprehensive insurance from their company, they don't.

The other thing is that vehicle inspections, fees, license fees, taxes, vehicle identifications and marking are missing. So actually, all you have to do is have an Uber driver's cell phone and a vehicle and you are an Uber driver. All you need to do is have their platform, type it in and you can come out in your 1953 Honda and drive your car. We need to have vehicle markings and identifications.

\*\*\*\*\*: False! [indistinguishable]

**Engle:** Anyway, the decision that you -- that you make here is --

**Hales:** Hey, folks, let him finish, please.

**Engle:** The decision that you make here will either be to stand up for the local businesses or not. Many countries -- entire countries -- many metropolitan jurisdictions within the United States have refused to fall for their deception, and you could be one of them. Thank you.

**Hales:** Thank you. Good afternoon. [applause]

**William Daniels:** Commissioner Fritz, Mayor Hales, Commissioner Novick -- Commissioner Novick, Commissioner Fish, thanks for being here with us today. My name is William Daniels. I drive for Radio Cab.

As you know, Portland has a system that is well-established to manage the need for taxi service. City employees are very capable of fulfilling their job to responding to changing needs and changing technology. Therefore, it is OK to say no to arrogant companies that bully their way into Portland, to selfish companies that want to rewrite the rules to benefit them specifically, to sneaky companies that want to seduce you today because they want to take, take, take from the citizens of Portland tomorrow. For all of the reasons that have ever been stated, it's OK to say no. For any one of the reasons that have been stated, it's OK to say no.

Donald Trump is attracting a lot of support among voters because voters are fed up with politics as usual -- highly-paid lobbyists who get special access, special favors from politicians. Voters are fed up with slick talk from corporations that sound really good up front but turn out to be really bad for our people and our communities. [applause]

Two weeks ago right here in Portland, Bernie Sanders drew the largest group of people of any presidential candidate with a message that said we the people are fed up with having our lives and our communities be ransacked by billionaire companies at the expense of we the people. So, chopping up full-time work and spreading it out to part-time work is not a job creation program in any intelligent person's lexicon. [applause]

But it is OK to say no. Portland's motto is "the city that works." Here is the question: will you folks vote to have a city work for the predatory out-of-town corporations and Wall Street banks, or will you vote to have the city work for local businesses and local people? Once again, it is absolutely OK to vote no for TNCs. Thank you. [applause]

**Hales:** Thank you. Thank you very much. Good afternoon. Whoever would like to be first, go ahead.

**Vicki DeVincent:** Hi, thank you all for being here and hearing us. I'm Vicki DeVincent with Radio Cab. I've been driving since May 2012. I have always been proud of driving with Radio Cab. I've constantly, constantly have customers from out of town compliment not only us as Radio Cab -- but that's a reflection on you, the City Council because I've had compliments that our cabs are clean, our drivers are professional, they care about the

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customers, they feel safe, they're efficient, and we've always known that the City Council was the one that voted to limit the amount of permitted taxis on the road.

Which what that does is it ensures there isn't a monopoly with medallion systems, it ensures there is not overpopulation of taxi drivers so that the taxi drivers are driving safely. They're not scraping ends meet and rushing to red lights to get customers because they're able to make a living wage.

Now, I've also learned that Radio Cabs used to have a union but they didn't need it anymore because they had the City Council put in place regulations that kept the community safe by having safe drivers. But since then, our community has grown with people moving here, with tourism increasing. We've become so foodie that people come here to visit. Our taxi companies have been begging and begging and begging for more permits to a limit that ensures the regulations keep everybody safe. And now if we had -- [beeping] -- I'm so sorry -- if we had those permits, we would have been able to see the need and meet the need of wheelchair drivers.

I drive a wheelchair van. It gets 18 miles to the gallon. It's not, you know, a great business model to do it, but I do it. I love my community. And when you have people driving around not safe, not limited on how many hours they can work -- I've heard of Uber drivers driving 20 hours a day -- our accidents on the road are going to go up. They already have. You can already find data that since May, there's been more traffic accidents. There's going to be more fatalities if we completely deregulate the system the way it's looking like it is going to. The only way to get it back to the quality taxi service that we have had is for fatalities and injuries on the road that I don't want to see in my community.

**Hales:** Thank you.

**DeVincent:** Thank you.

**Hales:** Welcome. [applause]

**Justin Byington:** Justin Byington. I work for Radio Cab. I would like to note, though, that I was an activist long before I was a cab driver. I want to thank you for hearing our concerns today.

I'm sure you can tell by the roses on our cabs and also here that we are very proud to serve Portland. We love the city because it's a progressive and very livable place due to the citizens' appreciation and support of local businesses. What happens here in Portland is not just important to those of us that live here, but also to other cities because they view us as a model for how well a city can work.

