



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **15TH DAY OF JULY, 2015** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Mayor Hales left at 12:03 p.m. and Commissioner Fritz presided.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ellen Osoinach, Deputy City Attorney at 9:30 a.m. and 11:39 a.m.; Linly Rees, Deputy City Attorney at 9:48 a.m.; and Mike Cohen, Sergeant at Arms.

Item Nos. 770 and 772 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 11:36 a.m. and reconvened at 11:39 a.m.

COMMUNICATIONS		Disposition:
757	Request of Patrick Cechini to address Council regarding public safety and its partnership in the community (Communication)	PLACED ON FILE
758	Request of Rev. Margaret Hepziban to address Council regarding truth and justice (Communication)	PLACED ON FILE
759	Request of Katherine Smith to address Council regarding Portland and Tigard police (Communication)	PLACED ON FILE
760	Request of Sue Strater to address Council regarding Stephenson/SW 34th water hazard (Communication)	PLACED ON FILE
761	Request of Lightning - Watchdog X to address Council regarding forensic lab reform and City Hall bureaus readjustment proposal (Communication)	PLACED ON FILE

TIMES CERTAIN

762 **TIME CERTAIN: 9:30 AM** – Establish a cooperative agreement with the Mt. Tabor Neighborhood Association to ensure that clean water will be maintained in the Mt. Tabor Park Reservoirs at the historic levels that produce the Park’s iconic views, and to prioritize and implement the maintenance, repair and preservation of the Reservoirs and authorize funding for work identified in the 2009 Mount Tabor Reservoirs Historic Structures Report (Resolution introduced by Commissioners Fish and Fritz)
1 ½ hours requested for items 762 and 763

Motion to accept Fish amendments 1-6: Moved by Fish and seconded by Hales. (Y-4; N-1 Fritz)

Motion to withdraw amendments 1-5: Moved by Fish and seconded by Hales. (No objection; so ordered)

Motion to amend language in amendment #6 on paragraph 28 to designate the semi-annual report to be a written report and add requirement of annual presentations to City Council and the Portland Utility Board: Moved by Fish and seconded by Fritz. (Y-5)

(Y-4; N-1 Novick)

37146
AS AMENDED

763 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 (Previous Agenda 702; LU 14-218444 HR EN)

Motion to amend Condition B and delete Condition E, and tentatively grant in part and deny in part the appeals of the Water Bureau and the MTNA; affirm the Historic Landmarks Commission’s decision to approve the application for Historic Resource Review and Environmental Review with modifications; and direct staff to prepare findings for Council adoption: Moved by Fish and seconded by Saltzman. (Y-5)

TENTATIVELY GRANT IN PART AND DENY IN PART THE APPEALS AND UPHOLD THE HISTORIC LANDMARKS COMMISSION’S DECISION WITH MODIFICATIONS; PREPARE FINDINGS FOR AUGUST 19, 2015 AT 11:00 AM TIME CERTAIN

CONSENT AGENDA – NO DISCUSSION

Mayor Charlie Hales

Bureau of Police

***764** Authorize a grant agreement with Portland Opportunities Industrialization Center, Inc. for \$59,996 to continue to employ the Gang Impacted Family Team Coordinator to provide an aligned system of support for program stakeholders serving gang impacted youth and families (Ordinance)
(Y-5)

187251

July 15, 2015

*765	Apply to the U.S. Department of Justice, Office of Community Oriented Policing Services for a grant in the amount of \$375,000 for the 2015 COPS Hiring Program grant to fund three School Resource Officers for three years (Ordinance) (Y-5)	187252
Office of Management and Finance		
*766	Authorize a contract with Elcon Corporation for the implementation of the Active Corridor Management Project at a cost of \$500,572 for the Bureau of Transportation (Ordinance) (Y-5)	187253
*767	Grant a temporary, revocable permit to Portland General Electric Company, doing business as World Trade Center Properties for electric vehicle supply equipment services (Ordinance) (Y-5)	187254
*768	Authorize an Intergovernmental Agreement with Portland State University for Citywide on-call sustainable operations technical assistance for a not to exceed amount of \$150,000 (Ordinance) (Y-5)	187255
Commissioner Dan Saltzman Position No. 3 Portland Fire & Rescue		
769	Authorize Intergovernmental Agreement with Metropolitan Service District for Portland Fire & Rescue emergency response vehicles computerized mapping data not to exceed \$10,000 per year (Second Reading Agenda 746; Contract No. 30004638) (Y-5)	187256
Commissioner Steve Novick Position No. 4 Bureau of Transportation		
*770	Authorize a competitive solicitation for the purchase of a mobile parking payment system at an estimated amount of \$6,200,000 (Ordinance) (Y-4; Hales absent)	187260
*771	Amend Intergovernmental Agreement with Oregon Department of Transportation for design and construction of the SE Holgate & SE Ramona: 122nd to 136th Ave Sidewalks project (Ordinance; amend Contract No. 30002698) (Y-5)	187257

<p>Commissioner Amanda Fritz Position No. 1 Office of Neighborhood Involvement</p>		
<p>*772 Amend fee schedule for the Office of Neighborhood Involvement Noise Control Program (Ordinance)</p>		<p>REFERRED TO COMMISSIONER OF PUBLIC UTILITIES</p>
<p>Portland Parks & Recreation</p>		
<p>*773 Authorize six grant agreements for programming for at-risk youth in partnership with Portland Parks & Recreation Community Centers in an amount not to exceed \$320,000 (Ordinance) (Y-5)</p>		<p>187258</p>
<p>Commissioner Nick Fish Position No. 2 Bureau of Environmental Services</p>		
<p>774 Authorize the Bureau of Environmental Services to execute a settlement agreement with Bruce Ankarberg as part of the Luther Road Habitat Restoration Project No. E06947 for \$27,989 (Ordinance)</p>		<p>PASSED TO SECOND READING JULY 22, 2015 AT 9:30 AM</p>
<p>Water Bureau</p>		
<p>775 Authorize Intergovernmental Agreement with the U.S. Department of Agriculture, Natural Resources Conservation Service for an amount not to exceed \$105,000 for snow and precipitation monitoring (Ordinance)</p>		<p>PASSED TO SECOND READING JULY 22, 2015 AT 9:30 AM</p>
<p>REGULAR AGENDA</p>		
<p>*776 Authorize acquisition of surplus property for municipal purposes at SE 3rd and Harrison Streets from the Oregon Department of Transportation not to exceed \$254,044 (Ordinance introduced by Mayor Hales and Commissioner Fritz) 30 minutes requested Motion to amend findings #6 and directive b. to delete "General Fund" and add "existing City resources" to the directive: Moved by Hales and seconded by Fritz. (Y-5) (Y-4; Hales absent)</p>		<p>187259 AS AMENDED</p>
<p>Mayor Charlie Hales</p>		

July 15, 2015

Office of Management and Finance	
777	Accept bid of Brown Contracting, Inc. for the East Portland Rapid Flash Beacon Project for \$698,526 (Procurement Report - Bid No. 00000002) Motion to accept the report: Moved by Saltzman and seconded by Fish. (Y-4; Hales absent)
Commissioner Steve Novick Position No. 4 Bureau of Transportation	
*778	Amend Transportation Code for Designated Parking Management Plan Districts and procedures for towing vehicles (Ordinance; amend Chapter 16.30, add Chapter 16.35) 10 minutes requested (Y-4; Hales absent)
ACCEPTED PREPARE CONTRACT	
187261	

At 12:28 p.m., Council recessed.

July 15, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **15TH DAY OF JULY, 2015** AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Fritz, Presiding; Commissioners Novick and Saltzman, 3.

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

The meeting recessed at 4:02 p.m. and reconvened at 4:09 p.m.

		Disposition:
S-779	TIME CERTAIN: 2:00 PM – Accept the Private For-Hire Transportation Innovation Pilot Program Status Report (Report introduced by Commissioner Novick) 2 hours requested Motion to accept substitute report: Moved by Novick and seconded by Saltzman. (Y-3) Motion to accept the report: Moved by Saltzman and seconded by Novick. (Y-3)	SUBSTITUTE ACCEPTED

At 5:28 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.

July 15, 2015
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.

JULY 15, 2015 9:30 AM

Hales: Good morning, everyone, and welcome to the July 15th meeting of the Portland City Council. Would you please call the roll?

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

Hales: Good morning, everyone. Welcome. Council has a variety of things on our agenda this morning. I'll talk about some procedural stuff and then some other notes. First, we have some folks signed up for public testimony, citizens can sign up for three minutes on the Council calendar for communications, so we'll hear from them first. If you want the opportunity to do that in the future, please let our Clerk know. Secondly, we have some time certain items on the calendar and a consent calendar. If there's an item on the consent calendar that you think should be considered on the regular agenda, again, just let the Clerk know.

The Council meetings are open for public testimony. Obviously, we typically limit testimony to three minutes on items before the Council, and it looks like from the number of people here today that that ought to be practical. That we don't have to reduce that. We ask that the people follow the basic rules of decorum in the chamber. That is, we let our fellow citizens speak and aren't heckled. So, if you agree with someone and want to indicate that, you are certainly welcome to give them a thumbs up or a wave of the hand. And if you disagree with them, you are also free to make a polite hand gesture, but we want to make sure that everyone can be heard here and all points of view are given their due consideration.

Secondly, if you have anything to give to the Council, give it to the Clerk and she will distribute it. If you are a lobbyist, you're required under our code to disclose that, so please do. If you're representing an organization, it would be nice to know who you are representing.

A couple of particulars. One, we have items 776 on the Council calendar, which is the proposed purchase of the piece of surplus property owned by the Oregon Department of Transportation. It's my intention to ask the City Council or the Portland Development Commission to purchase all of the available property that the Oregon Department of Transportation is putting up for sale, including this parcel, as well as several others. The deliberation today is about whether or not we should buy the land, it is not about whether or not we should issue a permit for the location of Right 2 Dream Too or any other land use on that site. So, please understand today's discussion is about, should the City Council of Portland buy this piece of surplus property from ODOT? It does not pre-ordain any particular land use and I'll take testimony only on the purchase because we will -- if we move ahead with locating Right 2 Dream Too or any other facility there -- have a public hearing at that time on that decision.

On item 763, we'll get to the procedures on that because that's a land use decision and the Council will have to make certain disclosures then. Anything I've forgotten? With that, then let's please take communications item 757.

Item 757.

Hales: Good morning. Welcome.

July 15, 2015

Patrick Cechini: Good morning. So again, my name is Patrick Cechini. I am the director of security and safety for the Hilton Portland and Executive Tower. I am here today on behalf of the downtown public safety advisory committee as well as the hospitality industry. I'm here to ask the Council's support for programs that are promoting public safety and a sense of tourism surety within the community. The term tourism surety is when tourism security, safety, economics, and reputation merge.

With my time this morning, I'd like to quickly highlight three areas that I feel can greatly benefit tourism security within the community. The first two have to concern the Portland Police Bureau's mounted patrol and their walking beat. These programs are allowing the officers with the City of Portland to have a more unique and intimate interaction with the community and tourists who are visiting the downtown core. The walking beat has been seen as an opportunity for the Police Bureau to help mend relations with the homeless community. The mounted patrol continues to provide a unique experience for the tourists visiting the Portland metro area while still providing for their safety and security.

The next item is community action programs. For those of us that work in the public safety field, we recognize the fact to address the community's greater issues versus simply incarceration. A recent topic from the advisory committee was converting Multnomah County's Wapato facility as a treatment center for people suffering from homelessness, mental illness, or substance abuse. Often the question that gets asked is what to do that hasn't already been done before. This is a great opportunity for the City to provide resources, for those members in our community who are at risk and truly want and need services to turn their life around. I ask the Council to support this initiative in the efforts to promote public safety to all who live, work, and visit our city.

In closing, it was estimated that in 2014, travelers spent approximately \$4.6 billion in the Portland metro area, which generated over \$1.8 billion in revenue, which also generated a combined 200 million in local and state tax dollars. Research has shown tourists are paying more attention to their safety when visiting communities. Research also shows when tourists feel safe, they are more inclined to spend more and more likely to return to specific locations, which is a benefit to the local communities and the economy as a whole. I like to thank the Council for their time today.

Hales: Thank you very much. I appreciate your involvement in Clean and Safe as well, so thank you.

Item 758.

Hales: Good morning.

Margaret Hepziban: Good morning, Mayor Hales and Council members. I'm Reverend Margaret Hepziban and a little more than a simple standard understanding of what a reverend is -- or a minister. I'm an apostle to the nation, so I am an ambassador speaking with the prophetic voice of god to whatever he speaks to, basically. And I happen to -- how I happened here -- I actually had requested an appointment with you, Mr. Mayor Hales or one of the Council members and was told that this was the venue that was the kind of -- so I kind of went this route. But I happened to read an article of yours, about your perspective next term and what your vision is for Portland and the things that you would like to accomplish. And god spoke. And so, that is on this --

Hales: Yes, we have that.

Hepziban: The 96-13, about that. So, try to be succinct here in three minutes -- and this is why I wanted an appointment -- but very much in agreement with you and your endeavors in terms of the police reform. I have been through a lot of police brutality. I've had a son that was killed. I believe is an extra judicial killing, a killing without going through any procedures with permission from the courts, etc. I've had another son that has been

July 15, 2015

derided by other authorities. So, three minutes, I will try to read this. I just want to say that I am here as a help, I'm not trying to divide or cause problems.

The voice of god is something that we can't avoid any more. I think that we are all aware that spiritual things are actually confronting us in our daily lives, whether by just spiritual energy, worrying about vision, heart attacks, etc. Also, public health delivery systems, you know, Christian rights, you know, if you go to the hospital, will you make it out of there alive if you are a Christian? African Americans. The racism problem -- very, very bad. I've had the Ku Klux Klan come out of the woodworks since I tried to get permission for a civil rights march here. And the other pastors -- mostly African American -- not in agreement with me, not wanting to recognize the authority that the lord god has given me. Part of the word here this morning is saying that our god -- so again, no division -- so I am trying to encourage them not to be decisive, as well. So, if you wouldn't mind --

Hales: Actually, I appreciated you speaking to the heart, I wouldn't bother to read this. We've got this, your written statement.

Hepziban: You've got this, OK.

Hales: I really appreciate you speaking.

Hales: So the reform, the racism -- reform, not just in -- you began with the police reform, which is excellent, and I wish some of the other cities would follow suit. I live in Lake Oswego. I graduated from Warner Pacific. I lived at Mt. Tabor, by the way, so for four years while I was graduating there -- [beeping] -- but the water safety is very important because we have enemies here. We have Islamic nation here. We have other people who are socially dominant. What I call social dominance theory -- you know, they say, "do it" we say, "do or else" and that's not OK.

Hales: I really appreciate you coming this morning, unfortunately --

Hepziban: What I would like to do, Mayor Hales -- excuse me for interfering -- is to get an appointment, to speak about some of these things and maybe be helpful. I just wanted to give my regards to Commissioner Fritz in the loss of her husband. So, on the second, I was run in to from the back on I-5, Terwilliger curves. We were in a small car and we were pushed into a truck, so I, right now, have a mild concussion.

Fritz: Thank you, thank you for your testimony. I'm sorry for the loss of your son.

Hepziban: We have serious challenges that condition be avoided but we have the power of god and a benevolent god who does not condemn conformity. Don't matter if you're Christian or what, the standard is goodwill.

Hales: It is, and I have to cut you off there. Really appreciate you coming and stay in touch with my office. I'm actually leaving the country this afternoon, but I will be back in about ten days.

Hepziban: And I will keep you all in prayer. Thank you.

Hales: Thank you very much. Thanks for coming.

Fish: Mayor, are you leaving the country because you read the New Yorker yesterday?

Hales: [laughs] No, much better than that. Leaving the country to go to the Vatican. So, an amazing honor for Portland.

Item 759.

Hales: Good morning.

Katherine Smith: Good morning. My name is Katherine Smith. Dear Mayor Hales and Portland City Commissioners, well, here I am again testifying to you about some Tigard cops who still shoot me 20 to 24 hours a day with microwave ultrasound weapons, voice to skull command weapons, sleep deprivation, etc., remotely. I understand that you don't want to talk to Portland police about these assault, attempted murder crimes to me, Mayor Hales, and to my son. I've asked the lead investigators on my case -- Sergeant McCormick and other cops -- if you talked to them about this and they said no. I asked you a few

July 15, 2015

weeks ago when I testified here, what is your legal reason for not making those Portland cops do their legal duty to protect me and my son from these assaults? Those Tigard cops tell me every day, they shoot him with microwave, ultrasound weapons, voice to skull weapons when he's sleeping to give him cancer. You didn't answer to the "what is your legal reason" question. I don't believe that you have one. You are the police Commissioner with legal authority to make them do their legal duty. Unfortunately, many of your City attorneys and employees won't ask you that question, either, even though I have requested that from them. The suggestions they and you have made to me to avoid having or making Portland police investigate, gather evidence, and arrest and prosecute some of those Tigard cops and my ex Tigard neighbor lady who participates in this -- those suggestions don't work. As I've said, it is not enough pressure on those Tigard cops to just call Project Respond, call the Women's Crisis Line, report to Tigard police instead, or the City of Tigard. They mainly shoot me and my son here in Portland, so I can legally report it here. It is unacceptable and negligence to ignore these crimes. Since I've explained that those suggestions don't work or why they aren't effective, it is no justification to still suggest those actions and to refuse to talk to Portland police to stop these daily assaults. I know by your responses and your City attorneys, employees' responses and by what some Tigard cops told me that you do know these Tigard cops are shooting me and you are choosing to not talk to Portland police about this because you've been told about the cover-up of these kinds of weapons, and you've been advised to cover up, too, by not ordering Portland police to stop these assaults and attempted murder. In that way, though, there is no accountability for these secret weapons that lots of cops have had for more than 20 years. Sincerely, Katherine Smith.

Hales: Take care, Katherine. Thank you.

Item 761.

Fritz: I think we skipped 760.

Hales: Yes, you did.

Moore-Love: Sorry, Lightning.

Hales: Sorry, Lightning. You can go ahead. We'll take the other one out of order. You're here. Good morning.

Lightning: Good morning. My name is Lightning, I represent Lightning Watchdog X. One of the concerns that I have on the forensic labs is I want to make sure that the primary provider of DNA analytical services is the state police crime lab, also known as Portland metropolitan forensics laboratory located in Clackamas. What I want to put emphasis on is to make sure that we understand their capacity and also apply for a capacity grants or improvement grants at that lab. I want to have a state audit performed on the DNA lab. I want to be able to review that. I want to understand what the forensic scientists need. I want to understand the type of equipment that they need. I want to understand why there is backlog of sexual assault kits.