While I sympathize with people trying to just get by -- I've heard emotional testimony by those people making a living driving for Uber and Lyft -- I think there is a real disconnect when it comes down to what a corporation like Uber has as an image and what they actually will do. The companies -- they put profits over people and caused the recession by doing so. And now with this new sharing economy, they are trying to take control of that sharing economy and take advantage of that to externalize their costs and take money out of our local economy.

They aren't doing this by creating jobs, they're doing this by shifting to a less professional model that infiltrates an established locally-run industry of experienced drivers, permitted professionals. Uber says that they're providing a lot of firsts regarding service here, but saying that you're going to provide something and actually doing is different. Should we as city support a company that admits they do not provide needed services in other markets because they're not required to? Just stating that your service is a good idea but not actually implementing it is not a solution.

In summary, will Portland uphold a higher standard for services to the public we provide by keeping a local and putting people over profits, or is this a case where

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corporations with lots of lobbyists and money dictate the structuring of an industry that values profits over the people of Portland? Thank you for your time and hearing our concerns.

**Hales:** Thank you. Good evening.

**Dirk Warninghoff:** Hi, my name is Dirk Warninghoff. Thank you for your time today. I would like to address one of the advisory board guide lining principles, which is “no competitive advantage is granted to any provider for excluding classes of passengers or opting out of compliance with city, state, and federal standards.”

You’re giving a competitive advantage by making us have forced caps by having our percentage of wheelchair fleets that we put on the road, where the TNCs have no caps at all but they don’t need any wheelchair vans. You give the TNCs competitive advantage because unless you have a smartphone and a debit card, you can’t order one, so taxis have to be for everybody.

For accessible services, why is there no minimum requirement on the TNCs? We had a minimum requirement for years. How is this fair at you’re your accessible transportation fund is a complete joke. You’re giving big business a huge break while the little guys who have already been complying for years get railroaded over with the wheelchair vehicle investments.

Fishing has caps in the state and so we still have enough fish for everyone. Transportation needs caps so that there’s enough money to go around. When I attended a task force meeting, a majority of Uber drivers agreed with me on caps, but we all agreed their company would not agree with that. Are you rewriting these rules for the drivers who drive in the city or for the companies who employ the drivers? Because it certainly feels like you continue to make concessions for big business and not for the Portland working driver.

As of labeling of vehicles so that the public knows it’s a transportation vehicle -- 80% of complaints from taxis are from bystanders outside of a taxi. How can you call to complain about a driver if you don’t know it’s a commercial vehicle? It would be really nice if they had magnets, maybe, like the Oregonian does on all sides of the vehicle when they’re working so everyone would know it is an Uber car. That doesn’t sound like it’s that hard.

And what about enforcement fees? Before the pilot program, each taxi in the city was required to pay \$600 a year in enforcement fees. Every private-for-hire should have to have \$600 down for their vehicle. If they have 2000 vehicles, that’s \$1.2 million for enforcement fees for the City so that you can have people out there making sure that people are following the rules. Same fares, same rules. And I was wondering what Brooke meant -- how does surge equal dynamic? I don’t know. Thank you for your time. [applause]

**Hales:** Thank you. Good afternoon.

**Wendie Kellington:** Good afternoon. Wendie Kellington. I’m an attorney, I’m representing EcoCab, the latest cab company into the cab ecosystem. As you take a little bit of additional time to study innovation in the City’s private-for-hire regulatory program, we want you to please give some serious consideration to one very, very important issue, and that’s insurance and how it affects your other policies and social goals for serving the traveling public and for taxi cab industry.

To answer Commissioner Fish’s question a long while back, what has been the cost to the cab companies both pre and post pilot? For EcoCab, it has been \$100,000 and that’s because apparently Uber convinced someone that it was necessary for the City to abandon its approval of EcoCab’s A-rated by Demotech, not the A.M. Best cartel -- A-rated Demotech insurance in favor of the kind of insurance that Uber gets, and it’s like a sole-source carrier. So, the insurance companies are allowed to charge whatever they like and

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that's \$100,000 for a new company like EcoCab that has zero-emission vehicles. To Commissioner Fritz's point, we are very interested in the emissions from taxicabs and so our business model is one that does not have those, we have Teslas on the road.

Tomorrow, we're going to get a letter that we have 120 days to buy that \$100,000 extra Uber type insurance. And what do you get for that? Well, that kind of insurance, we are informed, is one that is called "non-admitted." That means they don't play by Oregon's rules and they don't pay into the safety net fund that the state has. And so if they are in fact big enough to fail, there's no coverage for the City and there is no coverage for injured customer.

And what do you lose? Well, potentially you lose a really cool company. Can we survive? I don't know. Zero-emission Teslas, paying attention to the disability community, drivers are paid decent wages, they're employees, they get benefits, sick leave, vacation, 401K, health insurance. We think you ought to look real close at what maybe Uber has been telling you about insurance and balance what you really think you need. Maybe an A.M. Best B rating or B-plus rating works okay. What you really need to achieve your goals for taking care of the traveling public, making sure they have access to the state's safety net and that you support these companies that are trying to do taxicabs with decent living wages. Thank you.

**Hales:** Thank you.

**Fritz:** Ms. Kellington, I really appreciate your comments. I didn't understand the whole thing about the insurance. I want to get to other people's testimony. If you could either follow up with me, send me something, I want to understand better because obviously you know a lot about it. Thank you.

**Hales:** Same here. Would you submit that to us as well in writing?

**Kellington:** I'd be delighted. Thank you for asking.

**Hales:** Who would like to be next?

**Vivianne Katlaps:** My name is Vivianne Katlaps, and I am a driver with Radio Cab. And Commissioner Fritz, I'd like to thank you for bringing up the environmental factor of adding so many cars to the road. I believe it's over 2000 that they have quoted. And the task force mentioned that they don't have enough information concerning the environmental impacts and I was suggesting that maybe they should get in contact with somebody at DEQ or EPA or ODOT to know how so many more cars are going to impacting the roads. And I'm sure they also have information about the number of miles that are being driven.

One of my biggest concerns with the TNCs, specifically Uber, is that all of their advertising is for more drivers. Not only that, they specifically encourage people to purchase brand new cars through what I've heard to be shifty loan agreements with financial companies or getting people to sign up with these companies. And there's a huge impact of the number of vehicles that are being produced. We don't need brand new cars on the road. We already have bad traffic, our roads are suffering. The emissions right now even concerning the weather -- it is not a good state to have no caps on the number of vehicles that are driving around.

Another thing that the task force representative mentioned was that TNCs may overall decrease the number of vehicles on the road by providing so many trips, which I think is really unlikely considering how their whole model is to increase the number of drivers on the road. Also, if that's the case, we really need to bring TriMet into this conversation because if they're going to be affecting our traffic that drastically, we have tax dollars that are going into having MAXs and new lines and bus lines put into the system. And that is much more important than Uber, in my opinion.

In addition to that, I want to speak on the wait times. There are some key things. They mentioned that wait times for TNCs are mostly during the night when there's no

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traffic. They said the wait time is an average of 12 minutes, whereas cabs are 28 minutes. I am a WAV vehicle operator. I can tell you for certain that about 95% of my WAV times are on-time calls because they are based around people's medical appointments that they are being paid for on medical insurance, so those are completely eliminated from the information that the task force gathered. And I strongly suggest maybe somebody with more information about the taxi industry be included in the task force because they don't really seem to understand how it works.

Also, again, people already mentioned that when rides aren't available, they're not considering the amount of time that somebody would hypothetically be waiting if they had to get somewhere and had no other option, especially if taxi companies are put out of business.

And in addition to that, I think the enforcement of TNCs should be absorbed by the TNCs. I don't think that should be passed on to customers, as cab companies have been paying the \$600 a year for that enforcement. Also, I would like to personally tell you that my income has gone down 30% to 50%. I haven't barely kept track of it. I don't really want to do my taxes because I can't give that money up. I've postponed my school for a year, I'm unable to study, I have to work 50 hours a week to barely get by. And I'm a single, very employable young woman with very little responsibility, and I can't imagine the people who have families or mortgages or homes. Thank you for your time. [applause]

**Hales:** Thank you.

**Dan Varin:** My name is Dan Varin and I'm the owner of Cab 82 and I work in downtown. So, I have information, I actually see what goes on. One of my first questions is, why do so many Uber cabs have out of state license plates? 70% of them have out of state license plates. Are they paying Oregon state income tax? Does anybody know that?

My second question is Uber has drivers that used to be cab drivers. Used to be -- are town car drivers now. They got a swiper, so they either do Uber or their own account. It just depends on what they feel like doing. Most of the time -- they're smart guys, they watch the surge rates, they're way better than the newbies from Uber -- they're actually taxicab drivers, they know every dorm and they know every general manager of every hotel. You don't think that they don't get the orders first? And you think they put that on Uber? I think not.

And all of us have multiple contacts so we get our own orders. Do you think they put those on Uber when you have your own slider, when you have three credit card machines plus Uber, so you just take whatever is best? So everybody is taking the cream of the crop rides and we're still taking Central City Concern and all of the City accounts and taking the wheelchair people, parking in places where there's no parking, where enforcement people give us tickets. Of course, we write those off of our income tax because it's a write-off, right? It's a business expense. That's what really happened.