Now, as we all know, a \$2 million federal grant is being applied for. Again, that grant is going to be used on a private lab and mainly not on the state lab. Again, they projected a cost of approximately \$400 per kit, and I want to have an understanding of exactly where that funding is going because we do have a personnel cost of \$427,000 on that grant, fringe benefits of 204,000. And again, we're going to use a private lab. I want to focus on what are the benefits of using a private lab opposed to using the state labs? And again, until we have that audit, I will not make any comments on the efficiency of that state lab.

In 2014, there were 830 sex crimes cases. They had a total number of kits of 312. If we use a number of \$400 a kit, that's \$128,000. In 2013, we had 875 sex crime cases. We had 271 kits. Again, if we use a number, that's 108,000. I don't believe that it's lack of resources that we're not able to get these kits tested. I want this to be looked at very close.

July 15, 2015

Again, I am asking for a state audit to be reformed. I've asked Steve March at Multnomah County to perform an audit. When this grant is finalized, I would like to have the City of Portland perform an audit. I question some of these numbers, and I want to have some solid facts based upon these audits.

Referring to the Commissioners in the adjustment of bureaus -- in my opinion, we have not fulfilled what we need to do on the transportation. I think that Commissioner Fritz, you've done an outstanding job on the parks. You have got the bond. Outstanding job in a lot of different areas pertaining to the parks. You're a seasoned professional, but this is what I would like to do. I want to see --

Hales: Need to wrap up.

Lightning: I want to see transportation transferred to Commissioner Fritz. I want Commissioner Fritz to transfer the Parks over to Mr. Novick. And the reason why I want to see that happen --

Hales: You've got to wrap up.

Lightning: If I could finish, sir. The reason I want to see that happen is because basically, if you look at the performance -- you are a rookie, Mr. Novick, she's a professional --

Hales: Lightning --

Lightning: And I am putting the care of Transportation in the hands of the Commissioner.

Hales: Thank you. I'll take that under advisement. Thank you. Alright. Let's take 760, please.

Item 760.

Hales: Good morning.

Sue Strater: OK, since you're a professional, Commissioner Novick.

Novick: No, I'm not the professional --

Strater: No, no, no --

Hales: That's alright, we'll subscribe to professionalism to everyone. Go ahead.

Strater: I'm very nervous. I had wonderful maps to bring in here from Andrew Aebi, and I couldn't bring it in because it was too big. So, I had to improvise, so I probably already used up the 15 seconds. Anyway, here's my improvised map.

Hales: [laughs] OK.

Strater: I'm here to talk about a safety hazard. SW 34th comes off SW Stevenson. SW 34th is an unmaintained -- it's a City street, but unmaintained and not up to code. The LID is prohibitive for this neighborhood. The size of the lots would average 50,000 a neighborhood. We can't do it.

Hales: Right.

Strater: SW Stevenson is a safe routes to school road. Primary road. Stevenson is right a half a mile down the street. Jackson Middle School right here. What's happening is the stormwater run-off is going down and it's going onto Stevenson and water is pooling. In the winter when it's cold, we have ice. I think that -- did you get the pictures? OK, I'll make sure. This is what happened last year, and it's more than just the ice. It's water, too. This is a hazard. And you're on a route to school.

The other thing that's important here is the Water Bureau property that's owned on the street. Two lots. The very corner lot and also, the top, where the cell tower is. It's leased to vendors. And we have worked with the swales team. That's the other factor, the swales are coming in on Stevenson this summer. The primary work has not started. We have met with them and we have actually a civil engineer on the street who's had 50 years of experience. We are recommending on the Water Bureau property right here, the water that's running down get diverted into -- we need a ditch built we think with perforated pipes, filter cloth, and rubber full. And since they are already coming in and doing all the swales and you're having the contractors and the right type of people there, and the City owns the

July 15, 2015

property, that would help to divert the water into the swales, which is not happening right now. We asked for this to happen. The response from BES -- which I have given the Council Clerk -- we got on June 9th. They said that they made some minor modifications -- some modifications to the swales teams to address some of the stormwater flow. But we do not think it is sufficient. And they said to monitor. I think that we're going to be right back there in the winter and I'm going to be taking photographs of ice, but I will make sure the bus is on the ice when I do it the next time.

So, our recommendation is you're already in there. You got the people there, you got the contractors. How much materials is a ditch and a pipe to get the water flow into the swale? And hopefully eliminate a safety hazard. So, that's really the request. And I guess that my question to Mayor Hales and Commissioner Novick and Commissioner Fish -- because this is covering Water Bureau and PBOT -- is what are the next steps?

Hales: Well, you did a great job of coming and calling this to our attention in a timely way. So obviously, the Commissioners-in-Charge of the Transportation Bureau and BES and Water all have an opportunity to follow up and we'll let them do that. But again, you have done this in a timely way with an obvious problem. So, we appreciate you doing that.

Fish: And Ms. Strater, thank you for communicating both with the bureau and coming today.

Strater: Oh, right.

Fish: There's a complication because it's a private road --

Strater: No --

Fish: And there are limitations on what we can do on private property.

Strater: We understand.

Fish: However, you've made a case and we're taking a fresh look at it, so thank you.

Strater: And I think the other thing in the future is perhaps look at how the City handles -- I know you have these policies on roads that are not up to code. But when you have City-owned property, on those, I think that you need to reconsider that.

Hales: Yeah, that is a unique situation.

Strater: Yes, it's a unique situation, and I think that the City has revenue off of the leased cell tower, you know.

Hales: Thank you very much.

Strater: OK, thanks.

Hales: OK, let's move to the consent calendar. I don't believe that there are any requests, are there?

Moore-Love: Yes, we have 770 and 772.

Hales: Alright. Any others? OK, then let's take a roll call vote, please, on the remainder of the consent calendar.

Roll on consent agenda.

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

Hales: I didn't put it on the regular agenda, but just wanted to note that in partnership with Commissioner Fritz, we are approving contracts with several different community-based organizations for our great new partnership to give teenagers the opportunity for free recreation. We've got contracts with POIC, IRCO, Latino Network, NAYA, Boys and Girls Club, and Rosewood all packaged together here and we're in further discussions with Self Enhancement. So, appreciate our community partners coming forward and giving us a lot for the money. Aye. Let's move to time certain, item 762.

Fish: Mayor, could we have 62 and 63 read together?

Hales: Yes, please.

Item 762.

Item 763.

July 15, 2015

Hales: I will turn it over to Commissioner Fish in a moment, but let's take -- should we take care of the ex parte contacts issues on the land use case first?

Linly Rees, Deputy City Attorney: I think that would be fine. It's only relevant to 763, but yes, may as well.

Hales: Yes. So, one of these items is a resolution and the other is a land use case. Under the state law, we are required to disclose any ex parte contacts, or potential conflicts of interest in a land use case. Are there any to declare?

Fritz: I met with Stephanie Stewart and John Larsen on 762. We did not discuss 763.

Hales: OK. Anything else? Anyone have any questions or concerns about that? Alright. Thank you. Those disclosures are out of the way. Commissioner Fish.

Fish: Mayor, thank you. At the risk of being accused of spinning a very bad pun, we are here today in uncharted waters talking about two matters -- a land use proceeding and a resolution. And I think it's worth going back in time and remembering that the last time that we convened as a Council to hear the land use proceeding, which is an appeal from the Historic Landmarks Commission decision, the Council directed the parties -- in this case, the Mt. Tabor Neighborhood Association and the Water Bureau -- to get together and to see if they could hammer out an agreement.

On my seven years on the Council, I don't think we've ever had a procedure quite like this. And I think along the way, the most frequent question, I have heard is, "what are the ground rules? How do we actually do this?" Well, here's what we agreed on the last time that we met. We asked you in good faith to get together and meet and see if you could come to an agreement. You did so, and you did so without any involvement of the City -- and you'll have a chance to describe that. At the same time, we agreed that if you came to any tentative agreement, we asked you to memorialize it in a resolution and Commissioner Fritz and I were charged with making sure it was filed and placed before the Council. So, last week, I was in fact presented -- as was Commissioner Fritz -- with a fully-drafted resolution, which we were asked to sign a cover sheet that places this on the agenda and that was my sole function, it was ministerial to get it on the agenda.

So, Mayor and colleagues, we have two matters before us today. The way that we're going to try to handle this is we'll first turn to David Shaff, Teresa Elliott, Stephanie Stewart, and John Larsen, who are the four principals involved in the discussions. They're going to walk us through a proposed resolution -- what we have before us. And they are literally going to go paragraph by paragraph and tell us -- they're going to review the substance and the background to this agreement.

When they are finished, Commissioner Fritz and I would propose if there are any amendments that any member of Council wants to offer, we would do so at the time, see if there is a second, and lay them on the table. Those would be amendments to the resolution -- that would be 762. At that point, we would take testimony from the public on both matters, and then the Council would come back and deliberate.

I do just want to observe that when I opened the newspaper today, I read that the United States negotiating team and the Iranian negotiating team had reached a breakthrough agreement on Iran's nuclear stockpile. I kind of had the same feeling last week when I was handed a resolution and told to sign it because I was struck that the Water Bureau and the Mt. Tabor Neighborhood Association had reached a tentative agreement on the future of the reservoirs. And while they're different issues and different places, I think that they both give us reason for hope because ultimately, what's happening is the key stakeholders are sitting down and trying to guide their own destinies and decisions are being made by the people that have the greatest stake in these issues. So with that, Mayor, I want to introduce David Shaff to tee up the discussion.

Hales: Good morning.

July 15, 2015

David Shaff, Director, Portland Water Bureau: Good morning, Mayor and Council. I'm very pleased to be here today to discuss the resolution and our proposed amendments to the Historic Landmarks Commission decision regarding the Mt. Tabor disconnection project.

When we met last on June 25th, we reported to you that we felt that we were very close to an agreement that would resolve the Mt. Tabor Neighborhood Association and Water Bureau appeals of the HLC commission decision. Since the Council's meeting on May 28th -- the initial hearing on this -- we have met eight times for approximately 16 hours in order to come to a resolution of our pending appeals.

The resolution before you today reflects a concerted effort by the Water Bureau and the people empowered by the MTNA board to speak on their behalf to come to a carefully crafted and balanced agreement that preserves the nature of the Mt. Tabor Park, its reservoirs, and commits the City to maintain, repair, and preserve its assets. We assume you've read the resolution so we're actually not going to go through every single whereas. We do plan on touching on all the commitments proposed in the "be it resolved" section of the document. Stephanie will lead off with the first few, and then we're going to alternate discussing what we believe are the important sections of this resolution. I'm going to turn it over to Stephanie Stewart from the MTNA board.

Stephanie Stewart: Hi, I'm Stephanie. So again, I'm going to attempt to summarize the intent behind the whereases as they were drafted. As you know, water is a defining characteristic of the historic Mt. Tabor Park. This park was designed around the now-historic reservoirs and their deep water views. Those deep water views across the park and the city landscape served up in Romanesque gatehouses and decorative fence rails are the central anchor to the Mt. Tabor Park. Anything that happens in the historic reservoir district has a profound effect on all of the Tabor historic sites. This is why my organization, MTNA, has taken such care these last 18 months to review the reservoir disconnection reconstruction plan.

The Historic Landmarks Commission, through four hearings that ended in a unanimous decision, understood the community's concerns -- all of them that we were able to bring up -- and the importance of preserving these historic resources for generations to come. Their decision, as you know, called for water to be maintained in the reservoirs and it also called for the reservoirs themselves to be repaired, maintained, and restored. And the neighborhood association felt strongly that the requirements they imposed -- the Historic Landmarks Commission -- were appropriate and reasonable, and a lot of the language in the warehouse statements again goes to speak to our sentiment that these were important requirements.

John Larsen: John Larsen, Mt. Tabor Neighborhood Association. In the negotiations -- it's clearly a compromise what we arrived at. What you are looking at in this resolution is very much a compromise, neither side got exactly what it wanted but we were taking very seriously your charge that we should negotiate with each other and that we should try to find some kind of common ground. It did not come easily, as director Shaff said. It took many hours of close work. Thank god we weren't trying to address nuclear capability -- this was hard enough as it was.

One of the main things to come out of this resolution is our hope that there can be a working relationship going forward. So, it's not just we have got this figured out and we're done here, and you'll see that a number of the pieces of this resolution call for us to work together collaboratively on things going forward. It also asks -- we're hoping that you will consider this as a charge also to the Council to make sure that this relationship works going forward. If you have any questions about the intent behind the resolution, we would be happy to answer those at any point.

July 15, 2015

Shaff: I will cover the last two whereas statements on the first page and the first two on the second. In essence, these four whereas statements confirm that the City recognizes that the reservoirs are assets it has an obligation to maintain, repair and preserve. The reservoirs are not only an integral part of the park. Even after they're disconnected from the distribution system, they will remain as a part of a complex system of pipes, valves, and related equipment that are part of the overall utility infrastructure that we've been tasked to operate and maintain. Indeed, one of the commitments we made to Council and to the public regarding this project is that the work we're doing is not going to prevent us from using the reservoirs in the future to store drinking water. Because of their location and because of the elevation of the reservoirs, it's not inconceivable that the reservoirs -- that Mt. Tabor will eventually resume operating as a site for future drinking water storage in the decades to come as Portland grows. While it would require work and effort similar to what we're preparing to do at Washington Park, these are assets that we cannot and should not let go. That also means, though, that we have to continue investing in their maintenance, repair, and preservation.

I'm going to skip down to the next to the last whereas on the second page. And as John said, we're perfectly prepared to talk about all of them, but we're trying to hit the highlights. We recognize, as John said, that the MTNA and the City share a mutual interest and commitment in the maintenance, repair, and preservation of these facilities and recognize that a cooperative agreement and a cooperative relationship between the City and the people we serve is in our best interests. Stephanie?

Stewart: This last whereas statement here again articulates our hope that we can secure your continued support going forward helping us to execute and maintain this agreement and this relationship in a workable manner. So, we can move on now if you're ready for us to go through the "be it therefore resolved" point by point we can do that.

Hales: Unless there are any questions? Go ahead.

Stewart: OK. So, the first one, the Historic Landmarks Commission and the State Historic Preservation Office and the Mt. Tabor Neighborhood Association all agree that water should be maintained on the site at historic levels for the majority of the year. The applicant's current water management proposal represents a compromise from that goal for MTNA, but we believe, if handled sensitively, the applicant's proposal can produce acceptable results at least until the parties have a chance to come together to explore other water management strategies. So, this first "be it resolved" articulates a water level management plan both parties can agree to today.

Then the next statement goes on to create a partnership through which the Mt. Tabor Neighborhood Association and the Water Bureau will explore new water management strategies. So, the goal here is for us to jointly craft a sustainable and efficient strategy for keeping the iconic views available at this site for as many days as possible during the year and hopefully, also, reduce the water consumption and possibly save money.

Larsen: And then the "be it further resolved" at the very bottom of the page also addresses a collaborative arrangement through which the Water Bureau and the MTNA will come together in a partnership. And this time, that's about the work that is outlined in the historic structures report. Just to recall to your minds what the Historic Landmarks Commission in their unanimous decision said was that the work in the historic structures report from 2009 is what should be a condition, condition E of the -- for the issuing of the permit. And this resolution -- although it addresses a compendium of issues -- is intended to accomplish some of what was outlined in condition E by the Historic Landmarks Commission, because we're going to suggest that condition itself be deleted from the land use decision and that his resolution is going to be a substitute for that.

July 15, 2015

What's proposed is that the MTNA and the Water Bureau will work together to prioritize which things exactly should be done in the way of historic restoration. Most of it is deferred maintenance, but just to put the structures back together and make sure that they are going to continue to hold water into the future and that they are continuing to have the characteristics that are part of the historic district. So, that's really what that is intended. And our goal is if we can work together to prioritize what gets done there, then we can relieve some of the tension and some of the contentiousness around these issues and really come to a working relationship around that. And that working relationship is really an important key part of this resolution for us.

Shaff: The next "now, therefore, be it resolved" is the actual commitment on the part of the City of Portland, the financial commitment and that is the City has an obligation to maintain, repair, and preserve the reservoirs and the Council should allocate at least \$4 million dollars over the next four years, starting in fiscal year 2016-2017 -- everyone realizes that this year's budget is already in place -- and that we would work together with the MTNA to prioritize the work that is called for in the 2009 Mt. Tabor Historic Structures Report. We believe that the amount should be sufficient to cover the work outlined in that report, not including lining the reservoirs or restoring the lighting -- which we have a separate "now, therefore" on.

That sum recognizes that some of the projects anticipated may be more expensive than we're anticipating today. Remember that we are -- we give you low level planning -- low confidence, planning level numbers, and when we go through the process of putting out our RFPs and hiring contractors, we will come back to you with contracts and ordinances to do the formal work. But we anticipate that some of those projects may be more expensive than we're estimating today because they might require historic preservation specialists or may simply be more expensive in the out years. We also know that some of the anticipated projects will require land use reviews, which could affect their costs.

We also expect that amount will be sufficient to address neighborhood concerns related to the chain-link fence that surrounds the dam face on Reservoir 5. If you are familiar with the complex, the Water Bureau many years ago before my time put a chain-link fence on the dam face between 5 and 6. And we're required to do that because of Federal Energy Regulatory Commission requirements. We're no longer regulated under FERC, we are regulated under the state dam safety office, and our chief engineer has expressed a willingness to talk to this dam safety office and to determine, one, if there's still a requirement to have a fence at all on the dam face and if there is, if we could perhaps look at something that is an attractive, historical alternative as opposed to what most of us would call a fairly unattractive chain-link fence.

In the next section, we agreed that the Council should consider an additional allocation of \$1.5 million to replace the non-historic lighting with the historic lighting at Reservoirs 1 and 5. To be clear, the only commitment that the Council is making today is to give such an allocation future consideration in a future budget cycle. This was a very important part of our negotiation. I think that it probably would not have come to an agreement if we hadn't been willing to at least promise that you will consider that as a future potential budget allocation. But we have not committed you to actually making that allocation. I think John wanted to add to that.

Larsen: Yeah, this was the thing that's kind of conditional in here because we weren't able to fully agree on that. The restoration of the historic lighting as opposed to the strip mall lighting there now is very important to a lot of people in the Mt. Tabor neighborhood and a lot of people in our constituency. The fact is that we don't actually know how much the -- how much money any of this stuff will actually cost. It's -- everybody who is involved in this

July 15, 2015

negotiation -- all of us -- are taxpayers, ratepayers, so we want to be prudent about the spending of the public money at the historic district, but we also recognize these are capital assets that need to be maintained and need to be taken care of and they require extra attention because of being on the National Historic Register.

So, our hope is that if we can come back to you and say that the amount of money that is called for in this resolution -- the \$4 million -- that we have thoughtfully and carefully and deliberately spent that money and that it's been well spent and that you've seen how prudent that was -- at that point, we might have actual figure for what it would cost to restore historic lighting around especially Reservoirs 1 and 5. And that you'd be willing to consider making that kind of allocation. So, \$1.5 million is -- we don't actually know that's what it would cost, it could be quite a bit less than that or it could be more. So, this is just asking for your future consideration on that.

Fritz: Just a point of clarification. When it says the next four years, is that starting in fiscal year 2016-2017?

Shaff: That's the intent, yes.

Fritz: Because obviously, we have not allocated that in the current budget, it would be a stretch --

Shaff: Absolutely.

Fritz: OK, thank you. Also, I note it doesn't specify whether it's rate dollars, or general fund dollars. That's up to the future Council to decide.

Shaff: That's correct.

Saltzman: So your very last whereas -- or "be it further resolved" talks about these being binding financial obligations on the City. So, we --

Shaff: We haven't gotten there yet, Commissioner.

Saltzman: I know, OK, I'm just trying to connect the dots here. So, the 4 million is the binding City obligation, the 1.5 million is not?

Shaff: It's the only binding obligation regarding the lighting and the \$1.5 million is that you consider it. That's the binding part.

Stewart: One is to allocate and one is to consider.

Saltzman: OK.

Larsen: So the next "be it resolved" in the middle of the page there really addresses condition C in the Historic Landmarks Commission deliberations, which calls for there to be some interpretive materials, the same kind of interpretive materials that have happened at -- are going to happen at Washington Park and at Powell Butte about the water system and the reservoirs. We thought, given the fact that we're going to be working together, that we could also work together on the development of those interpretive materials. So, this is really an amendment, in a way, or companion to condition C in the land use decision. It's very important to our community that the framing on this material honors the historic reservoirs from the neighborhood perspective and from the community perspective. So, that's really what that paragraph is about.

Shaff: Commissioner Fritz's office pointed out that we're missing a verb in that one. So it really should say, "the Water Bureau and other City bureaus, as are necessary, are directed to collaborate with the MTNA." We have been looking at this language for a long time and we sort of missed that one little word.

Hales: I'll regard that as a scrivener's error and it's been corrected.

Fish: David, the idea of directing the bureau to do something in a collaborative setting strikes me as a bit odd since the bureau and the neighborhood association have come here saying they're going to do this. What if we just said "shall collaborate"? I don't think the Council has to direct the Water Bureau to do this. I think that we are saying that you are going to continue to collaborate.

July 15, 2015

Shaff: I'm sure that that's fine with us, Commissioner. It's what we drafted at the time. But the intent we're trying to get across here is that we don't do this on our own unilaterally, we work with the neighbors.

Larsen: And we were also hoping -- other bureaus will need to be involved from time to time. BES to some extent has to be involved in the matter of draining a reservoir. Parks Bureau obviously needs to be involved because even though it's the Water Bureau property, it's within a City park. So, that direction language is other City bureaus, as necessary. That was really the intent of that part of it.

Fritz: Commissioner Fish's amendment is a friendly one, I believe. The "shall" is even more directive.

Hales: Can you give me that again, sorry?

Fritz: So, instead of -- sorry, go ahead.

Fish: Go ahead, Commissioner Fritz.

Fritz: So, instead of "are directed to" just "shall collaborate".

Hales: On which resolve? Next to last?

Fritz: It's in the middle.

Fish: Its paragraph 26. I have to number them to keep them straight.

Shaff: So did we.

Hales: Got it.

Stewart: Are we ready to move on?

Hales: Yes.

Stewart: The next "be it further resolved" is the third from the bottom. This is one that is intended to replace our previous request for a conditional use review to address the tree concerns we have. While we do believe the site would benefit from a conditional use review, this paragraph addresses our primary underlying concern that prompted us to seek that request. And that concern is about trees that can't be planted in the future in Mt. Tabor Park as a result of the applicant standard trees and pipes' policy. So, this paragraph begins a conversation about a Tabor-specific or at least a case-by-case review of trees and pipes policy for this park, which is characterized by its trees.

Shaff: The next to last resolution or "be it resolved" commits us to collaborate over the next four years. This actually will, Commissioner Fritz, probably begin this fall because the budgeting process for the Water Bureau begins in the fall. Over the next four years to report to Council on a semi-annual basis, culminating in a final report in December of 2020. And the idea here is to let you know how we're doing and to report back to you and to -- I know we will work together, but, you know, there will be bumps along the road, probably. We want to make sure that you understand where they are, why we're prioritizing the work that we are the way that we are. So, the intent there is to keep you informed so that you know what we are doing.

Fish: So, David, a preview, I'm going to offer an amendment to strengthen 28 because I even want it to be more prescriptive. But let's also -- just in light of Commissioner Fritz's early comments, just want to be clear -- the four years referenced in paragraph 24 begin with the next fiscal year. The requirements of consulting and planning under paragraph 28 begin as soon as this document is adopted by the Council. So, the preparation for the next budget cycle begins this fall. Is that correct?

Shaff: That's correct. Theresa and I have already spoken with John and Stephanie about perhaps starting to have these conversations as early as next month in August after a final decision is made.

Fritz: My understanding is that your intent is that the report might be a written report, it wouldn't necessarily be a full public hearing before Council.

July 15, 2015

Shaff: That's correct. Finally, it's important to recognize that this resolution is binding City policy and it is the law of the land. It was crucial to the negotiations that the Council makes certain commitments before the Mt. Tabor Neighborhood Association was willing to state that it would not appeal a Council decision on the land use review. Since an ordinance requires due hearings and we believed we could not have a first hearing on an ordinance without running afoul of the ex parte rules regarding land use appeals, we chose the resolution as the vehicle for that agreement. This allowed us time to -- this allowed us to time the passage of this resolution with a Council hearing and tentative decision on the land use appeals. We understand by City Code that a resolution is as binding as an ordinance as long as it has a statement that says that it is binding City policy. That's the purpose of this very last "now, therefore be it resolved." The Mayor agreed when we last met on June 28th that is certainly the case and I asked the City Attorney's Office to confirm, in a statement that I shared with the MTNA that a resolution that states that it is binding City policy is as binding as an ordinance. Needless to say, there's no agreement without that section. And that is the resolution that we worked on.

Saltzman: So, with respect to maintaining water in the reservoirs, it's totally understood that this is not drinking water and it's totally divorced from the current distribution system for drinking water?

Shaff: That's correct.

Saltzman: That's understood? So when it talks about maintaining clean water in the reservoirs, we're not talking about necessarily drinking water.

Shaff: Right, that's absolutely correct.

Saltzman: It may be drinking water standards, but it will not be in the --

Shaff: It'll start that way.

Saltzman: It won't be in the drinking water distribution system.

Shaff: Exactly. The intent there is that if you leave those 111 million gallons -- because that's what it will be in the four basins at 85% full -- if you leave them sit from now until the end of time with just that original amount of water, they're going to get kind of scuzzy. And so, our intent is to drain them and refill them, and we will work with the MTNA over the next four years to figure out what cycle works best. But that is the intent. It's intended to have them look clean but nobody would be using it as drinking water. And that water in those reservoirs because of the work that we will be doing as part of the land use -- as part of the project -- cannot go into the distribution system.

Saltzman: OK. Thank you.

Hales: Other questions? Anything else that you as a panel want to cover? OK. And I think that there's some amendments.

Fish: I would like to ask the panel to stay here for a moment, and if the clerk could hand out the packet.

Hales: OK.

Shaff: And then we will have an amended condition B and condition E when we get to the land use portion of the hearing.

Fish: Karla, could you also hand out the Citizens Utility Board memo?

Hales: We got it. It's here.

Fritz: Do the panelists have copies of these amendments?

Hales: So, Commissioner Fish, would you like to walk us through these amendments?

Shaff: We don't yet, sorry. Karla is going to give us one.

Fish: Let me just set the stage for this discussion. This is an unusual case in that two members of Council have filed a resolution that they did not draft and we agreed that we would transmit what the parties had negotiated. So, there are, based on our review, there are three issues that we want to raise at this point for discussion and then have the

July 15, 2015

Council decide whether these are changes worth making. And they are reflected in six amendments that are before the Council. Mayor, I will just walk you through them.

Amendment number one is proposed by the Citizens Utility Board of Oregon. And it is designed -- and the accompanying memo from CUB explains their thinking, but they have proposed alternative language for a paragraph 12. And the essence of their comment is that once the reservoirs are disconnected, they no longer are part of a system that relates to our water distribution system, and so the language needs to make clear that they exist alongside that system but they're not integral to the system. The Citizens Utility Board submitted a memo in support of their amendment. So, that's amendment number one.

Amendments number two, three, four, and five are designed to make clear if necessary that the Water Bureau is committing to working with the dually constituted stakeholders for Mt. Tabor Park, and where appropriate, we have included the Friends of Mt. Tabor Park, since they are officially recognized friends group by Portland Parks and Recreation, just as the Mt. Tabor Neighborhood Association is the duly recognized neighborhood association. In amendment four, we've also included Portland Parks and Recreation just to make clear in amendments four and five that we view -- that the Water Bureau views Parks and Recreation as first-tier partners in doing this, because obviously, we're talking about a park.

Amendment six is designed to address something that Commissioner Fritz referenced earlier and that I forecast in paragraph 28, which is the reporting requirement. And because I think that because I operate under the theory of trust but verify, I think that the reporting requirement is fundamental to this deal. And I thought that the existing language was, could be tightened to make clear what the obligations were. So, under the proposed amendment, every six months the Water Bureau would submit to the MTNA, Friends of Mt. Tabor Parks and other stakeholders a written report documenting compliance with the resolution. So, every six months we would be required to do that. Every year, the bureau would be required to make an annual presentation to City Council and to the Portland Utility Board -- both of those are public meetings, public hearings where anybody can testify. And then the final summary report would be submitted in December 31st 2020. The intent is to be as clear as possible about what the obligations are and strengthen the reporting requirements so that the public has the maximum opportunity throughout this process to both be aware of what we're doing and to comment.

Mayor, I will move these six amendments -- excuse me, actually, they are sufficiently different. Let's go through each one.

Hales: I think you can move them as a package.

Fish: I would move them as a package simply discussion purposes.

Hales: I'll second that for discussion, and then we'll see if anyone wants to strip one out consider them separately.

Fritz: I'm really concerned that I have not seen these before and some of them are -- seem completely helpful, like adding the friends of Mt. Tabor Park, but some of the others I think are fairly significant.

Stewart: I would agree.

Fritz: So that's a problem for me to be able vote on this resolution today without having seen the amendments.

Fish: When we took up a large land use proceeding recently, you presented 85 amendments on the day of the hearing because the timing did not allow you to do it before the hearing. Because this was filed under the circumstances, I haven't had the chance to have that conversation. The bulk of these amendments do not make any changes on the substance of the agreement. The one substantive change is proposed by the Citizens Utility Board of Oregon, and because they are a partner of the Water Bureau, I am duty-

July 15, 2015

bound to present that. If the Council does not support that, we'll vote it down. The amendment six is designed to make as clear as possible what the reporting requirements are. And if at the end of the hearing, our partners, including MTNA, want to officially say yea or nay on each of these, that will have a great sway on the Council, but I want to put them before us so we have something to discuss.

Stewart: Yes, please let us know when you want us to weigh in.

Hales: We will, but my recommendation is that we do what Commissioner Fish suggested which is to take action to accept these amendments, take testimony, and then if we want to return to any of them and either change them or not adopt one or the other of them, that's still the Council's prerogative. Any objection? Let's take a roll call to accept the amendments.

*****: I object.

Hales: You will get a chance to speak.

Saltzman: Aye.

Novick: Aye.

Fritz: Commissioner, when I presented all of those amendments, I believe the Council voted them down on the basis of that. No.

Fish: Aye.

Hales: Aye. OK, so the amendments are before the Council as well as the rest of the draft resolution and we'll give people a chance to comment on that. So, any further amendments? While you're here, let's give the Mt. Tabor Neighborhood Association at least an initial opportunity to comment on the amendments, if you find them acceptable, if there's some of them you are concerned about or have questions about.

Larsen: Well, we haven't seen these before, either.

Hales: Same here. We're all in that boat.

Stewart: So, we definitely have some off the cuff opinions right now. First, amendment number six. I absolutely appreciate anyone tightening up the language, so a lot of this is great. However, it does seem like the structure has changed slightly here. We intended this report to come from -- as a joint report from Water Bureau and the Mt. Tabor Neighborhood Association. If you would like to add another group to that discussion and that table making that report, we could accept that, but --

Fish: On that point, you're saying the six-month report would be a joint report?

Stewart: Yes.

Laursen: Yes.

Fish: And since that's something new to me, tell me what a joint report -- what does that mean? So there's no --

Stewart: A joint report gives us a chance to check in with you and let you know how this arrangement is really working from both sides -- not just from the Water Bureau side, but from the community's perspective. Is this relationship truly turning out to be collaborative? Are we running into hiccups? Have we had differences of opinion? Or if none of that's true, then it's a pretty technical report that's just coming to you to talk about the progress we made. But we did intend this to be a collaborative meeting process that then produced collaborative reports.

Fish: So, again, because I don't -- David is about to retire and I want to make sure that his successor has clarity about what's required. The Water Bureau has to prepare a report. Someone has to write something up and transmit it. In this relationship, they will be discussing the report and the progress with you on a regular basis. They will be sharing with you a draft of the report. At some point, they need to get it out. So, what happens if you have an objection to what's in the report? Do you put a -- do you put a supplement to the report? Do you issue your report? Again, I want to be very clear --

July 15, 2015

Stewart: No, I think it's great to think this through --

Fish: I want the maximum input on this, but we don't often do joint reports, so I want to make sure that I know what it means.

Stewart: I think it's great to think this through. I myself imagine it to look like this -- where we are collaborating, the report is made together and where we aren't, we are simply sitting at the same table reporting to you but in different time slots.

Hales: Let me make a suggestion. Let me cut to the chase here and see if works. If not, we can circle back. I would recommend that we change the language -- because I think I see where this is going -- to say "be it further resolved, the Water Bureau and other City bureaus as appropriate, shall coordinate and collaborate with the MTNA and other key stakeholders and submit to the City Council a semi-annual report." In other words, we can direct the Water Bureau and other City bureaus to do things. We can't direct you to do things and that's a good idea that we can't, but I understand the point. You want to be included in the preparation of this report. But again, our power here as far as it goes is we can tell City bureaus what to do. What we can do is tell them is coordinate and collaborate with you and produce a report, but they have the carrying responsibility.

Fritz: Well then, that's what we've caught in the current version.

Hales: But we've also added other stakeholders that weren't in the original language, I believe.

Fritz: And does the Mt. Tabor Neighborhood Association accept the addition of Friends of Mt. Tabor Park as a friendly amendment?

Larsen: I don't think that we have a problem with that. The reason that the MTNA is called out here is because we are appellants in the land use decision and this resolution is intended to replace condition E. And so, we are the ones with a legal stake in this -- in the matters before you. So, it wasn't meant to be exclusionary in any way, it was because that's who was in the room negotiating this and doing -- you know, doing the heavy lifting. We're certainly planning to be involved. We couldn't really obligate any other organization to be involved in the way that we are.

Stewart: And for clarity -- just because we may have highlighted a flaw with our original language -- I want to make sure that this is clear going forward to the next director. We were -- this is a jointly created report. We are imagining it's a jointly delivered report. We'd like to have speaking rights.

Fish: Right, so, let me just -- this is why I'm raising the question. As Commissioner Fritz said earlier, it would be a six-month written report and an annual hearing before Council. So, this is not a -- we're not having a hearing before Council every six months, we're issuing a report that you are helping us to craft that advises the community about where we stand. We'll have an annual hearing in which all of the comers will be able to come before Council and comment. So now, we're talking about how we draft that report. And I want you in the room while that draft is being produced, I just want the language to be clear about the roles. And I have no pride of authorship. In fact, Mayor, I kind of like your change. What I might suggest is -- because we have a lot of testimony -- I would be happy to work with my staff and with Stephanie and John to see if we can come up with proposed language that they can support.

Hales: Let's leave the language issue aside for the moment. Again, if I've captured your concern, you want -- one of your concerns is that you want to make sure that the MTNA and other stakeholders are involved in crafting the report.

Stewart: Mm-hmm.

Larsen: That was one concern, but the other concern -- in my mind at least -- is the reason that we have opted for semi-annual reports -- obviously, quarterly would have been crazy. But semi-annual -- if this agreement starts to go off the rails, it seemed like you

July 15, 2015

would want to know sooner rather than later. And so, you could wait a year for us to jointly come back to you, but if there are concerns as we're getting to the end of six months on this thing, it seems if I were in your shoes, I would want to know what was happening with this and hear from the participants, "oh, this is going swimmingly" or it's not. So, that -- we were really trying to build in, or check in with you about this. Whether we would need that every six months is not entirely clear. This is uncharted territory.

Hales: My advice -- if you take it -- as the presiding officer of this Council that hears a lot of issues, is, you know -- to be able to sound a little flippant, the Mt. Tabor Neighborhood Association is not limited to reports through the Water Bureau for how you stay in touch with us. So, my point would be -- I think this is a workable structure as long as you are involved in the crafting of the report, and you always have the prerogative, obviously -- and you exercise it on lots of issues -- to get in touch with the Council and say this is not working. I would expect that you would do that. So, again, I would recommend that we take his suggestion and let you work on the language. But if the sense of it is you want to be involved, you want to be able to call foul if something is not working, requiring set piece presentations every six months in front of this City Council on things that are working usually is not a great use of anybody's time.

Fritz: Do you have comments on amendment one?

Stewart: I do. Well, this feels like a major change for us. And we very much -- we have worked throughout this whole process to -- as you've known, for 18 months, you have heard us talk about the importance of maintaining reversibility. And part of maintaining reversibility is maintaining the very clear stated link between these disconnected reservoirs and their usable function in the water system. And this is a major change here. This describes the reservoirs as something outside of the utility system as opposed to being a part of the utility system, and we would definitely prefer language that -- the original language.

Fish: And this is not my amendment. So, the Citizens Utility Board of Oregon is an independent outside ratepayer advocate. And one of the reasons we struck this relationship is to have their voice, whether we agree with their voice or not. Council has the final say.

What their memo says, as I read it, is that unlike Washington Park where once we bury the reservoirs, those reservoirs are connected to our water distribution system, once these are disconnected, they are not directly connected to the system. And they believe that it's therefore more appropriated to say that they exist alongside. That's just their view. And so, I have offered this amendment and they've submitted a memo explaining that. Technically, once they are disconnected, they are not part of the water distribution system. The Citizens Utility Board is right. Whether the language needs to be changed to reflect that is for the Council to decide. I only offer the amendment, Mayor, because they have proposed that.

Hales: OK.