Another thing I have noticed -- it seems like all of the Uber drivers that pick up people at the hotels -- four, five of them in a row -- every person is a white person and every person that picks them up is a white person. What's going on? You get to pick the person between the two of them. They both decide. So, what's going on? I don't know. You might look into it. I don't know.

\*\*\*\*\*: False -- false --

**Hales:** Thank you. Welcome. Go ahead.

**Tim Weller:** My name is Tim Weller and I've been driving for Radio Cab for about seven years. You know, the first thing that comes to my mind with regard to Uber is that this is a business that is completely conducted via smartphone. Last time I checked, it was illegal to be driving and talking on the phone. Now, we're not only asking people to talk on the phone while they're driving, we're asking them to conduct an entire business. They cannot

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let those calls go. My smartphone is in the car, I don't answer it until I stopped. I don't like talking on the phone in the car, I think it's dangerous.

We're not only -- these Uber drivers, as far as I'm concerned, are conducting a whole entire business on that phone. So, if you as a consumer want a ride from Uber, you call them on your smartphone. You can't call them any other way. They don't take regular calls. You can't go see them or anything else. And then right after you order your taxi, you give them all of your credit card information. After that, you have to click on a waiver, and the waiver says that if anything bad happens, Uber is not responsible. I don't know about you, but why would anyone do that? Why anyone click on a waiver like that?

So, your choice, Commissioners, as consumers are you can call us up at Radio Cab or one of the other local companies and order a local cab from a local company, or you can call up on your smartphone and order it from a multinational corporation.

I want to also -- just yesterday, I finished my defensive driving course, which is one of the things that is required of me as a Radio Cab driver. [beeping] Now, it's one of the many things that is required of me as a Radio Cab driver that doesn't apply to Uber or Lyft or the ride sharing companies.

**Hales:** I need you to finish up.

**Weller:** And I'm going to tell you last of all here how this has affected me personally. I've lost about 30% of my business. I'm currently -- I have one little house in Portland I'm trying my best to hold on to. I'm behind on the mortgage and I'm considering currently a chapter 13. I want to thank Commissioner Fritz and Commissioner Fish for standing with us, standing with the local companies, and that's all I have for today. Thank you. [applause]

**Hales:** Thank you.

**Dan Atkins:** Hello, my name is Dan Atkins, I am actually a driver with Uber. [applause] I'd like to thank you, Commissioner Novick, Commissioner Fritz, and yourself, Mayor Hales. You've all said some very important things today, and I've heard both sides of the argument. I came here incredibly open-minded.

I heard a lot of talk about innovation. I've heard a lot of talk about being very progressive, about helping people, about freedom. And earlier today at a meeting you had downstairs, I heard about the city of opportunity. And I know after hearing both sides, there are clearly big issues about the insurance policies that are going on and about the caps on different car services that exist, and these are real issues and I can't provide a solid answer for that. There's a lot of data that clearly needs to be looked at and evaluated. But what I haven't heard people talking about are the passengers.

Who these cab companies and who Uber, Lyft, and these other TNCs -- who we are actually serving in our jobs -- and these are people who want to use taxis, who want to use Uber. No one is forcing anybody to use these services, and I believe that these services should exist. I believe that everybody can coexist and these services can exist together with the correct regulations. I don't believe that either company should have to pay expensive permits when Uber is maybe paying whatever it equals out to be. Clearly, this is a trial period and there aren't set standards and Uber is brand new to Portland.

I've just heard a lot of people here talking from emotion without reason. I've heard a lot of people talking with misinformation and false information. And I just think through what the committee showed with solid percentages, I think that was an incredible step forward and I want you guys to continue doing this very fairly. Thank you. [applause]

**Hales:** Thank you very much.

**Bill Martien:** Hi, my name is Bill Martien, I'm a professional driver here in Portland. I grew up here in the '60s. In the '60s, we had Broadway and Radio Cab. Both companies were extremely professional. Their cars were impeccably clean. Their drivers wore uniforms with long-sleeved shirts, ties, caps with shiny bills on them, and they were respected.



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Somewhere in the '70s, they all turned into a bunch of slobs. Their cars wreaked of fast food chains, cigarette smoke, foul body odor, and human vomit, and then they wonder why no one wants to ride with them.

I've been driving a limousine in this town since I was 19 years old. I was on the ground floor of town car service here. And the taxi industry threw a pity party saying that the town cars were taking their business and wanted the City Council to do something about it. That was their wake-up call to step up their game. Had they kept the values they had in the '60s, they wouldn't have to worry about competition today.

I've been driving limousine many New Year's Eves, and on New Year's Eve, people are stranded all over Portland. They can't get a cab anywhere. They've been waiting for hours. One time, a person offered me \$800 if I could take them home because they had been waiting for a cab for four hours. The cabs -- that's the one night that they drove people home for free if they were going home. They didn't want to do that, they all go into hiding. You didn't see them driving around downtown Portland and people stranded all over the place. They didn't care about paying, they just wanted to get home.

The limo industry or the town car industry -- we didn't take anything from them. They opened this door of opportunity. And I've been driving for Uber, and the customers that I get on board -- many from all over the country say they will never call a cab again. They love the star rating system. You get clean cars, you get professional drivers, and as far as putting more cars on the road -- somebody said Uber is putting more cars on the road -- they're not putting more cars on the road. These are people that have cars that are going somewhere anyway, turn on the app, you might get a ride, might not, who cares -- it's just extra income. It's nothing you are going to make a living at.

I mean, nobody is driving Uber or Lyft to make a living. That's just subsidized what they already have. It's enough money to pay for the maintenance on your car, keep gas in it, and buy you something to eat. That's it, so it just subsidizes your income.

But it's time for change. I notice that every cab driver here has a cell phone. Well, the pay phone industry was a huge business at one time. Everybody that owned pay phones and phone booths made a lot of money from that. You didn't think nothing of that. They all went out of business because cell phones offered something better and it's now time for a change. If the cab has got to go out of business because something better has come along, my advice to the good cab drivers that are out there is go home, take a bath, wash your car, and join Uber. Thank you. [applause]

**Hales:** Thank you. Welcome. Go ahead.

**Christian Lyons:** My name is Christian Lyons, I'm a Radio Cab driver. I'm generally proud to represent our city and support its growth and development. The City Council's recognition of TNCs, however, has it all wrong.

For years, the City has made a cap on taxi permits and only recently began addressing the increased demand by issuing new licenses. Now, suddenly, and in response to exhaustive lobbying efforts by Uber, the Council has drastically changed course and deregulated the entire industry.

While these TNCs may be brilliant at technology and highly effective at marketing, they are still transportation companies. Their profits are derived by providing transportation services. The smoke and mirrors of third-party contractors and the waiver of liability that riders must agree to does not change the fact that customers pay drivers under the banner of a company name. If a rider has a problem with the service they receive, they would go to the company to resolve it. If you want to work as a driver, you would apply at the company and follow their policies and procedures.

Market it however you like, TNCs function exactly like a taxi company and should be governed by the same rules as a taxi company. The lengths they have gone to to

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circumvent regulations, protect themselves from liability, and extract revenue from the taxi industry from cities all over the world is astounding. It is a blatant attempt to reap all the awards with none of the risk and must be rejected. Uber spends more on lawyers and lobbyists than actually running their business, so much that they have an accumulated loss of \$160 million to date -- Gawker.com, cited on August 15th, 2015.

It would have been a much simpler, more ethical, and ultimately more sustainable proposition to partner with the industry, sell their services as a technology platform, and help move the industry into a digital age rather than to tear it down and wreak havoc on the lives of hard-working taxpayers. To CEOs like Travis Kalanick, it's just a numbers game: can they buy enough market share to eventually show a profit? For me, it's whether I can make next month's rent payment. Please say no to TNCs. Thank you for your consideration and time.

**Hales:** Thank you. Thanks very much. [applause]

**Bruce Wilson:** I'm Bruce Wilson and I drive for Uber and Lyft. I want to say that the people that are least represented in this meeting are the maybe 800 to 1000 people I've had in my car. And I started -- I don't have a passenger app, and I've never driven in a cab so I can't really speak for that experience, but I can tell you that since I've been driving, it's amazing what I hear from my passengers. And my passengers -- just to give you demographics -- about two-thirds of them are from out of town. That is, people coming here to put money in our coffers, whether it's conferences, whether it's conventions or whether it is especially in the summer, vacationers. And about one third of Portland residents.

And I started driving Uber -- I get in the car, start driving, "how are you doing?" and people start in, "I love Uber. I think Uber is the greatest thing that ever happened." I hear quotes like, "I could not live my life without Uber." It sounds over the top. I go, "what is that?" He says, "well, I'm a techie. I work here part of the time, I work in Silicon Valley part of the time. My girlfriend lives in San Francisco. I use Uber to make my life work. I've sold my car." I take a lady and her husband from Northeast out to PDX yesterday. They're going on the way out to see their kid in Pennsylvania in the World Series Little League. What do they say to me? She says, "Uber is magical." I'm not soliciting these comments, I'm hearing this all of the time.