Larsen: We would strenuously disagree. We think that they're part of the system, we think they're part of the future necessary capacity for the Water Bureau. They continue to be assets held by the Water Bureau. The whole complex of -- as we understand it, the whole complex of pipes and infrastructure there is -- although the reservoirs will be disconnected from serving the drinking water system now, the reversibility has been cited often. We've heard various Commissioners say that this is going to be reversible if in the future it's valuable to have the reservoirs as part of the water system, and we think it's important to keep that language in there.

Saltzman: Could you define reversibility, or is that defined somewhere? What does that mean?

July 15, 2015

Larsen: Reversibility means -- in the original land use application, the inlet pipings were going to be filled with concrete, and it would have been really difficult to be able to in some future possibility, to even bring water into the reservoir, let alone to be able to reconnect it to the drinking water system. What we've been assured is that the severance that needs to happen -- the cut and plug, that's happening now -- that you can unplug and reconnect, if, for some reason in the future it was determined that that was important to be part of the drinking water system.

Saltzman: So, is it understood -- in that scenario, if we use those reservoirs again to store drinking water -- is it understood that open water reservoirs are not allowed anymore and that would have to be complied with LT2?

Shaff: No. We would still have to be in compliance with LT2. The only way you would be able to store drinking water out in the open would be if the law changed. You can also -- as I foreshadowed in my comments -- the reservoirs are at a perfect location and perfect elevation for the city if, in the future, the rules don't change but in the future we need more storage, they are a place that we would be able to store water. But we would not be able to store it in the open. So the cut and plug, Commissioner, is -- you know, imagine this is a pipe. You're going to take about ten feet of pipe section out, weld a flange on either end, then it is now plugged.

Fish: And to be clear, Commissioner Saltzman, the bureau has made a commitment without regard to the legal issues you raised that this is a reversible process. So, the planning for this decommission is reversible, and that's reflected in the negotiations and in the bureau's commitment. And there are lots of hypotheticals in the future, but this work will be done in such a way that it's reversible. The bureau has made that commitment. I understand the issue the Citizens Utility Board is raising is a subtle issue, but I still -- I think that they have every right to raise it, and perhaps people will want to comment on it before the Council votes on it.

Shaff: And may I add some technical details just for your knowledge?

Fritz: I was going to note, as Council president, I want a time check for my colleagues. The Mayor has to see the Pope at noon, and we need to get the resolution voted on and the land use voted on, and we also have another crucial issue that the Mayor needs to be at later on the agenda. So, if we could go to public testimony, I think would be most helpful at this time. Maybe you could work together while we listen to public testimony.

Shaff: Can I just provide you with just some minor details?

Fish: Wait a second, as the former president of the Council, I would be happy to hear the minor details.

Shaff: We will continue to have telemetry. We'll continue to have instrumentation. Those are critical parts of our overall distribution system. There's no question about that. We met the entire time -- with the one exception of Stephanie's house -- in Gatehouse 5 surrounded by equipment that will remain and will continue to operate. Secondly, we will still use the reservoirs on the occasion when we need to drain our conduits. We've spent all summer dumping water into Reservoir 1 so that we could drain our conduits and do conduit work. So, we will still be using them. They will still be part of our system. They will not contain drinking water, but they will still be part of our system.

Hales: Understood. I think those words may be reassuring. Let's thank this panel and we'll give you a chance to come back up at the end if you have had a chance to think about the language a little further. Obviously, Council is going to revisit the amendments.

Rees: Mayor, before you begin on the testimony, there was one part of Commissioner Fish's statement that I want to make sure that we clarify, which is he mentioned the testimony would be on both items. It's my understanding that the second item -- on the land use item -- the record is closed. And I'm not clear that you intend --

July 15, 2015

Hales: That's correct, and obviously, the heart of the matter -- again, for folks that do want to testify -- the heart of the matter before the Council today is, do you believe that this resolution is a responsible solution to what was brought to us originally in a land use appeal? It came to us in the land use appeal. The land use appeal is still before us. But what has been presented to the Council is a proposal by both the Mt. Tabor Neighborhood Association and the bureau to say through resolution we're going to enshrine this agreement instead of continuing with the land uses appeal. That's the question. Should we do that or not? So, it would be helpful to us -- again, both in terms of the time and clarity -- if you would focus on that question, not re-litigate old issues or go off into other issues. That's the question before this Council. Is this the right resolution or not. So, if you could --

Fritz: And comments on the amendments.

Hales: And to the amendments. Do these amendments in some ways change that you like or don't like? Your opinion about whether this is a good resolution.

Rees: And to be super clear for the land use record, the testimony will only be on the resolution.

Hales: The testimony is on the resolution, on item 762. Thank you. OK. So, who do we have signed up?

Moore-Love: We have 16 people signed up. The first three, please come on up.

Hales: I will ask you to be succinct and I might have to change the limit to two minutes, but we'll give you a chance to get started and we'll see.

Steve Wax: Good morning, Mr. Mayor and Councilors. I am here to support the resolution --

Hales: Put your name in the record, Steve.

Wax: I'm sorry -- Steve Wax. I testified on May 28th. We took to heart the Council's charge to attempt to negotiate. It's been a long and difficult process, but we're there. I urge the Council to accept the resolution as submitted with four of the amendments submitted by Commissioner Fish. Amendment one I urge you to reject. I think that the comment from Mr. Shaff regarding the fact that the reservoirs do remain a part of the Water Bureau infrastructure should resolve that issue. The original language should stand. Whatever the language ultimately resolved on the amendment six regarding the report, it needs to be joint. There needs to be collaboration.

I think that the other point that I want to make is in terms of the going forward. It is unfortunate that Mr. Shaff is retiring at the end of the summer. It is critical to the community that the Council be on record as fully supportive of these efforts and that as you hire the new Water Director, that person be fully apprised of what has been happening and that you would include in your hiring process discussion of this issue. Thank you so much for having pushed the effort. We hope that you now accept the effort that's been presented to you as it is.

Hales: Thank you.

Fritz: And Mr. Wax, if we do accept the resolution with your suggested amendments, would you also agree that you would probably not appeal to LUBA?

Wax: It seems to me that this is a wonderful compromise. That if this resolution is accepted and the Council, as the quasi-judicial body accepts in part and denies in part the appeals of the association and the Water Bureau, that I personally would not invest any time or money in an appeal.

Fritz: Thank you.

Hales: Thank you. Good morning.

Mary Kinnick: Good morning. I'm Mary Kinnick, and I'm here on behalf of the Friends of Mt. Tabor Park board where I serve as co-chair. And also, as some of you know about the Friends of Mt. Tabor Park weed warriors, and I serve as a coordinator of the habitat

July 15, 2015

restoration program. I want to make a comment just about that role before I speak to the main issue here. We've -- the Friends weed warriors have worked collaboratively, increasingly well with the Bureau of Environmental Services and Portland Parks and Recreation on what has now been for the last probably four years a well-planned, coordinated habitat restoration effort in the park that did not exist before all of these parties came together. We even have formal agreements both with Parks and with BES. And I know the project has gotten a lot better and things are improving better because of that collaboration.

The Friends of Mt. Tabor Park board is in full support of the joint resolution. And I've just seen these -- obviously we've all just seen the amendments today, this morning. And one thing I do want to speak to on that is that amendment six. In my view, as you said, Commissioner Fish, how important the whole reporting, this accountability reporting, the transparency of what's going on -- my experience working with the other bureaus is that really needs to be a joint report issued by the parties. And you know, I can't recraft the language right now, but doesn't make sense to me if it's just sort of this Water Bureau gives a report and it's up to the other parties to comment on it. It really should be a joint report. And if they have disagreements, they can include that in that joint report. That way, everybody is having a voice and hopefully things are going -- as David Shaff said, swimmingly -- or maybe you said that, Mayor. [laughs] But I think it needs to have that kind of language.

The Friends of Mt. Tabor Park -- I can't speak for all of my colleagues, but we would be pleased to have a seat at the table also and contribute ideas since we're so involved in so many aspects of the park. And I'm really pleased to see that those amendments have been added.

Lastly, I have to say -- 28 seconds -- the efforts by Stephanie Stewart and John Larsen as volunteers for so many years -- they have become my heroes. I think that speaking as a volunteer myself, when you step up and spend that many hours as they have, I think the process has been made better. It's a testament to how important it is to continue to include public process in the deliberations of this body. So, thank you very much.

Hales: Thank you.

Tom Koehler: Tom Koehler, Mt. Tabor resident, and I'm a supporter of the resolution as it is in front of you. Appreciate the efforts that have gone into it. Appreciate the agreements that have been reached by the two parties. So, very hesitant to want to support new amendments -- certainly do not support the CUB amendment. And this resolution absolutely recognizes the importance of these reservoirs to our complete water system and the future use. So, very supportive and hope that you will vote yes. Thank you.

Hales: Thank you very much. Thank you all. Good morning.

Nadine Feidler: Good morning. I'm Nadine Feidler, a long-time member of the board of the Mt. Tabor Neighborhood Association, and I am representing that body today. We've been working on the reservoir issue for many, many years and we have a lot invested in it. We're very proud of the thoughtful work that Stephanie Stewart and John Larsen have done, and we're very grateful to the Water Bureau for being willing to come to the table and compromise in support of our historic and beautiful reservoirs. The board of the Mt. Tabor Neighborhood Association stands united in its support of this resolution, at least as we saw it before the amendments which I hope we can work out. And we hope that you will show the same unanimous support today. Thank you.

Hales: Thank you. Good morning.

July 15, 2015

Brian Rohter: Good morning, my name is Brian Rohter and I'm here to ask you to support the resolution as prepared. If any amendments are going to be accepted, I would urge you to reject amendment one and amendment six as written.

I wanted to draw your attention to a couple of the whereases. Whereas, the reservoirs will continue to be an asset of the City of Portland; whereas, the reservoirs are part of a complex system of pipes, valves, other reservoirs and related equipment that will continue to be part of the overall utility infrastructure necessary for the operation of the City's water distribution system; whereas, the reservoir locations may be needed for additional storage and future generations; and whereas, the City of Portland has an obligation to maintain and repair and preserve its assets. The reason that I bring that up is because you have as part of the resolution an obligation to allocate \$4 million over four budget cycles to deal with the deferred maintenance at the reservoirs. Based on how the argument is laid out here, I would suggest that allocation of \$4 million would be wise, would be timely, and would be your fiduciary responsibility to implement. So, I urge you to spend that money.

Additionally, relative to keeping the reservoirs as close to 85% full as possible at all times, I'm sure you're all aware that there's been a major breach of relationship between the Mt. Tabor residents and many of the residents of Portland and the Water Bureau about this issue, and keeping water in those reservoirs would be a major step towards repairing that breach and restoring the trust that's been lost. So, I urge you to do that also. Thank you.

Hales: Thank you. Good morning.

Laura Smith: I'm Laura Smith, and 23 years ago, I was married on the summit of Mt. Tabor. My family, friends, and out-of-town guests saw the iconic views of the reservoirs as a backdrop to our ceremony. And so as part of the neighborhood for as long as we've been -- I became a member of the board, the Mt. Tabor Neighborhood Association, a new member -- and I've doted the work that the board has -- the two board members, Stephanie and John, have done. They have kept us, the entire board, apprised of all of the struggles as well as the successes, and the compromise and resolution before you today is success for both the neighborhood association and the Water Bureau. Though the park and its reservoirs are in my neighborhood, they're cherished by all neighborhoods and that's why the work that the neighborhood association has done is very important, along with their collaboration with the Water Bureau. So, I'm here to testify that you do accept the resolution as written.

Hales: Ok. Thank you. Thank you all. Good morning. You first, Miriam.

Miriam Berhman: Good morning. How are you guys? I'm coming to say that --

Hales: Just put your name in the record -- sorry.

Berhman: Miriam Berhman. I am a small business owner in Portland and a neighbor of the Mt. Tabor reservoirs. I would like to say thank you to Stephanie and John and David Shaff and the Water Bureau for coming up with this resolution. It took a lot of time. This is an ongoing issue. I'm glad to see that it's coming to hopefully a good resolution and that is was a reasonable, rational, full negotiation. When you have negotiations -- as someone said -- it's a compromise, not everyone gets exactly what they want. I'd like to say that keeping the iconic views of the reservoir with the 85% fill of water would be wonderful and I really urge you to vote for this resolution as it stands. Thank you.

Hales: Thank you. Good morning, Eileen.

Eileen Brady: Good morning. Eileen Brady. I'm a Mt. Tabor resident and I urge you to accept this resolution as written. I just want to say that Stephanie Stewart and John Larsen are also my heroes, and this -- hope springs eternal that the neighborhood system is alive and well. And the Water Bureau has come to the table. I think there has been some real

July 15, 2015

trust rebuilt, it's the beginning of something that I think the community can build on. Every single word of this resolution was highly discussed and negotiated, and so I'm concerned about the amendments, as well-intended as they may be. I would encourage you for the sake of the neighbors and maybe even the Parks department that there's some parties here that have not been involved in that conversation to consider passing this resolution without the amendments, particularly one and six, but I think in general to be fair to the collective process -- and Commissioner Fish, I know your heart is well-intended here but the eleventh hour piece may be tricky for the collective to actually take to heart. So, thank you so much for your time and I'm hoping for a positive outcome today.

Fish: Eileen, one of the amendments just specifies that the friends of Mt. Tabor Park, the duly recognized entity of the Parks Bureau, would be included in our consultations. Do you have an objection to that?

Brady: I don't have an objection, I do not.

Hales: Thank you very much. Good morning.

Rachel Dolkas: Good morning. I'm Rachel Dolkas, a Mt. Tabor resident as well. And just keeping it short and sweet here -- I am here to support the resolution without the amendments. I believe that the plan to keep water in the reservoirs will uphold the integrity of these historic structures in a much-loved Portland park. So, I urge you and ask you to approve this and move forward, please and thank you.

Hales: Thank you. Thank you all.

Mark Colman: I'll be brief. My name is Mark Colman, I'm a citizen. Very concerned about the water issue and I believe that the agreement as written before the amendments is what should be approved.

Hales: Thanks very much.

Paul Cienfuegos: I'm Paul Cienfuegos, resident of Mt. Tabor. I don't understand how Nick Fish can put forward six amendments that are supposed to be passed today in a rushed manner when even the MTNA's negotiators have not seen them until now. I think this is again a classic example of why the public isn't trusting the City at this point around this issue. I oppose all of the amendments until the MTNA has had a chance to review them properly. Thousands of us in the city understand that it's been ridiculous to disconnect our beloved reservoirs from the City water distribution system merely because our City government has not been willing to fight for our right to keep them in open air.

I'm mostly coming up here today to announce that if and when any further legal challenges to the disconnection of the reservoirs are resolved through lawsuits or anything else that there will be massive, non-violent, ongoing civil disobedience actions planned to protect our reservoirs from disconnection, and that you can expect that and I would welcome anyone in the room today who's listening to this to get in touch with me today and to sign up for ongoing massive civil disobedience when necessary after all lawsuits are concluded. Thank you.

Hales: Good morning. [applause] Folks, please. Go ahead, Floy.

Floy Jones: Floy Jones representing Friends of the Reservoirs. Friends of the Reservoirs have examined many Water Bureau resolutions, ordinances, and land use decisions over the last 20 years. Commissioner Leonard justified the spending of a half million dollars on a CH2M Hill constructed house at Powell Butte by saying that it was locally mandated --

Hales: Floy, let's talk about the reservoir issue.

Jones: Well, it's related to that. We support including the requirements in the land use process. We think that is important. And we previously -- Friends of the Reservoirs previously negotiated, coauthored the reservoir panel resolution when the panel found no reason to treat or cover Portland's open reservoirs. We didn't agree with some of the language in the resolution, but the intent was to ensure that the Water Bureau cooperated

July 15, 2015

with community stakeholders and did not unilaterally develop a fast track reservoir burial plan. It was to ensure that it would be developed with the community to represent community interest, and the Water Bureau defied that resolution. And now, we're to accept that in this case because we've unilaterally and coauthored -- because we have coauthored a resolution that it is going to be different? And I -- you know, we don't have time to go into the case of after we announce that we received a variance on the treatment plant, then within days the water bureaus in Clackamas County with no announcement to any stakeholders pursuing a land use process that supported a treatment plant and a number of other projects. So, I'll submit this written testimony to you later.

But I, too -- not realizing that you were going to vote today -- I, too, have submitted amendments and they're friendly amendments and they address the whereas issues and they were written so that it further support the intent. The whereas Mt. Tabor community members and many other community organizations -- that should be added. It certainly hasn't just been Mt. Tabor. I submitted in the land use process a list of 30 organizations that have been consistently signed on to either our letters or written letters to Council, and the U.S. Congressional delegation opposing covering, burying the reservoirs.

And you have a whereas that addresses the March 2009 that Council approved that. There was no resolution or ordinance then, it was simply a report to Council and that report supported building a filtration plant.

But the most important, I think, is to eliminate the whereas that supports the reservoir locations may be needed for future additional storage. I mean, that's always been the Water Bureau's push. They want to demolish the reservoirs at Mt. Tabor and bury storage. Obviously, with the plan they put together, we'll have 50 million gallons less storage -- demolishing at Kelly Butte, building at Washington Park and Powell Butte. So, there's not gonna be a need for future generation building at Mt. Tabor and it would give some confidence to the community to eliminate that whereas.

Hales: Thank you very much. Next? Come on up, please.

Teresa Roberts: Good morning. My name is Teresa Roberts. I'm a voter in the 97219 district. There is a really high level of distrust in this room. The last minute introduction of amendments is not helping the situation. Everything is starting to feel rushed and fast-tracked again. I really know that you are anxious to put this to bed and I can well understand that, but I think that we need more time to digest. I think we need more public input. And I -- if you are going to approve this resolution today, I would urge that you not include the amendments, but if you are favoring that one change that keeps coming up about the co-reporting that you go ahead and craft a change into the resolutions. I think that introducing amendments at this point is undermining of the trust. It makes things feel very uncomfortable. And also, there was a mention just now of friendly amendments that we haven't even heard and that you're not considering.

I would also like to say that I do not appreciate Nick Fish's rudeness to Commissioner Fritz in Council and on record. [applause] This is not the first time that it has happened and I think this is going to become a feminist issue. I have also noticed a certain level of rudeness towards Ms. Floy and that the statements she made to Council last week -- several weeks ago, in the morning -- in the afternoon, people were told to disregard them because they hadn't been made by a certain deadline.

I think that everyone on this commission should be recognized as a professional, and I think that the Commissioner's status as a former muckety-muck has no bearing on the proceeding today. It was inappropriate, unnecessary, and Commissioner Fritz was just trying to keep us on track so that you could meet with the Pope, and I am offended. Thank you. [applause]

Hales: Go ahead, Steven.

July 15, 2015

Steven Entwisle, Sr.: Good morning, Commissioners, Mayor. My name is Steven Entwisle, sr., founder of the Oregon healing man sanctuary. A place where people can recuperate from the trauma that they receive in the city, and also suicide prevention.

This whole water deal -- just as big picture -- is wrong, and we demand that you stop this. History will prove that this is the wrong thing to do, and to run this through so fast as you guys do and the way that you're doing it is absolutely wrong. And City Council's -- especially Nick Fish -- arrogance is very apparent.

If you guys want to take a good look, you need to take a really good hard look at what's happening at Powell Butte right now as far as their manufacturing this so-called underground containment vessel for water and see the problems that they're dealing with and see if these companies and these people that are building these things actually have any kind of a shining example of how one really is going to work. They don't. Not even in Washington, not in Oregon, nowhere. It's a boondoggle. The whole thing about this water is a huge boondoggle, and it makes it to where a whole bunch of maintenance folks can get a whole bunch of jobs doing maintenance. It's wrong. It's always been wrong. This is wrong from the start.

I'm running for Mayor. And if -- I would never, ever in a million years ever even consider this whole proposal. But you guys have sold out because you guys really don't care about Portland. It's apparent. It's very obvious. And you wonder why we don't trust you? Wou don't trust us. Why should we trust somebody that doesn't trust us? That's pretty stupid. I don't trust any of ya.

Hales: Thank you very much. Good morning.

Charles Johnson: Good morning, Commissioners. Not so much for the record but because it's basically respectful to the people in the audience and watching, my name is Charles Johnson. And although I frequently ride by Mt. Tabor Presbyterian Church where the MTNA meets, I don't often go in to help them work on these issues but I still think I speak for many of the people living up on Mt. Tabor when we say, don't be shy to take it to the 40 plus attorneys that work in the City Attorney's Office. This idea of amendments -- if any amendment that wasn't fully endorsed by Stephanie and Dawn Smallman and everybody with the MTNA -- if any amendment is approved by you that was not vigorously endorsed by the MTNA, I hope that the neighbors will rally to litigate against you. It's disgusting behavior to have these long negotiations in Gatehouse 5 and where else and then have these last-minute amendments to decrease the power of the people and the protection of the public resources. It's incredibly ironic that now we're all uppity, hooray, let's get the public Citizens Utility Board to say things! Because if they were going to say anything, I believe they would have said this whole process is ridiculous. Best use of City resources would have been to legally resist the LT2. That's when we should have listened to people who do things like the Citizens Utility Board.

Ms. Roberts' comments need to be reechoed on the issue of when humor overflows into the area of sexism and disrespect. I hope that she and other people will rally to make sure that there's no sexism so blatantly displayed again on this disproportionately male body. Thank you for your hard work. And I do believe even a rookie is a professional.

So, I hope that the MTNA representatives will be called back to the table at the end of public testimony and that the record will become very clear. We do know that this is basic shenanigans to avoid litigation. The avoidance of litigation should never be the primary motive of human beings. I think we stop being human at that point. The MTNA needs to fight for what is right to the extent they are willing to go. Many of us wish they would have put more political pressure to challenge this boondoggle in the beginning and that they'll partner with people on the westside to avoid the ridiculous disruption of functional reservoirs there. But I look forward to respectfully embracing the MTNA

July 15, 2015

representatives and for the City Council to follow their guidance as to what is an acceptable result, and if it's not acceptable to the MTNA, don't vote for it.

Hales: Thank you.

Roberts: Thank you for listening.

Hales: Thank you. Does that complete the signup sheet?

Moore-Love: That's all who signed up.

Hales: OK. Commissioner Fish, you wanted to call the MTNA representatives back up and let's take up the question of these amendments.

Fish: So, Mayor, based on the testimony and further conversations, I think we can dispose of the amendments as follows, with a colloquy and with a one sentence addition that is proposed by the MTNA. So, I propose as follows. First, to withdraw amendments one through five.

Hales: OK.

Fish: Second, to confirm with Stephanie Stewart that in the course of the consultative process, they will work closely with the Friends of Mt. Tabor Park. Stephanie?

Stewart: Yes, we'd be happy to do that. That's natural for us.

Fish: Thank you. And third, there is in paragraph 28 -- excuse me -- in paragraph 28, there is no reference currently to annual hearings before Council. So, I would propose a friendly amendment that does not change the existing language but specifies that in addition to the six-month written reports, there shall be an annual hearings report Council and before the PUB with respect to these issues.

Stewart: I think that that strengthens this language, so I would support that.

Fish: That, Mayor, is an addition which I offer as a friendly amendment to paragraph 28 in lieu of amendment six.

Fritz: I'm happy to second that package.

Hales: Actually, Roberts rules says the proposers of the amendments withdraws and the seconder agrees -- that was me --

Fritz: Just proposed an additional one.

Hales: Now let's get to that. Can we get language for the new version of amendment six?

Fish: I've withdrawn amendments one through five. We've just had a colloquy that -- with respect to Friends of Mt. Tabor Park, and we will add in amendment six after the language concerning a joint semiannual written report to City Council documenting compliance, and as well as an annual presentation to City Council and the Portland Utility Board.

Fritz: Just clarification, Commissioner. Is that an amendment to your amendment to the resolution --

Hales: Original language.

Fish: Just the resolution.

Fritz: Thank you.

Fish: All we're simply adding is we're clarifying that there will be every six months a written report that is done in conjunction with the MTNA, and every year -- at least every year -- there shall be a hearing before the Council and the Portland Utility Board.

Hales: On the second line of that "be it further resolved" after semiannual, there's the addition of the word written.

Stewart: Mm-hmm.

Hales: And then after final summary report submitted by December 31st -- no, actually it would be before that. After the word "resolution" as well as an annual presentation to the Citizens Utility Board and the City Council.

Fritz: No, we're not putting the Citizens Utility Board --

Hales: I'm sorry, I said CUB, I meant PUB. The Portland Utility Board. Get my acronyms right.

July 15, 2015

Fritz: I don't have a copy -- is the PUB in there?

Fish: Mayor, I view that as a friendly --

Hales: He included the PUB.

Fritz: Was the PUB in the original resolution?

Stewart: No, the PUB is something they're adding and we would be fine with that --

Fish: We're saying that the bureau will present first to the City Council and then to the Portland Utility Board annually on this issue so that we have two levels.

Fritz: You're OK with that?

Hales: We view that as a friendly amendment. Commissioner Fish moves and Commissioner Fritz seconds that amendment. Further discussion on the adoption of that amendment? Any further concerns about that amendment on your part, John?

Larsen: Not at all. We appreciate Commissioner Fish withdrawing the amendments and changing them. This way, it shows a lot of respect for the process that we have been through, and we do appreciate that.

Hales: Thank you very much. Anything else that any of you need to add before we take action on the resolution? Roll call vote on the resolution as amended, unless you have something further.

Fritz: I actually have a question for the Water Bureau, similar to Commissioner Fish asking the neighborhood association, would you collaborate with the friends of Mt. Tabor Park, which of course you do. I did appreciate the amendment number four and five, which specified talking to Portland Parks and Recreation. I'm assuming that the Water Bureau will continue to partner with Portland Parks and Recreation.

Shaff: Absolutely.

Hales: Great. Let's take a vote on the resolution as amended.

Saltzman: This is the whole thing?

Fish: Just on the amendment.

Hales: As amended. We've already adopted the amendment, I believe. Sorry, let's adopt the amendment. Got ahead of myself. We're voting on the amendment.

Roll on amendment.

Saltzman: Aye. **Novick:** Aye. **Fritz:** Aye.

Fish: Thank you Stephanie and John. Aye.

Hales: Aye. OK, now on the resolution.

Roll on Item 762 As Amended.

Saltzman: Well, I want to thank the Mt. Tabor Neighborhood Association and the Water Bureau and all of the people who have been active on these issues for so many years -- I guess that includes myself, so I should thank myself for some 12 years of involvement in this issue. [laughter] I'm glad to see it finally come to a good compromise and that we'll keep water in the reservoirs. Not drinking water in the reservoirs, but water. And we'll maintain the aesthetics, and the Council does commit to making certain historic renovations to the reservoirs and respecting their status as historical landmarks. So, this is a great process.

My only lingering concern though is -- and that was somewhat of the questioning I was asking about the disconnection and the applicability of the LT2 rule is -- I just hope this isn't going to be spun as, "well, we're just buying time until the day when the LT2 rule goes away." I mean, it's been through several presidents, it's been a rule. It makes common sense to me -- you shouldn't have water, drinking water in an open setting. So, I hope this won't be spun as "we're just buying time and as soon as the LT2 rule goes away, we are going to fill the reservoirs back up with drinking water." I don't think that is the intent and I really hope that is not how it gets spun either, this compromise. And I'm very pleased to support it and thank again all of the efforts that have gone into this. Aye.

July 15, 2015

Hales: Please, folks, let people vote.

Novick: I appreciate everybody's hard work but I'm concerned about making a \$4 million commitment like this outside the normal budget process, so I vote nay.

Fritz: What a wonderful day to now be the Commissioner-in-Charge of the Office of Neighborhood Involvement. Thank you so much for the work that both the Water Bureau and neighborhood association has done on this project. I appreciate Commissioner Fish's framing in terms of the Iran agreement. It's great that you have worked so hard and gotten to this result. And I also want to also recognize -- as well as Stephanie Stewart, and John Larsen -- and Paul Leistner who were involved in the discussions to get to the original land use application -- which by the way, we won't be voting on the land use application today. We will be moving it to findings and there will be a vote later. I will make my comments now in case I'm out of town when the land use case comes back. It's really significant that you were able to do this -- did you use the same mediator for this process as --

Stewart: No mediator.

Fritz: You did it all by yourselves? That is impressive. That's terrific. Thank you for all of your hard work. Thanks to all of the community members who care so passionately about this, Friends of Mt. Tabor Park who work so hard with the weed warriors and others. This is a special place and we all recognize it's a special place. And with this resolution -- which doesn't specify how we're going to pay for that \$4 million, so that's a conversation in the budget process, which is the appropriate place for it to have -- that we need to recognize that we have historic resources which we are required to take care of and we need to commit this. It's actually less than the 8 million that was demanded by the Historic Landmarks Commission under their proposal. So, this is a really good result. Thank Commissioner Fish for his willingness to work through the amendments and Patti Howard on my staff, who has worked really hard on this issue for six and a half years now. We very much appreciate all of -- I very much appreciate all of the work that's been done. Aye.

Fish: This issue has been at the forefront of this City since the early 1990s, and I have had the honor of being the Commissioner-in-Charge of the Water Bureau now for about two years. I wasn't sure we would ever reach this day, but the reason we have reached this day is primarily because of the four people sitting before us who, when directed by the Council to sit down and work through their differences and try to reach a collaborative agreement, did so. And they did so without being entirely clear what the ground rules were. And as Commissioner Fritz is now -- surfaced without a mediator and they tackled issues that have eluded people in this City for a long time in terms of getting to yes. And so, I want to begin, John and Stephanie, to thank you profoundly for your public service. And when David officially retires, you're still stuck with me. I want to be very clear on the record that the Portland Water Bureau will honor this agreement, and I will faithfully enforce the terms of this agreement, both the letter and the spirit. This is a milestone for this Council and for the relationship between the City and our friends in Mt. Tabor over an issue that people are passionate about, the historic reservoirs. So, I thank you.

To David Shaff and to Teresa and to the team that have been working on this, you have our thanks. David, this is among the last official acts you'll be part of. And someone said earlier that I need to make sure that the next director is briefed on this. Well, as luck will have it, I will be meeting with candidates this week and I promise you, I will be making sure that they're aware of this agreement and of the Council's commitment, because this will endure past David's service.

The other indispensable person in this for me has been my partner and friend, Commissioner Amanda Fritz. And it was not always the case that Commissioner Fritz and the Water Bureau were said in the same sentence in a way that brought smiles to people's face. But her collaboration and her leadership on this issue is one of the reasons that we

July 15, 2015

are at this point, and I thank her for the advice and the counsel and the support that she has given me as we have worked through very difficult issues and very complicated issues. And this entire process to the extent there are things about this we celebrate I think reflect the values that she brings to this Council and the benefit that she provides to our City through her service. So, I want to thank Commissioner Fritz.

And then going forward, I think this is a new day. We have an agreement and now the hard part comes, we have to actually enforce it. We're not going to do that by anything other than rolling up our sleeves and doing a lot of work together. But based on what I have seen in the last few months, I am incredibly optimistic that this relationship is going to work to the benefit not only of a park we love and a water system that we are charged with being good stewards of, but for a city that's watching to see whether we can resolve our differences in a respectful and amicable way. Thank you, and I want to thank my colleagues and thank everyone who has testified and participated in this process. Today, I'm very proud to vote aye.

Hales: Well, first, nicely done. It's not every bureau director that gets to retire with this kind of a flourish, David, so well done to you and Teresa and your team. This is the way our City bureaus ought to work with the community, and I think you heard in this room here today that some trust has been rebuilt where it had been frayed and that's a good thing. And this is a good agreement and a good resolution to this concern and what was a conflict. But there's some bigger traditions at work here, and I think there at least a couple -- I know at least a couple of us here, Commissioner Fritz and I, I was thinking about in particular -- who got started in civic life by volunteering to be involved in their neighborhood association. One of the traditions that's at work here is that neighborhood associations are influential and in fact, the City Council has been deliberate about that over the years even though the Mayor at the time of the creation of office of neighborhood associations, a guy named Frank Ivancie, voted against it said, "we're funding the opposition!" I guess he was partly right about that, at least at times, but that was the point - - that neighborhoods have standing politically and standing legally -- that we give our neighborhood associations the right of appeal with no cost on land use cases, and this is why, because every now and then it has to come to a land use appeal. So, this is a validation of the clout that people have when they get involved in their neighborhood association and dig into an issue, and I want to thank all of you here from Mt. Tabor and other neighborhoods that continue to do that because it continues to work.

Second tradition here -- and I guess I want to offer my reassurance in addition to the two most important words that were spoken today, and those were when David Shaff said "part of" -- reassurance that I want to add is that the City Council of the City of Portland makes financial commitments and keeps them. And my job -- part of my job as Mayor is to propose a budget each year. And what the last line of this says is that the financial obligations and other commitments approved by this resolution are binding City policy. I want you to know that I take those words very seriously, and this City Council when we make a financial commitment -- whether it's to a school district or to a county when they need our help building say, a new Sellwood Bridge, to a nonprofit when the Chinese Garden has a leaking pond and it needs to be fixed or Central City Concern wants to keep a shelter open -- when we make a commitment to a government or a nonprofit, we stick to it. And the same thing with neighborhood associations. When the Cully neighborhood and other civic groups said we want to actually get the City's help to by a noxious strip club and turn it into something better, we have been good for that commitment. And when we told the Buckman neighborhood and other lovers of the Buckman Pool were done with holding that up every year as a budget target, you can count on it -- we're good for that too. So, I want you to know that we are good for this, that

July 15, 2015

we will find the resources to make good on this commitment because that's what we should do to honor the good work that you've done. Thank you. Well done. Aye.

Item 763.

Fish: Mayor, one have more other piece of work to do.

Hales: Yes, the land use decision itself.

Fish: And I believe, David, we should recognize you.

David Shaff, Director, Portland Water Bureau:: Yes, there is an agreed upon amendment to the HLC, the Historic Landmarks Commission decision where we are asking that you accept in part and reject in part both appeals and adopt an amendment condition B and delete condition E. And we are -- I will let Stephanie speak for us as well -- but we are in agreement that this is the appropriate language and commitment in condition B, keeping the reservoirs full, and then eliminating condition E.

Stephanie Stewart: And just to clarify, it is our intention to maintain all other conditions that were included in the decision.

Shaff: Correct.

Hales: That's correct. The only ones we change are these -- that's right.

Fish: Mayor, I have a motion to offer.

Hales: Commissioner Fish?

Fish: I move that we accept the amendments and that the Council tentatively grants in part and denies in part the appeals of the Water Bureau and the MTNA, affirms the Historic Landmarks Commission's decision to approve the application for historic resource review and environmental review with modifications, and direct staff to prepare findings for Council adoption.

Hales: Is there a second?

Saltzman: Second.

Fritz: I need to ask the City Attorney, do we have to take testimony on the amendment?

Linly Rees, Deputy City Attorney: The amendments reflect much of the discussion that happened at the last hearing, so there's nothing in there that is new or surprising. It is intended to reflect that testimony. So no, I do not believe you do.

Fritz: Thank you.

Hales: Further discussion on the amendment? Then roll call on adopting the amendment.

Item 763 as Amended Roll.

Saltzman: Aye.

Novick: Aye.

Fritz: Well, it's on the whole motion.

Fish: The whole motion, Mayor.

Hales: I'm sorry. We don't have to amend the decision first or this is an amended decision?

Rees: This is an amended decision, so one vote is all you need.

Hales: I stand corrected. We're voting on an amended tentative decision subject to findings. If everyone understands that, we'll continue with the roll call now that I do.

Fritz: Thank you very much, Hillary Adam and Tim Heron, for your great staff work. It is with regret I am no longer your Commissioner-in-Charge, and I appreciate all of the work you have done on this, including the most contentious findings I can ever remember in 20 plus years of participating in land use reviews. So again, thank you to the neighborhood association for making this hearing and this process full of decorum, and thank you for the work on the amendment. Aye.

Fish: I'd also like to give a shout out to the City Attorney's Office, Linly Rees and others. This has been extremely complicated and challenging and we get great service from the City Attorney's Office, so, thank you. Thanks again. Aye.

July 15, 2015

Hales: Excellent professional work and a good decision. Thank you. Aye. Thank you all. Subject to findings, so when would you like those three back?

Rees: [inaudible] -- all five available --

Fritz: But we don't need all five of us here.

Hales: Not to adopt findings.

Rees: We don't, but in terms of -- these are going to be fairly detailed findings, therefore, I think August 19th works the best for staff and our office. Is there -- I don't know if anybody has talked about any other dates. That's the only date --

Shaff: If I'm still here -- I don't know.

Hales: OK. So we will set the adoption of findings for August 19th.

Moore-Love: At 11:00 a.m.

Hales: 11:00 a.m. OK. We will take a two minute recess. Two minutes. We're going to take that item up next assuming that no one has a problem with that.

Council recessed at 11:36 a.m.

Council reconvened at 11:39 a.m.

Hales: Council will come back to order, please. As soon as we get a Council Clerk -- or maybe the City Attorney could read item 776 for us?

Item 776.

Hales: Let me make an announcement that I made earlier but make sure that everyone understands what we are doing and not doing here this morning. The Oregon Department of Transportation has a number of pieces of property in the Central Eastside which will be offered for sale. I intend for the City of Portland to buy all of them. Some of them are now occupied by dirt processing operations and others are empty. This is one of those pieces of property.