My main thing I wanted to say is this -- when they hear that this city is still deliberating on the subject of Uber, they're incredulous. Why? Because this delay, this continued lack of backing of Uber goes directly against our branding. They go, "Portland? I would have thought Portland would be the first to take Uber." Now, I had four Saudi Arabian kids in my car last night. They use Uber in Paris, they use Uber in New York, and they come to Portland -- they don't even know how to dial a cab. They've got an Uber app. It's the wave of the future.

Do I like the guy who owns Uber? Don't get me going. [laughter] Do I like the guy who runs Dish? Don't get me going, you know. But this is -- what are going to do? There is a bell curve of technology. Then years from now, not one of the drivers in this room has a job because customers will refuse to get in a car that has a steering wheel and a fallible human being behind it. And that's the future. Read up. They say 20 years, but the tech curve is about half.

So, what are we talking about? We've got to follow our branding, and I'll say it for Airbnb too. I take people to yurts in the backyards of North Portland houses, and they love it. They say, "well it's a little more uncomfortable than I thought it would be, but it is the only way I could come to Portland."

**Hales:** Thank you.

**Wilson:** That's what I have to say.

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**Hales:** Thank you. [applause]

**Hales:** OK. We have a couple. Come on up. Stand by and we'll get you in the next group if we have called four people. Go ahead, please.

**Chris McKenney:** I'm Chris McKenney, I drive with Uber. And I haven't -- this is the first Council meeting I've been to, and I've heard a lot of information as far as the three requirements, as far as the insurance. We have it one, two, and three, and \$50,000 and one seems a little bit low to me. Maybe look into that. I'm not sur-- insurance -- how it works as far as the average cost, pedestrian, you know, is it \$50,000, a million? I don't know.

Secondly, 24 hour coverage, seven days a week. Currently, I have a full-time job and I can't work more than 10 hours a week. And a lot of us are in that situation. We're very part-time. One of the reasons that I work part-time at this is because I don't have any guarantees that if I quit my job and do this full-time that I'll have -- three months from now, it won't be here and I would have no job, period. So, this is a part-time job.

As far as the caps on coverage, you can't have 24/7 coverage with letting people pick their own hours. You would have to have a lot of people to make the coverage work and I think we're still growing in that field and it will work out. I just really enjoy having the opportunity to make some extra cash and it made my life a little bit easier.

**Hales:** Thank you. Thanks very much. Good evening.

**James Parton:** Hi, I'm James Parton. Thanks to the Council for allowing us to come and voice our opportunity to tell our stories. I'm a veteran from the Vietnam era. I've got many health problems. So, I found Uber the answer to a problem that I had of getting up to the VA for my health appointments and trying to hold a job at the same time. These opportunities are few and far between in the work market nowadays.

I make a good hourly wage. I've been a business owner over the years and I know how to do a budget. I've budgeted out everything and I'm saving for taxes when they come in 99 in January. The money is there to be made. The demand is there for everyone. We need to have the tourists that love Uber a chance to use it. They've all -- like the man a few minutes ago -- they just adore this service and it would be a blight on this community to turn back the page and I think we need to move forward.

I think the modern system is coming to Portland. It's just a need to figure out how. I for one would be pleased to pay \$600 a year for the right to operate my business here in Portland just like the cabs do. [applause] So, I hope that you impose the same fees on us that you do the cabs. We're not trying to avoid fees, we would be pleased to pay the fees in order to be able to operate our businesses.

I also wanted to mention that you talk about social security and workmen's comp -- are you going to apply those to all contract employees? All the guys out there working, remodeling homes, building homes -- are you going to move that to those contract employees? Why are you only concerned about the transportation contract employees? Thank you for your time.

**Hales:** Thank you. Thank you very much. Good evening.

**Benjamin Schroeder:** Hello. My name is Ben Schroeder, I've been a cab driver for 11 years. I appreciated what you guys were saying about putting commercial insurance as the main thing. Making that suggestion, that's a good thing. Just cover everybody all of the time in those cars. That way, all bases are covered. That expense and the permitting thing like he just said would put things in a balanced position.

And then, I'm pretty sure that all of the Uber drivers will probably come to the realization that they're actually not making any money because Uber is taking too big of a cut. Uber is a scam for the drivers. It is. So, eventually they'll fall off. They won't be drivers any longer, like Darin Campbell said earlier. They'll quit after about six months or a year,

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they'll be done. But then there will be a bunch of inexperienced drivers stepping in to do it. I'm just hoping that the general public starts to realize that these drivers -- they are de-incentivized to get the insurance and maintain their cars. We'll end up with a bunch of smoking vehicles unless you do maintenance requirements.

Like at Radio Cab, we have lease drivers that drive the cars. Every single lease driver that drives the car is another set of ears to audit that vehicle for its mechanical soundness and we write it up on a board and it goes to the garage that day. A personal driver is going to drive their car until it doesn't go anymore -- a lot of times. So, the oil changes lead to smoking cars. If you don't change your oil, you wear out the engine and it starts to smoke. These are expenses that go into the costs. My cost is already put in when I pay my lease and pay for my gas, and it's covered. The car is always maintained and always insured. And if you really want to make money as a driver, you should drive for a company that models itself like Radio Cab does. It's a good business model. You should check out how the numbers work. You would probably be pleased.

**Hales:** Thanks very much. [applause] I think we can take about three or four more people before we have to let the Council deliberate and vote because we're going to lose a quorum at 5:45. So, let's make this the last group and apologies to those --

\*\*\*\*\*: [inaudible]

**Hales:** I know, we haven't heard from everyone, but we are going to have to at least accept the report. I've got some suggestions for further action but let's hear from these folks and let us deliberate about the report itself. So, go ahead, sir.

**Michael Miller:** My name is Michael Miller. I only have two minutes, so I'll thank you afterwards.

**Hales:** [laughs] Don't bother, go ahead.

**Miller:** I've been working with Uber for the past month and it's been a lot of fun. I love that I can log on and off as I please, I set my own schedule. So far, all of my riders have expressed a love for Uber emphasizing the application's ability to show them my GPS location, approximate time of arrival, and a real time interactive map showing them my progress to pick them up. This means they can remain seated at dinner, finish that bite of dessert, and more importantly, that they reduce the amount of time they need to stand at a curb waiting for a ride.

Most of my riders have been from out of town and mention that they have Uber in their hometowns. They express relief that they could use Uber here in Portland. Some have communicated frustration over past visits to Portland and efforts to get a ride prior to Uber's arrival. I've had visitors from New York speak about Uber taxi, a service that levels the playing field for current taxi drivers allowing them to utilize the Uber application hailing the closest available cab showing them on the map. It even allows taxi driver and passengers to rate each other. Sometimes, riders are silent the entire ride with headphones on and will suddenly address the business meeting they're in with a clear, attentive voice about a business deal only to nod and waive as they leave the car with a smile.

Uber removes much of the frustration of traveling around town. When a customer reaches their destination, they can simply leave. There's no need to shuffle through a purse or a wallet or discuss a fee for the ride because it's all done through the application.

I've asked many riders what they would have done today if Uber wasn't around. A large majority said they would have likely risked driving themselves to that dinner with friends or night out on the town. I believe that Uber has created a niche for itself and is generating new business, the kind of business that helps to keep people safe and will likely reduce the number of impaired drivers. I'm proud to be a part of Uber.

**Hales:** Thanks very much. [applause] Good evening.

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**Kat Wilkes:** Hi, I'm Kat Wilkes, I've been associated with Radio Cab for 25 plus years. I've also sat on the private for-hire board. I'm also a defensive driving instructor at Radio Cab Company. I have prepared this speech that will last a half hour, but I see that everybody said what I really wanted to say, so I just have a few highlights and I won't be long. Just basically attending all those meetings for all those years, it's been drummed into our heads over and over and over about public safety. And when I listen to some of the stuff that people want to let go, I'm just kind of appalled. My mouth is hanging open.

One thing would be the insurance. I mean, our families and friends are the riders. We want everybody to be safe. We want the public to be safe. So, the insurance is really a very, very important thing.

As far as making more code rules -- it would be really great if it could include a TNC representative and a taxi representative because I don't think that there's anybody on that committee that is a taxi driver or a manager for a taxi company, and you have people with tons of knowledge that can be very helpful. And you know, taxi drivers, taxi companies are not always wrong. I just want to say it would be -- it seems sensible. Also, when you talk about the big monopoly of the taxi companies, actually, that was created by the City. So, we don't have like some big old secret that we're keeping. Anyway, that's it for me.

**Hales:** Thank you.

**Wilkes:** Thank you. [applause]

**Jan Arthur Weston:** Jan Weston here. I've been a registered voter in Portland since 1961. I call you folks "my City Council. Proud of you.

I've been semi-retired for 12 years, social security -- poverty level stuff. It's not enough to live on. So, I work. And I work hard, I keep off the public dole. But I don't work so much that I can't volunteer in many places also. It's part of payment to society. So, if you folks want to assess a \$600 or whatever fee, I'll pay it willingly.

This part-time job is the best job I've ever had. I work when I want to. That works well for me. I'm not going to talk about everything on my list because I don't want the criticism from this unruly audience, so I'll just hit a couple of high spots.