The City has been discussing and continues to discuss whether or not we will grant a lease to Right 2 Dream Too to move into this site as a location for a rest area. That is a separate decision. I'll say that again -- that is a separate decision from the decision to buy the land.

The only thing before the Portland City Council today and the only thing on which we will take testimony is whether or not we should buy the land. How we use that land, there are a variety of purposes. It could be used for parking, it could be used for development, it could be left fallow, it could be made a park. Lots of things could happen, and again, we make no decision about the use of the site today. We only make a decision about its purchase.

There's an amendment that I need to introduce that says that resources are available and appropriated to fund this transaction, so I'll make that amendment in a moment. But again, both in the interest of time and clarity, I want to ask people that are interested in testifying today to testify only on the question of whether the City of Portland should buy this site. Again, there will be other ODOT properties that come to us as well for purchase, and I will intend to recommend that they all be purchases as well. Before I get to the amendment, Commissioner Fritz?

Fritz: For further clarification, the ordinance authorizes the Mayor to buy it. We're still in the process of doing environmental evaluation at the site. If it turns out that it's hazardous and costs a lot to clean up, and then the Mayor is not forced to buy it. It's just giving him the authority to do so.

Hales: Right. I want to ask that we take an amendment before we open the hearing for testimony, and that is to make this changed item number six to say "resources," cross out the words general fund, "resources are available and appropriated to fund this transaction."

July 15, 2015

And then sub-B, “ the Mayor and Auditor are authorized to pay the cost of acquiring the property from existing City resources” replacing the words “the general fund.” In other words, a variety of funds that are available to make these kinds of transactions and it is not limited to the general fund.

Fritz: Second.

Hales: Further discussion on the motion?

Saltzman: So, these other resources include the \$849,000 provided by Hoyt Street Properties to the City?

Hales: That’s correct. Includes those as well, yes.

Saltzman: OK.

Hales: Further discussion on adopting the amendment? And then we’ll hear from Mr. Kieta.

Roll on amendment.

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

Hales: Mr. Kieta?

Bob Kieta, Facilities Administration, Office of Management and Finance: Good morning, Mayor and Commissioners. A lot of the information I have to provide you covered which is very nice. This is the property located SE 3rd and Harrison. There’s not an actual address for it because it was a previous right-of-way from the state of Oregon. State of Oregon declared this as surplus property and their intent to dispose of it January 27th, 2015. The City provided DAS with a notice of interest in the property on February 11th. ODOT delivered certified appraisal on the property to the City April 14th, 2015 with a valuation of \$254,044.

The City began its due diligence activities mid-April, which are anticipated to be completed by the end of July of this year. This includes the title review, use zoning review, site survey -- which has been conducted -- the phase one, phase two environmental, which include the soil, groundwater, geophysical and air quality testing -- again, to be completed by the end of July. And we will also continue to do our work to include studies for offset of loss of parking, those kinds of issues if the site is to be developed.

Our preliminary findings do not indicate there would be any significant environmental issues with developing the site based on the property’s industrial zoning requirements. As you’ve already covered, there are multiple uses that we could look at the site being used for, including R2, MPU, parking, and then other site developments whether it’s parks or other things. Site development permits would be required to work on the property.

The zoning for the property -- it’s currently zoned as industrial IG1. Property is currently a state-owned fee-simple right-of-way acquired through foreclosure. BDS has reviewed the foreclosure judgment from 1963 when ODOT acquired the property and has determined it can recognize property as a lot of record through either the permit process for campgrounds, structures, or other lot confirmation again for the zoning that’s appropriate there.

There are minimal development standards for the IG1 zone. There’s zero setbacks from property lines, building fences allowed along the property lines without height under seven foot tall, and PBOT may have some fence height limits for vehicle site -- line of sight vision, those kind of things. So, we’ll have to watch that as we are developing this. There’s zoning code screening requirements for this particular industrial zone. Buildings less than 10 feet from the property line will require a one-hour rated wall.

Deed to be recorded after due diligence is completed, and of course, as we move forward with this procurement and we found that the conditions are acceptable for us moving forward to purchase the site. The deed includes restrictions at both the City and

July 15, 2015

persons within the City allowed to use the property must not breach without risking triggering ODOT to remedy problems and charge the City for the failure. That concludes what we really have on the property to date, and we expect to have the rest of our environmental studies done by -- actually in two weeks.

Hales: Great. Thank you. Good morning.

*****: Good morning.

Hales: Anything to add?

*****: Nothing to add.

Hales: OK, questions?

Saltzman: Is it implicit that we would not buy this until we receive a letter from DEQ of no further action required?

Kieta: The current information for phase one and two actually for the zoning of the property -- we have no significant issues, so it could be used for multiple things as it is today currently depending on what the City's proposed use of the property, it's actually a good property to acquire.

Saltzman: So there's no significant subsurface contamination?

Kieta: There's some contamination about nine feet down, but it's very minor as compared to, you know, some of the things that we have encountered on other properties and it could be remedied easily.

Hales: Other questions? We may have more later. Thank you. Do we have people signed up to speak?

Moore-Love: Yes, we have 13 people signed up. The first three, please come on up.

Hales: I just want to remind everybody that the question is the purchase of the property. I'm going to ask you to try to limit your comments to two minutes, please.

Terry Parker: Yes, my name is Terry Parker. I'm here speaking as an individual. And I'm not going to read what I'm handing out based on your comments. However, I'm going to give you a little background. Monday, I looked at the City Council hearing and I didn't see anything that I was going to come down and testify on. Monday evening, all over the media, it was talking about what you're going to do with the property -- move a homeless camp into the property, or relocate a homeless camp to the property. I again yesterday went back and looked at the Council agenda and this seemed to be the connection.

Hales: So, Terry -- again, we're going to hold a hearing in the future if the Council moves forward with putting --

Parker: I understand that. I was just giving you the background of why I was here. But what I believe is that before you purchase this property, you have to give the purpose and the intent and the disclosure. That's transparent. You can't just say, "I'm going to buy this property because it's available." Nobody does that. You're gonna to develop it, you're going to have an idea of what you are gonna to use it for. I think that you're missing the -- losing the trust by not doing that. And I have a concern as an individual of what's going to happen to that property and how it reflects some of the area around. In particular, the Rail Heritage Center where there is historic equipment that is irreplaceable that is stored and in the past, people have --

Fritz: Your time is up.

Hales: Your time is up. Let me clarify this for future speakers and that is, the Oregon Department of Transportation has at least five parcels in the Central Eastside which they are planning to surplus and sell. I plan to recommend to the Portland City Council that we purchase all of them and that we figure out in each case the appropriate use. There will be public discussions, including discussions that we're having with Southeast Uplift and others about what those public uses should be -- or private uses, if we choose to sell those properties, because the Portland Development Commission might choose to purchase

July 15, 2015

some of those properties and market them for development. So, it's not an unusual event for one government to sell a piece of property to another. Of course, there have been extensive discussion about locating Right 2 Dream Too on this site, and that is still a very real possibility, but we're not deciding that today.

Parker: I understand that. I'm just saying that I think you need to be transparent and propose -- you know, look at what the use is going to be and say what you're proposing to use there.

Hales: Thank you.

Lightning: Yes, my name is Lightning, I represent Lightning Watchdog X. On this agreement I have concerns on some of the restrictions. My understanding -- you will be paying all cash for this property. I'm very surprised on the deed that on number three, that they would require that no junk, scrap, garbage or anything be on this property once you take ownership of it. These deed restrictions I think are overreaching from them selling the property and requiring you within the right to come back in and enforce that, enter the property, and do what they want to do by these restrictions. I think they're overreaching, and I think the attorneys need to look at this and understand this is an all-cash sale. These restrictions don't need to be on this property upon transfer.

Another issue I have is on the phase two environmental. If there is currently a concern at nine feet down -- on the phase two, you normally drill down in certain locations to the property. How many areas have they drilled on this property? That needs to be looked at very close on the overall property itself to determine the environmental issues and the total cost to the City. As you know, you can acquire a property at said value -- which seems to be a very reasonable price by the appraisal -- and your environmental issue can cost you three to four times to clean this property up. So, if the City is looking at this from an investment from their position to be used for public good, I highly recommend that that environmental phase two is looked at very close. That's my position at this time. Thank you.

Hales: Thank you. Helpful. Appreciate that. Mr. Stull, go ahead.

Barry Joe Stull: Good morning. I have a little history with how the City manages its property in reference, the undeveloped right-of-way of N Hancock Street. On the world we live in, it dead ends at the guardrail and continues as the right of way. And as we speak, the neighbors who are supposed to under the City Code maintain that undeveloped right-of-way, are the public entities, including the Water Bureau. And right now, I could go over next door to the Bureau of Environmental Services and get the map that says -- the poster that says remove invasive species plants. And that's what Commissioner Fish is groaning on that undeveloped right-of-way. And one of the plants that's on the property that's not on the list is hemlock. It's so toxic that we're not even supposed to allow it. And the City is growing it, Commissioner Fish, on City property. So, when you're growing poisonous plants on the City-owned property -- and I talked about this for years -- five years. I've been talking about this for five years and you're still growing toxic plants on the City-owned property. Does that encourage us to allow you to do anything? Frankly, no. I don't have anything more to say. You can't follow your own agency's recommendations. I don't know what we're going to do with a City like that.

Hales: Thank you. Next. Go ahead.

Crystal Elinski: Hello, Council and Mayor. My name is Crystal Elinski, I represent 10,000 and I am surprised to come here today to find that there is no aim for this purchasing. I don't understand why it's become so vague all of the sudden that you want to purchase land but you don't know what for and you're not making promises, where the media and the word on the street is that this is the final solution -- I hate to use that -- after all of these -- I'll just say kind of half-ass attempts to work with R2D2. And now it seems like

July 15, 2015

they're being closed off. So, I don't understand really what the purpose is, if you can answer that in my remaining time. I'd like to see that whole area -- especially around Ross Island -- I'd like to see an environmental impact statement done. I mean, even the waterfront down at the OHSU tram -- there has never really been work on the brownfields and so, I'd really like to see that as well if you're going to make this purchase.

Hales: Thank you.

Elinski: Could you answer my question?

Hales: Again, I'll try to explain again. The Council has considered this parcel for a site to locate Right 2 Dream Too. That's a separate decision, which we will make after a public hearing. But before we can even think about that or any other use here on this property with anything or do anything about that, we have to own it. So, the decision to purchase doesn't automatically decide that Right 2 Dream Too is going there, but it does give the City the opportunity to do that at a later time.

Elinski: Is there a deadline to purchase it?

Hales: Yes, ODOT -- I don't know if there is a deadline, but ODOT wants us to say whether we're going to buy it or not.

Elinski: Or they're selling it to someone else.

Fritz: Yes.

Hales: Or they'll sell it to someone else. The City has a right to purchase from ODOT when they offer properties to sale.

Elinski: Yeah, and we all have a right to dream and we shouldn't be put in Wapato jail.

Hales: Thank you. Debbie, you're next.

Debbie Kitchin: Thank you, Mayor Hales and Commissioners, for the opportunity to speak. I'm Debbie Kitchin, president of Central Eastside Industrial Council. We are opposed to the City Council authorizing purchase of this property at this time. We think it is premature and not responsible when you haven't determined a use for it.

I was also going to talk about just issues we have with homeless camps. You did link that with the press releases that went out, and so now, we're not allowed to testify about it. We feel there hasn't been a process that involved the whole community in terms of bringing in experts, public planners, and the community at large to do a legitimate planning process. That's the basis of a lot of our planning, so we feel that it's very premature.

We've been told that the purchase of the property is not being proposed prior to determining if it will be the site for R2D2, and we don't think it is prudent. If R2D2 does not want to move to this site, is the City still obligated to find them another site? I think you should answer that question for their sake --

Fritz: Yes, we are.

Kitchin: The City of Portland should not purchase a site that comes with a risk of potential environmental liability. Taxpayers should not be exposed to potentially costly environmental clean-up.

This property is an industrial sanctuary adjacent to other industrial and other wholesale businesses. We have spent the last two years evaluating changes to our Comprehensive Plan to protect and enhance this vital employment district. The public purposes for which this property is being acquired have not been understood or evaluated, and you -- even though you say you're going to do that process at a later time, I would like to know more about what that process is because so far, there's been very little information. We heard about this, you know, on Thursday. Is that going to happen the same way? You haven't really been very open about what your decision-making is. We haven't had a legitimate planning process about the purposes for this property. So, we are opposed to that, to the purchase.

July 15, 2015

Hales: Thank you.

Elinski: It seems like they follow EPA regulation --

Hales: Crystal, please. Go ahead, Charles.

Charles Johnson: Good morning Commissioners. My name is Charles Johnson. And definitely carpe diem, carpe terra -- seize the land. Don't seize it, pay -- well, actually, I wish there was a mechanism where it was just public land transferred without any financial shenanigans from the people to the people. I'm more enthusiastic about this in hearing that there may be four or five additional parcels of ODOT land. We're not trying to make Blade Runner a reality. Yes, the Central Eastside is an industrial work space, a maker space. Those people are not robots. They need public areas and green spaces. St. Francis Park is going away. Find me some grass between the river and Washington High School. None. So, don't think giving this land to the PDC -- or any of those parcels. Acquire this, put green space in. I kind of wish this could be a park close to the orange line, but R2D2 needs to go somewhere and we will have that discussion in the future. But I definitely respect Debbie's position that we need to have a good working environment for people that go in to the inner eastside as a maker space, but I think that can be done with buying this parcel, buying the other ones when they're available, and having the vigorous public discussion. Thank you.

Hales: Thank you. Good morning.

Nancy Stueber: Good morning. Good morning, Mayor Hales and Commissioners. I'm Nancy Stueber, president at the Oregon Museum of Science and Industry, OMSI. I'm not here to talk about the relocation of Right 2 Dream Too because you have indicated there will be another time to do that, and I appreciate your commitment to have a public process and a thorough hearing about that use.

I would ask Council to commit to create a collaborative process involving stakeholders around the planning issues related to the purchase of this property. And much like the issue we just heard before this one, and the southeast quad plan process that we went through for two years, I'm convinced that we have people who are willing to look at common good and find uses -- multiple uses -- including a public use in the heart of the industrial eastside if it meets the other conditions that are necessary for the whole district. So, I would ask that you would move forward with the commitment to opening that discussion prior to the purchase of this property.

Hales: Thank you. Good morning.

Brainard Brauer: Good morning. Brainard Brauer, I'm a resident. I did come down because of the use, so I guess I picked a very interesting day to observe Council. It's been many years. I might suggest that perhaps the use -- proposed use should be stricken from the proposal at this time, but that's just a thought. There was one comment regarding the purchase of the property that there's some restrictions in place from ODOT, and I would be in support of restrictions and conditions that encourage that the property be maintained in an orderly manner that protects ODOT and protects city and residents in the community. Thank you.

Hales: Thank you. Mr. Mubarak, go ahead.

Ibrahim Mubarak: Ibrahim Mubarak from Right 2 Survive, Right 2 Dream Too. Also, I won't comment on the use -- what the land use is going to be for -- however, I would like to make some things I observe here. I agree there was a sexist statement that was made earlier against Commissioner Amanda Fritz. I don't agree to the way the houseless community was treated when they tried to come in here -- they was told to stand out and left people in who own houses and wore suits. I think that is showing targeting, profiling, and discrimination, and you should learn to respect us because we are humans. Also, I would like to see you go one foot down more because I think regulations you have to dig

July 15, 2015

10 feet down to see if there's any toxic or any historical stuff is down there. Like that is what happened at the land where we are at now. I just want to make sure that you are not going to -- whatever you are going to use that land for, people not going to be subject to a rise of toxic waste of coming in on them. That's all I have to say.

Hales: Thank you. I will turn the gavel over as Commissioner Fritz as President of the Council. You'll have the option to either continue this until the 29th or make the decision today with the quorum of Council that's here, depending on what you see fit.

Fritz: Thank you.

Hales: Thank you all.

Saltzman: Safe trip.

Fish: Safe trip.

Hales: Thank you very much.

Fritz: The next three, please.

Trillium Shannon: Good morning, I don't have a lot to say, but I would like to say we've been -- my name is Trillium Shannon and I am a cofounder and board member of Right 2 Dream Too. We've been in negotiations to find a place that is safe where we can continue doing what we are doing. I understand this particular hearing is about whether the City can buy this piece of land or not. I support the City buying the piece of land. We still, as a board, have to decide where we're going based on the needs of the houseless community.

But I would like to echo that every time that the houseless community, as we have done, has shown that we can self-organize and in a safe manner. We have toilets, we have garbage disposal, we've been doing a great job for almost four years. And you know, our neighbors like us. Charlie's Deli loves us. We actually do have support in the neighborhood we're in now, and I find it a little disconcerting that we've offered to -- you know, I personally offered that we meet with the Central Eastside Industrial Council. We have been meeting with neighbors. We are in a process. We're in a process with the City, we're in a process with the neighbors. We have nothing to hide. We are completely transparent. We would like to share what our model is -- and in fact, we do. We have people all over the state and coming from all over the nation to look at our model and to use it in their communities because it works.

And so, I just -- it's difficult to come to a hearing and find that people who I think do support Right 2 Dream Too haven't come to necessarily ask us our position on this, and then people who don't support it don't support it just because of a homeless phobia -- it looks like, you know. And I would like people to just, again, open their hearts and their minds to the fact that people need a safe place to rest. And you know, getting a spot on the inner southeast side is very different than what happened at Dignity Village, which I also supported Dignity Village. But Dignity Village got moved out really far, and I think that is what a lot of people would like to see. That does not serve people who need to move out of a situation that is very difficult and into a better situation. We are successful and transitional. I know there's going to be a hearing on this later, but let's just say, yes --

Fritz: Your time is up, thank you.

Shannon: Without seeing the proposal, I support it.

Fritz: And if I could just remind later testifiers, we are talking about whether to buy the property. If you can keep your remarks to that, that would be very helpful. Thank you.

Leo Rhodes: My name is Leo Rhodes, I'm a homeless advocate, also one of the founders of Right 2 Dream Too, board member of Right 2 Dream Too and yeah, just a lot of other stuff. But yeah, I would like for you to buy these properties. One of the things that I always hear as a homeless advocate is, why are these empty spaces out there when we have homeless people out on the streets? One of the things we can do is -- we're very, you

July 15, 2015

know, work together and get some creative minds together of how to use the -- utilize these proposed lands.

Just in the one night count, which they do every year or every other year, you will see the numbers of the homeless people out there. But yes, I would propose that you do accept these properties and use them for creative reasons of helping the less fortunate out there. Thank you.

Trish Reed: Hi, Trish Reed. I am also a board member of Right 2 Dream Too, and I am obviously in support of buying these properties. I think that it is a good way to deal with a very sad situation that the City has as far as the homeless community goes, and that's really all that I have to say.

Fritz: Thank you very much.

Moore-Love: The last person who signed up is sarah carlton, but we have had requests for others to speak.

Fritz: OK. Does anybody else want to come up right now? If anyone else would like to testify.

Don Gardner: Hi, good morning. My name is Don Gardner, I'm the vice president of Southeast Uplift. We understand we're not to be talking about the purpose or use of this land, but I want to make it clear that Southeast Uplift feels that the Central Eastside is a vital part of our total community. And what we are concerned about is if there is a plan to buy up all of these state properties, we would like to see an open process that talks about what we intend to do with them. Some of the big issues for Southeast Uplift have been access to the river, development along the river, all of these type of community-based things, and the industrial growth and manufacturing employment that happens in the eastside.

So, what we would be most interested in is a listing of all properties that are potentially for sale and some idea of what you are going to do. And I worked for the City for a number of years, as Commissioners know, and this is the first time I have ever heard that we're going to buy a piece of property and we haven't theoretically have a use for that property at least in mind. So, I find it a little disingenuous to say, "oh, but we're going to have a hearing about this other use at a future date, but we don't know what that future use will be but that it will be about x." So, again, we would like to see some concern -- some addressing of what all of these properties are and what we would do with all of them. Thank you.

Fritz: Good morning.

Veronica Bernier: Good morning, how are you? Good morning, City Council members. Good morning, Amanda, my favorite, fellow nurse. Good morning Commissioner, Steve Novick. It's good to see you.

Fritz: Put your name on the record, please.

Bernier: Veronica Bernier, I'm an MICU retired nurse and public health worker out in the field. The reason I came to talk specifically today was to address southeast. I wanted to recognize also Commissioner Dan Saltzman and his trust for public land. Without his incredible help and responsibility, members our fire department, police department, wouldn't be Johnny on the spot in those areas of the southeast that we want so well served. And also, Commissioner Nick Fish, you're doing a great job as usual. He gets there seconds ahead of Dan all of the time. They're running neck and neck like football players. [laughs] I just want to speak to the issue and say you guys are doing a great job. And also, I noticed the Mayor stepped out. I want to say kudos to the Mayor for pulling off that beautiful party in the park in front of Lloyd Center. That was wonderful and it keeps the neighborhoods going. Whatever work you are doing now is supported by us ladies out here who are retired nurses. And also, I want to say for those women in the women's air

July 15, 2015

corps in the navy, people like just a lot of our navy nurses and army nurses, we support them in Sewallcrest's Salvation Army. And I know that you -- there is a lot of Salvation Army retired ladies in the southeast, too.. Thanks for your time and good luck and have a wonderful summer.

Fritz: Thank you.

Fish: Commissioner, I'm ready to vote. May I ask a question of the sponsor?

Fritz: Certainly.

Fish: What's the next milestone that you would anticipate engaging the Council around?

Fritz: The next milestone that will come back to Council for a public hearing is likely later in the fall once we've decided what might be a good use for the site. Obviously, as the Mayor said, the first thing is to continue the environmental assessment to make sure that it's a site that we want to purchase, as some of the testifiers pointed out. If that happens, once the site is purchased, I would work with the Mayor and Right 2 Dream Too and community on a good neighbor agreement and Right 2 Dream Too's board decides that yes, indeed, that's a viable site for them to move to. So then later in the summer, we would probably come to Council with a proposed use and have a public hearing on that.

Fish: Thank you.

Fritz: With that, it's an emergency ordinance. Roll call, please.

Item 776 Roll.

Saltzman: Aye. **Novick:** Aye. **Fish:** Aye.

Fritz: I'm so glad I get to be last, I'm Madam President now. I informed my children that they need to call me Madam President all of the time. I'm very happy we took another step forward. There's a long way to go. We'll definitely work with Southeast Uplift, Central Eastside community, and Right 2 Dream Too as well as PDC and others depending on what the use turns out to be. Aye.

******:** Just real quick -- there was an amendment. Did I miss that? Was the amendment passed?

Fritz: Right --

Moore-Love: We voted on that.

Fish: Thank you for being vigilant.

Fritz: OK, so we have a few more items, colleagues, a couple of which are emergency ordinances. We need to do those. First, let's go back to consent. If you could read the title for pulled item 770.

Item 770.

Fritz: Do we know who pulled this?

Moore-Love: Commissioner Fish did.

Fritz: This is your pulled item.

Saltzman: This was an item you pulled -- mobile parking.

Fish: I understand. I was going to go to the restroom, but I'm happy to be called out.

Fritz: You wanted to share your concerns as to why you pulled it?

Fish: So we could have a very brief presentation.

Novick: So basically, colleagues, we're talking here about making it possible for people to pay for parking meters by phone. I will turn it over Jody Yates and Malisa McCreedy to elaborate.

Jody Yates, Portland Bureau of Transportation: Thank you. My name is Jody Yates, I am the interim parking group manager with the Bureau of Transportation. With me today is also Malisa McCreedy, who is our new parking operations division manager. The bureau bringing forward an ordinance which would allow the bureau to solicit for services related to mobile pay for parking services or metered parking. This would also be known as pay by cell.

July 15, 2015

This item is within the bureau's two-year work plan. It has also been an item requested by the public to add additional payment methods that don't require physically walking to a meter. This is a benefit especially to those who have limited mobility. How it works in very a simplistic manner is that an individual parks in a metered area and then has a choice to either pay at meter or to pay by phone. Of course, that would probably require a smartphone and they'd have to download an app, but it is a -- it's not a requirement to pay by phone, but it's an option.

If they choose to pay by the phone, they pay the parking fee plus a convenience fee. The City collects both the parking fee and the convenience fee and then we would distribute the convenience fee to the vendor. In the agreement that we'd enter into, it would be cost neutral to the bureau. What we did was estimate the value over five years to be about 6.2 million, but really, the cost is not truly known at this time. We base that on an expected number of transactions to go through the phone and then also an average fee. We assessed what other cities have paid and it's a wide range, so it's just an estimate at this time. Any questions?

Fish: I have a few questions. The first is, how much of the cost do we recoup from the convenience fee?

Yates: The convenience fee is a direct -- say, if it were 25 cents, we would recoup nothing. That's a pass-through cost. We would absorb the cost of the initial installation through our parking operations, but the convenience fee would be directly to the vendor.

Fish: OK. And currently, if you buy parking on the street, you get a little sticker and you put it in your car and that's how you -- assuming you put it in right window -- that is how you avoid getting a ticket. How would this work?

Yates: Most likely, the options we've seen right now are you enter your license plate in. And so the way that it's been explained to me is that the mobile app comes and tells our parking enforcement software -- it uploads for the parking enforcement officers and they see your license plate has been paid and you're current on your payment. So, you would not display a little piece of paper in your window. We don't know all of the details because we don't have a vendor in place.

Fish: This may be a dumb question, Commissioner Novick, but currently if there's no sticker, then you would automatically charge that vehicle. If there is a sticker, you would just look at it to see whether there is sufficient time left. What's the impact on our staff resources of a system that operates in this manner?

Novick: I think that if the technology works right, it should not be significant. I'll defer to Jody.

Yates: He's correct. As the parking enforcement officers do go down the street, they're already entering the license plates into their handhelds, so they're already doing that kind of process. It would just be able to communicate back that the individual has already paid.

Fish: I'm just curious -- are any privacy issues that are unique to this system? If I have a -- you're not putting my driver's license -- excuse me, my license, my car license in the system if I have a sticker, right?

Yates: No, we do actually evaluate that. Because we're also evaluating time stays.

Fish: Oh, I see. Thank you.

Fritz: Any other questions?

Saltzman: I'm not sure if I can articulate this correctly -- but something maybe to look at. I realize in San Francisco, there's some start-up company that's in the business now of basically secondary sales of parking spaces. So, if somebody is parked in a space and they want to make that space available to somebody else to park there, they're collecting some sort of a fee. And I guess that's certainly something that you don't want to encourage

July 15, 2015

through the system. I'm not even sure it would be -- just something to look at when you are doing your analysis.

Malisa McCreedy, Portland Bureau of Transportation: There is an app that exists for what you're talking about, and I don't think that would be any part of this technology. It's a separate issue all together.

Saltzman: OK. Just something to look at.

Fish: This may take the sharing economy into areas that we don't want to go.

Saltzman: Right.

Fish: Thank you.

Fritz: I'm not exactly sure how the cost recovery comes. If the convenience fee doesn't go towards the \$6.2 million, how are we expecting to get that back?

Yates: The 6.2 is over a five year, so it's about a million a year that we're anticipating. That's the value of all of those convenience fees each year is one million. So, that would be the value to a vendor.

Novick: So basically, Commissioner, the 6.2 million is essentially the amount that we expect people to use this option to basically pay to the vendor. Basically, if people are using this option, the vendor -- we will charge the 35 cents or whatever it winds up being and that will go to the vendor.

Fritz: So, we're not paying anything for the system?

Yates: Correct.

Fritz: Thank you.

Fish: I appreciate that clarification. Thank you.

Fritz: Thank you. Does anybody want to testify on this item? Mr. Lightning?

Lightning: Yes, my name is Lightning, I represent Lightning Watchdog X. My understanding is you currently do not have a vendor picked out. Have we done studies in other areas that show the results of what this might do? Also, on that 25 cent fee that goes back to the vendor -- could we negotiate that even after the amount of that six plus million is paid off utilizing that fee that we can continue to receive that fee to the City? Does that have to end? Because once you end up paying that off for the equipment, does that end and go back to the vendor or can we continue to have it go back to the City?

Novick: Mr. Lightning, the six million doesn't pay for the equipment. That's just an estimate of the fee that people who choose to pay by phone will wind up paying to the vendor directly. So, it's not a matter of we're buying equipment and we're covering the cost. It's a matter of we're basically setting up an arrangement where people will be able to pay that fee to the vendor that's operating the system.

Lightning: OK. But to determine that overall fee and the payment back, my understanding is it would be have to be some type of a cost calculated on some form of equipment or something to the vendor. That is something that I am asking. At a certain point, can that money, that additional amount go back to the City and not to the vendor?

Novick: No. The idea here is that we're giving people the option of basically paying a vendor a certain number of cents in order to be able to pay by phone. It's almost a pass-through.

Lightning: OK. Thank you.

Fritz: Thank you. This is an emergency ordinance, please call the roll.

Item 770 Roll.

Saltzman: Aye.

Novick: Aye.

Fish: I appreciate this hearing. When we were reviewing the agenda on Monday, it wasn't clear what this is and Steve, we wanted some additional information. I think the questions that we've asked and the dialogue here has been helpful. Also, I think just in terms of good

July 15, 2015

practice, my preference is that for items, even for solicitation of this amount, they be on the regular agenda and not the consent. I know we're in the process of tweaking our policies, but I would encourage us to do that.

Novick: I think that's quite reasonable.

Fish: Thank you for the discussion. Aye.

Fritz: Good discussion. Aye. Thank you. Just a time check, folks. We all need to stay here because we've got a couple more things to do. Similarly to my colleagues, Commissioner Saltzman and Novick, this afternoon, there will be three of us. We'll have to take a recess if anybody needs to take a break, so just be aware of that. Could you read the title for 772, please?

Item 772.

Fritz: I'm going to pull this back to my office. And just so you know, I'm not going to be bringing the other noise issues on July 29th as we've previously discussed. We'll have a little more community process and bring back a package.

Item 777.

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

Christine Moody, procurement services. You have before you a procurement report recommending the contract award to Brown Contracting. The engineer's estimate was \$893,672. On May 21st, 2015, five bids were received and Brown Contracting is the low bidder at \$698,526. The Portland Bureau of Transportation has reviewed the bid items and accepts the proposed pricing at 28% under the engineers estimate. The City identified seven divisions of work for potential minority, women, and emerging small business subcontracting opportunities, and MWESB participation on this project is at 7.6%, with work being performed by a woman-owned business for traffic control. I will turn this back over to Council if you have any questions about the bidding process and there representatives from the contractor and the Bureau of Transportation here.

Fritz: So, the minority and women number is not good.

Moody: That's correct.

Fritz: Is there anything we can do about that?

Moody: I'll ask Sean Emrick from Brown Contracting to come up here.

Sean Emrick: Good afternoon. I'm Sean Emrick with Brown Contracting. To address your question, we've worked on numerous projects with the City of Portland that have these type of requirements, MWESB requirements -- not just the female but minority also. This project in particular is a real heavy -- it's a rapid flash transportation issue. It's real heavy on electrical. The good 45% to 50% of the work is electrical. The remaining work is what we do ourselves, which is like excavation, concrete, and asphalt patching type stuff. So, the opportunities for minority and female participation is pretty minimal other than the electrical scope. We tried real hard to get electrical subcontractors to work on it. Five or six different companies we solicited. None of them would bid on it. Too busy doing other stuff. We got five or six bids with other electricians, none of them met those qualifications. So, we tried.

Fritz: Thank you for those efforts and thanks for that explanation. It's helpful. Questions? Thank you. Does anybody want to testify on this? This is a nonemergency ordinance, moves to second reading.

Moore-Love: It's a report.

Fritz: It's a report, thank you.

Saltzman: Move to act accept the report.

Fish: Second.

Fritz: Roll call.

Item 777 Roll.

July 15, 2015

Saltzman: Aye.

Novick: Very excited about getting these beacons installed and making life safer for people in East Portland. Aye.

Fish: Aye.

Fritz: Thanks to Representative Shemia Fagan for securing money to help with this and other safety improvements in East Portland. Aye.

Fritz: Now we can move to 778, which is our final item this morning.

Item 778.

Fritz: Commissioner Novick.

Novick: Colleagues, this item is technical as all get out, so I will not say a darn thing and just turn it over to Jody.

Jody Yates, Portland Bureau of Transportation: Thank you, Commissioner. My name is Jody Yates, I'm the interim parking group manager. With me today is Mark Friedman, who is the parking enforcement division manager. In front of you are some code amendments to help assist the bureau with our implementation of the Northwest parking plan and the Central Eastside parking management plan. As a reminder, City Council adopted the Central Eastside plan in June of 2012 and the Northwest parking plan in July of 2013.

In order to implement the plans as adopted, some code amendments are necessary, and there are basically three main items that they address. The first one allows persons who are parking to re-park in these two parking management districts. That's currently not allowed. These are large area parking permit areas and this applies to those people who would not have parking permits. Again, Northwest is rather large. I don't remember the entire boundary, but if you were visiting in one area and you stayed for two areas in that area and you physically moved that vehicle, you would be allowed to re-park. Also in Northwest, people will be allowed to extend their stay without moving their car -- that's if they are at a meter. Also in Northwest, we are creating a hybrid district of meters and parking permits and the current code doesn't allow that to occur. So, these code amendments allow everything to be put in place per the adopted plans, and they've been through City attorney review.

Fritz: Questions? Thank you very much. Does anybody want to testify on this? Wow, nice job. Roll call, please.

Item 778 Roll.

Saltzman: Aye. **Novick:** Aye. **Fish:** Aye.

Fritz: I just want to highlight something that some of my staff were not aware of -- that if you're in a permit parking area you have to move to a different block face, not just move your car one spot along. I know that from bitter experience. Thank you for your work, I hope this works out well. And thanks to the community who worked so hard on this. Aye. We are recessed until 2:00.

At 12:28 p.m., Council recessed.

July 15, 2015
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.

JULY 15, 2015 2:00 PM

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

Fritz: Good afternoon, everybody. Welcome to the 2:00 Wednesday, July 15th Portland City Council session. We have just one item on the agenda. Would you please read it?

Item 779.

Fritz: Thank you. We always have a lot of people here. I'm just going to go over a few ground rules. We will a short presentation that will go no longer than 30 minutes, and then we will go to citizen testimony. We'll see how many are signed up, but it will probably be two minutes so be prepared. We ask that while your fellow citizens are testifying, if you like something, do the jazz hands or the thumbs up. If you don't like it, do the thumbs down, or other polite hand gestures, as the Mayor says. It's really helpful if you refrain from anything audible -- applause, yelling, cheering, booing, whatever -- because we want to make sure that everybody has a turn to be heard and also that everyone feels comfortable speaking their truth. That's pretty much the ground rules of the chamber, and I will turn it over to Commissioner Novick.

Novick: Thank you, Madam President. Before introductory remarks and the presentation of the status report by staff, I need to address a procedural matter. I'd like to make a motion to substitute the report with the revised document, which includes corrected trip counts for taxi WAV service. The report erroneously included medical and paratransit contract WAV trips in the last WAV count. The report has been amended page 20 with just retail taxi WAV trips. So, this would substitute a sentence in page 20.

Saltzman: Second that.

Fritz: Do you have copies of the revised report? I don't think I have it.

Moore-Love: It should be on your desk marked "sub."

Fritz: Oh, thank you.

Fritz: The community hasn't seen this yet, is that correct?

Novick: Right.

Fritz: Is it posted on the website now?

Novick: I believe it is. Hang on -- Bryan, where are you?

Fritz: There he is.

Bryan Hockaday, Office of Commissioner Steve Novick: I'm sorry, what was the question?

Novick: Is the revised report on the website?

Hockaday: Yes, it was posted yesterday at about 2:30.

Fritz: And obviously, since this is an interim report, there'll be more time for folks to look at it after the hearing and to give more comments on writing. So, let's take a roll call on accepting the substitute for discussion.

Roll.

Saltzman: Aye. **Novick:** Aye. **Fritz:** Aye.

Novick: Colleagues, this status report on the private for-hire innovation pilot program is an initial snapshot of the market in Portland for the month of May. The report offers some interesting insights into the market, as now augmented by some new players and interim

July 15, 2015

new regulations. Looking at this data and as more data is received and analyzed, we'll gain a much better understanding of demand for and quality of private for-hire service.

Just my impression looking at the report is that it seems like the experiment that we're running seems to be working pretty well for consumers in terms of citywide service and 24/7 service, in terms of wait times, in terms of making progress on delivering service for people who need wheelchair accessible vehicles. I want to hear more information about the impact on and welfare of drivers.

And one thing that I just want to warn people -- I want to have a chance to ask drivers today -- and I hope a number of drivers for both taxi cabs and TNCs are here -- is what you think about the controversy over whether drivers should be classified as independent contractors or as employees. There was a decision recently in California that held that an Uber driver should properly be treated as an employee, which would mean that you get unemployment compensation and are guaranteed at least minimum wage and workers comp, etc. I had a conversation the other day with Brad Avakian at the Bureau of Labor and Industries, and he said he had taken a look at the issue in the context of the California decision and he said that as far as TNC drivers only are concerned -- he didn't expound on taxi drivers -- he thought that there's a reasonably strong argument either way, and the only way he would resolve that issue is if a case actually came to his office. Again, that's something that I happened to be interested in. I want to warn people I will ask taxi and TNC drivers for their perspective on that.