On -- how about having an indicator that a ride is child safety equipped? There's other indicators for bike rack and for a folding wheelchair and of course power chair. So, it seems like a simple thing to do.

If the cabs need to have cameras for safety, then it seems like the rest ought to have cameras for safety also. Such a small investment nowadays in that technology.

And I don't hear any discussion on drug and alcohol testing that is so -- I have two other part-time jobs in the automotive industry where I'm subject to random testing, and there are so many people who fail. How can those people submit themselves to the test, why don't they just quit instead of having it on their record? Drug and alcohol testing looks like a big part of people who are going to be out on the street -- public safety. Thank you. [applause]

**Hales:** Thank you very much.

**Fritz:** Mr. Weston? Jan? Could you please submit the rest of your comments in writing, because I thought those were helpful suggestions. Thank you.

**Hales:** And let me also ask anyone else who hasn't got to speak -- and again, our apologies for not being able to hear everyone -- at least this afternoon -- but if you haven't had a chance to speak, we hope you email or write to us. We should take up the question now whether we want to accept the report today or not, and then also what instructions we want to give to our volunteers on this committee if we can ask them to do more things. I have some issues that I want them to look at in greater depth based on what I have heard here today. Commissioner Fritz, your thoughts?

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**Fritz:** I was just going to follow up and say that usually, when we don't get to everybody's testimony, yes, we certainly like you to send it in writing but then we call the people who signed up and didn't get to testify, you get to testify first the next time. So, there's that. It is not until October, but --

**Hales:** What's not until October?

**Fritz:** The next time to testify. Are you going to continue the hearing?

**Hales:** I don't know, that's one of the options. All that's before us today is accepting the report. So, I would be inclined to accept the report, but I think there's a lot of public input we still need to get so I want to be sensitive to that. Steve -- your thoughts, Commissioner?

**Novick:** I actually don't know if there's any procedure we might have to have people who signed up today testify at a separate proceeding later, but if Karla tells us that's something that we might be able to do --

**Moore-Love:** We've done that in the past.

**Hales:** That might be the best thing to do. When would we be able to do that?

**Moore-Love:** Do you want --

**Fritz:** We've resolved -- what difference would that make?

**Hales:** We've got people here who have been right up to and including the last people to testify. I've been writing notes of issues that I would like further information on. It doesn't mean we can't accept the report, those are separate questions. The report is from the citizen task force to us. We are also getting testimony from the community. It will shape what we do at the end of this next period. So, I guess I want to make sure that we have an opportunity for the community to be heard, but I also want to at some point say thank you task force, we appreciate your report, we'll take it. So, those are not -- those are separate matters, but on the same subject. One is we've got a task force who has done their work and given us a report, we also have folks in the community who have thoughts on the same subject and trying to express them.

**Novick:** Mayor, my question is I'm not sure at this point exactly when we will know the next time we take up this issue and it'd be appropriate to hear from the people who signed up today.

**Fritz:** What I would suggest, though -- I'm very glad to hear Mayor that you are willing to consider further direction from the task force. I would suggest that we continue the hearing, give people who signed up and didn't get a chance to testify a chance to speak. And that way, our fellow Commissioners who had to leave today would be able to weigh in. I think that's really important that --

**Hales:** Would like to give them an opportunity to hear the rest of the record today and also take in -- so let's do this. Let's continue this item. We'll get to the question in a moment of when we're going to continue it to. Give people a chance to provide comments in writing in the meantime, and allow those who have signed up today to speak. So, again, our apologies that you're not going to get to speak today. If you signed up, we will give you that opportunity with again our other two colleagues back here and able to participate. That could be as soon as next week, depending on what the Council calendar looks like --

**Moore-Love:** Wednesday afternoon at 2:00 is available.

**Hales:** Let's do that. If that's acceptable to Commissioner Novick, that's what I'm going to do. I'm going to continue the hearing to next Wednesday at 2:00 p.m., provide anybody who signed up the opportunity to speak then. So, we want to respect your ability to have your say here and again, our apologies that we didn't get it in during this first portion of the hearing.

In the meantime, I want to ask all members of the Council -- and I'll hold myself to this as well -- to start documenting what we want further reviewed by either the bureau or by the task force. I've got some issues -- this insurance issue, for example, I have a

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number of questions. Let's have Council members make sure that we transmit our questions to Commissioner Novick and Director Treat. And in some cases, they can be addressed by staff because they're simply technical questions. In other cases, we may need further assistance from the task force and I think we'll probably be able to sort that all out next week. Does that sound like a plan?

Again, I want to thank everyone for your participation today. We'll be back on this subject next Wednesday at 2:00 p.m. and we are adjourned for the week. Thank you very much.

At 5:40 p.m., Council adjourned.