Without further ado, I will turn to the report and welcome Director Treat to the stand. **Leah Treat, Director, Portland Bureau of Transportation:** Good afternoon. Thank you very much. Again, Leah Treat, Director of the Portland Bureau of Transportation. As you all know, there are many ways to get around in Portland. We can walk, roll, bike, streetcar, bus, MAX, tram, motorcycle, personal car, car sharing, Car2Go, Zip Car, and we also have private for-hire, pedicabs, limos, taxis, and TNCs. These are a lot of options for Portlanders and visitors to choose from, and with the exception of the bus and MAX line, the Bureau of Transportation directly oversees and impacts these modes on a daily basis.

As you recall, you directed me to promulgate rules to allow for a pilot program for the transportation network companies to operate within the city of Portland. There was a set of guiding principles that addressed key issues of insurance, background checks, vehicle requirements, and general conduct of the companies and the drivers.

Using the task force and the City Council recommendations, staff were able to generate code changes and administrative rules. Two TNCs have been issued permits so far -- that's Uber and Lyft -- and they have been operational since April 24th. That's eleven and a half weeks so far for our pilot.

I think it's important to say in this hearing that governments everywhere -- not just in Portland -- are facing challenges responding to new and emerging technologies in general. Portland isn't alone. Other cities have struggled with TNCs, Airbnb, and other disruptive technologies to come. I am excited we're in this pilot phase because I believe government needs to be more nimble and quicker to respond to market-driven options, but we need code and administrative rules that allow for flexibility that also maintain necessary safeguards for consumers. Performance based outcomes and the necessary data to ensure those outcomes, such as equitable transportation services for wheelchair needs, are one way of allowing the government to respond more quickly.

Staff have prepared a report for you that's mid-pilot -- only it's through May -- that will give you a status of data that we've received so far. It's going to include a summary of the data evaluation compliance, ADA wheelchair accessibility, and the task force work and subcommittee work so far. With that, I will turn it over to Jody Yates.

July 15, 2015

Jody Yates, Portland Bureau of Transportation: Good afternoon, Commissioners, I'm the interim parking manager for the Bureau of Transportation. As Leah mentioned, we have a report for you and we'll go through it.

A little bit on the data and data analysis. We had trip pattern data that we collected from the taxi cabs and the transportation network companies, I will refer to them as TNCs from here on out -- those are Uber and Lyft. This is a snapshot in time and it's only for the trips during May of 2015. So, again, just 31 days.

There was some challenges in the data analysis. Each taxi company has a different dispatch and a different way of collecting their data and has different formats and capabilities. We did the best we could with the data provided. One thing also to note -- only for the taxi cab data, we only analyzed the data collected through dispatch. So for those instances where the street hails or curbside hails, say, in a hotel zone -- those aren't in the data analysis. A lot of the cab companies don't collect that data for themselves.

Universally, the taxi cab companies don't generally record their destinations. A lot of their data is -- we have the origin zip codes, but not the destination of those trips. With the TNCs with the app and the GPS, we clearly have both, we know where they started from and where they ended up. And as best we could, we did do some extrapolation of the data based on the number of vehicles for the cab companies to get a better idea of overall trip patterns.

Before you is a map of the city, and there are approximate 32 zip codes throughout the city. Generally speaking, on the locations of where trips originated, we did taxi cab and TNC -- the top 10. Generally, Buckman and Pearl, Old Town are high on the list, and the downtowns. Third for the cabs was originating from outside the city. You can see on the TNCs that was tenth on the list. But generally speaking, the neighborhoods are very similar.

The percentage of rides by originating zip code are closer to the core of the city, more trips, and as you go farther away from the downtown core, less percentage of rides. No surprise. That kind of equates to the density of the population.

Peak request time for the taxi cabs generally was late night and late evening. For TNCs, it was overwhelmingly late evening. The late evening hours 8:00 p.m. to 11:00 p.m.

Frequency of ride by day of week. Peaks on Friday and Saturday for both company formats. Just looking by the dates, you can see a very cyclical nature, and those peaks are the weekends.

Frequency of trips by time of day. Also very consistent for both company formats. I would say the cabs are a little bit more level in their frequency for morning and evening -- or overnight, hours especially.

Fritz: Do we know that the TNCs are available during the night?

Yates: They did report data that they had trips occurring at all hours.

Fritz: Right, but I'm wondering if the difference in whether people use a taxi during the day versus a taxi during the night could be due to the fact that maybe there aren't as many TNCs available during the night. Do we have any information about that?

Yates: We didn't collect data that was associated with how many vehicles were on the platform at the time, it's just how many trips that were taken.

Fritz: Can we get that?

Yates: I'll refer to Ken.

Ken McGair, City Attorney's Office: I mean, we can always ask and try to make that part of the data sharing agreement, Commissioner.

Fritz: I think that's important information. We know how many taxi cabs there are, so it would be nice to know how many TNC cars there are at any hour of the day or night.

Yates: I will confirm for you that there was service performed all hours of all days.

July 15, 2015

McGair: And I would just caveat -- some of these things, as with the taxi companies, they may not have that information readily available, but we'll certainly ask.

Yates: Other questions or I'll continue? What we did on this one, breaking out -- the orange line shows the Sunday through Wednesday service and the blue line is Thursday through Saturday service. Again, peaks for both company formats for the weekend service and then also by time of day. So, definitely more rides are taken on the weekend or entertainment times. Not a big surprise for us. That would be like the 8:00 p.m. through 2:00 a.m. hours on the weekends.

Average wait times by zip code. For the taxi cabs generally closer to the core, five to 10 minutes. As you get a little further out, the wait time extended. Generally speaking for the TNCs, it was consistent. The five to 10 minutes, farther route was 11 to 15 minute range.

Fritz: Does that include pre-ordering of taxis? How does that factor in to whether there's a wait time or not?

Yates: It's a little bit more difficult to analyze for those pre-scheduled ones. Again, this was for the dispatch for immediate pick-up. We actually excluded that from the data analysis because many of cab companies didn't record it or provide it to us.

Fritz: For the next report, it would seem helpful to compare apples to apples -- if there is any way to get that data as to many pre-ordered cabs there are, because presumably for those, the wait time is zero.

Yates: Presumably.

Fritz: That would be helpful. Thank you.

Yates: Average wait times by zip code. Generally speaking, very consistent for most of the zip codes until you get to -- as you go to the right, many of those zip codes are the farther out -- farther from the city core. More consistent for the TNC, a little longer for taxicab companies.

Percentage of total trips by wait time. Again, very consistent, but between both company formats, one -- the anomaly to the right is that 8% or -- just under 8% of the cab rides are waiting 20 minutes or more. And I think Raye Miles is going to speak to that.

Wait time by the time of day for both company formats. For the TNCs, it's averaging around six minutes. For the cabs, it's averaging around 10 minutes -- just slightly under 10 minutes.

Once we go into looking at the demands -- so the number of service calls that they're getting -- taxi cabs respond with shorter wait times, especially in the -- I'll call them the entertainment hours, the 8:00 p.m. to 2:00 a.m. hours. As the demand goes up, the wait time goes down. Also consistent with the TNCs, although their wait time was -- had less variability in it.

And then trip durations are almost mirror images for each other for both company formats. And then looking at the average ride duration, taxi cab riders fair better in that their durations tend to be a little bit less than the TNCs. It could be that those TNC drivers may not be as familiar road users.

And then we will go into compliance and Michael will take over.

Michal Jacobs, Portland Bureau of Transportation: Thank you. I'm Michael Jacobs with Bureau of Transportation.

With the pilot program staff -- this is all new to staff, new to TNCs, new to all of us. On the staff side, we had to set up a new set of compliance protocols so that we could both concentrate on education and compliance.

There are a number of ways that we provide compliance. The first one is that we require the TNC companies to certify their drivers and their vehicles before they're allowed to be on boarded into the platform.

July 15, 2015

The second method we use is for random certification audits. We can either targeted audits where we're looking at specific information, or we can do general certification audits.

We're doing regular field compliance actions where we actually -- our staff goes out and takes rides in both taxis and in TNCs, and they're looking at both driver requirements and vehicle requirements. With the driver requirements, they're looking for a valid driver's license, identification on the app if it's a TNC driver or the permit if it is a taxi driver, looking for business license if it's required by the driver. We're also looking at vehicle requirements, vehicle registration, insurance requirements, looking a lot at the vehicle condition -- is the vehicle clean, is it safe, does it have a hands-free device? Does it have a first aid kit? Does it have a fire extinguisher? And we have developed forms that we take out to complete the audits so that staff can check things off as they go through the list.

And finally, we can do complaint investigations. We've always accepted complaints from consumers and others. We continue to do that and we encourage folks to file complaints with the City if there are issues.

As I said at the beginning, the objective of the new protocols is both for education and for ensuring compliance. We regularly meet with both TNCs as we walk through this process. It is a lot of learning to do on both sides. If there are violations found, consequences of violating the rules or regulations can range anywhere from warnings to civil penalties that escalate with the recurring offenses, or ultimately could end up with permit suspension or revocation.

I want to talk a little more about complaints. In May of this year, we received 13 complaints. Four of those complaints were against taxis and nine of them against TNCs. That compares to 90 complaints that we received in all of 2014. So, you know, if you look at 90 in one year, that's about seven and a half complaints a month, So, we saw an uptick in complaints, which we anticipated.

Again, I would like to emphasize if there are problems, people can file complaints. They can do it through email at pdxrides@portlandoregon.gov or by calling our program administrator. They can go online -- we have a complaint form that they can use to file a complaint. Or of course, they can always give us a complaint through mail or by fax.

And at this time, I turn it over to Nikole to talk about accessibility issues.

Nickole Cheron, Office of Neighborhood Involvement: I apologize, I need to see the slides to prompt me. So, we have many forms of accessible transportation in Portland. There are people that own their own vehicle, but note that those vehicles cost starting at \$16,000. We have TriMet, which has very accessible public transportation, fixed route. They also have paratransit, which is a curb-to-curb service for people with disabilities, but only a small section of the disability community are eligible for paratransit services. We have Medicaid-funded services -- and these are nonmedical Medicaid services -- but only people who receive Medicaid and only groups within that Medicaid population are eligible for those services. There is medical transport, and there are facilities which have shuttles and things like that that can transport, and then we have private-for-hire transportation with TNCs and taxis.

I am so bummed Commissioner Fish isn't here, because I had a big "under the ADA that Commissioner Fish's dad made happen," but he's not here. But the Americans with Disabilities Act happened in 1990, and under it we basically created the civil rights law that said people with disabilities are eligible to receive and participate in events and services -- not just government, all services and events that are open to the general public. So, what that means for the private-for-hire industry is that, one, the fares that they charge for people with disabilities has to be equal to the fare that able-body people are charged.

July 15, 2015

The reason this comes up is because, like I mentioned, the vehicles are much more expensive, the time it takes to transport someone in a wheelchair is longer, and so it becomes a burden for the provider. But they can't put that cost back on the people with disabilities. I should note that Portland was one of the first cities to adopt wheelchair accessible requirements for their taxi companies.

Alright, so our WAV regulations to date. When all of this was happening in the '90s, we regulated that the fleets needed to be 20% -- 20% of the fleet needed to be wheelchair accessible vehicles. In 2003, they realized not all of the companies were meeting that requirement, and the cab companies came together and created the Portland Accessible Cab Association, or PACA. Under PACA, they decided that they would pool their resources, so the companies would only be responsible for having 10% of their fleet being accessible, and they would kind of piggy-back on each other, taking responsibility -- I believe, once a month or in a cycle of who would be the dominant one and then they would piggy-back on each other to make up that 20% requirement and try to provide the service.

In about 2012, they realized that it wasn't working very well and they made a recommendation to end the PACA and try to find another solution which, of course, has led to this. And then also right now, we know that 15% of all of Portland's permitted taxis are wheelchair accessible vehicles.

OK, so what are we dealing with right now? We know that the providers have an extra cost when they're providing wheelchair accessible transportation. The vehicle costs more, the gas costs more because these vehicles don't have a great gas to street mileage, it takes more time -- so each ride takes a little more time and so that costs more. We are working -- PBOT's going to get an exact number, but right now, we're estimated that a WAV ride for a person in a wheelchair costs the company \$30 to \$40 more than a non-WAV ride. And they have to absorb that additional cost because as I said, we can't ask the person with the disability to pay for it. The company absorbs it.

Over the years, the cab companies have tried to mitigate this high cost by contracting out. So, they have contracts with school districts, with Medicaid, with medical transport, with the paratransit, and TriMet. And this has been a way for them to kind of have those vehicles not be sitting around, having them in use. But what happens then is there are not vehicles available for, you know, the person that's flying into Portland for vacation and they use a wheelchair and they want to get from the airport to wherever they're staying and the like.

So, this is why we're moving towards this idea of performance standards -- the idea that, yes, you can dictate a number of fleet, but that doesn't mean that it regulates how that fleet is being used or that the community is being served. And so, performance standards focuses on, what are the outcomes that we want to see and what is that customer service level that feels fair?

Our WAV trips in May. The taxis estimated about 640 for immediate pick-up WAV trips. 13% of them were cancelled. And of the WAV trips reported, 44% had a 30-minute average wait time. For the TNCs, there were just over 200 WAV rides. The average wait time for the vehicle was about 10 minutes, and we anticipate this number will increase as the TNCs are new, people don't know about them. And actually, one of the TNCs isn't quite providing service 24 hours a day -- WAV service.

Fritz: Which one?

Cheron: Ken, am I allowed to say which one?

McGair: Lyft has been warned that their WAV service is unacceptable.

Novick: And actually, correct me if I am wrong, it is my understanding that Uber, although doing better, does not yet have 24/7 service. On weekday mornings, they don't have WAV service available until 10:00 in the morning. I'll ask them when they come up.

July 15, 2015

McGair: I should note that both of them have worked with City staff pretty extensively to create more WAV service in getting their contracts further solidified so that there are more WAV vehicles available for request.

Cheron: And I do want to say, I've been on a couple of the compliance runs -- and I've had my job for nine years now. Over the nine years, I've gotten my fair chair of complaint from community members about taxi service. I myself have experienced issues with it. And I will say that over the last month, I've tried to use it more and be more engaged in it, and the wait time has definitely gotten better.

Novick: Nickole, has the wait time gotten better for taxi service or for a combination of taxi and TNC?

Cheron: Again, I've had a handful of rides, and I would say the majority of taxi rides were better. I did have one ride where there was kind of a mix-up, but I did see an increase with both companies of wait times.

Novick: Is that the end of the panel?

Yates: It is -- unless you would like a brief summary of what is happening with the private for-hire task force. During the end of May and through June, we had subcommittees established. One focused on operations, one was market and program considerations, and the accessibility subcommittee. Each committee met three times and there were invited representatives on all of the committees from the cab industry -- and I'll speak more to the accessibility. We had Ride Connection, TriMet, we had some other providers for this these kind of services so that we could get more of an idea of demand as well as costs and those sort of ideas. And then key things were established and we are starting to focus in -- or the task force with staff representatives are starting to focus in on what the recommendations coming forward in August will be.

Novick: Thank you.

Fritz: Thank you.

Novick: Now, we do have invited testimony from the Portland Commission on Disability, the Transportation Fairness Alliance, and transportation network companies. Thank you all very much.

Fritz: Could the invited panelists please come forward?

Novick: We should have Joe VanderVeer and Lavaun Heaster.

Joe VanderVeer: I'm Joe VanderVeer and I'm the chair emeritus of the Commission on Disability, and I've been on the task force accessibility subcommittee. I stepped in at that point when that subcommittee started and I've been on that through this process and I attended the task force meeting yesterday. So, I haven't been involved in the whole process but have been involved that far.

Like Nikole, I've also been involved in doing some of the compliance checks. I've done a ride with Uber twice and with two cab companies twice, and I would echo what Nikole said -- that from my experience, I kind of -- before this pilot project and this whole issue erupted and started being addressed, I had pretty much given up on taking cabs because they were just too hard to get and it was just too much of a hassle. And so, I was skeptical when I went into this. And I'll tell you, I would agree with Nikole that the service has gotten markedly better. It takes -- I think my wait times were 35 minutes and 20 minutes, and then 20 minutes for a cab, and for Uber it was about 15 -- to different areas of the city. That's substantially better than what it was when I used it years ago. So, that's good.

Now, why is that? I think it's probably attributable to three factors, one being the change in policy that was made for this pilot project, which was to allow those vehicles that the parts of the fleet that Nikole mentioned that are used for Medicaid rides -- to allow those the extra capacity to be used for regular rides. So, that freed up a lot, added a lot of

July 15, 2015

capacity to the system. The second one would be simply adding more players. The TNCs do a good job. They don't work all hours, they don't run all hours, they have limited vehicles, but the service is good. And so, that adds to the capacity. That really -- those two things together improve the situation quite a bit. The third thing I would say is that everyone is on their best behavior right now. [laughter] Everyone is trying to get their numbers, and so, you know, that needs to continue and I hope it doesn't slack off when this is over once the new regulations are in place. So, there needs to be very good enforcement of whatever we put forward.

Fritz: Thank you. Lavaun?

Lavaun Heaster: Thank you for having me. I'm Lavaun Heaster, chair of the Portland Commission on Disability. We are really hoping to continue to be engaged as this moves forward. Having Joe serve on the accessibility subcommittee and then having Sue Stahl earlier serve on the task force has helped us to know more about what's going on. Because we were concerned at PCOD about the taxi situation long ago, but quite honestly we had given up also. We heard about people who couldn't get rides with their service animals, we heard about people who had to split up because they both used wheelchairs. We knew these things, but it was one of those things where it wasn't even worth fighting for it. And so we're so excited that this is going on right now, because we think this is an opportunity for Portland to be one of the leaders in how do we do this right -- how do we make sure that people with disabilities have equity in transportation? The private-for-hire transportation.

What we would like to ask is continue to keep us engaged, continue to make sure that there is a PCOD member involved as you move forward, and also to have people come and bring reports to us so that we're not working in reaction to and even before reports are put together to ask us what kind of data is needed. Because oftentimes, data when it comes to the disability community is not the data that is needed if there happens to be data collected. Nine out of 10 times there is no data collected. But when there data collected, oftentimes it is not the data that is of most value. So, come to us beforehand so we are not working in reaction to when money has already been spent on services. Thank you very much. We're really excited that Portland is moving in this direction.

Fritz: Thank you.

Novick: I think three more. We should probably hear next from Raye Miles, the Transportation Fairness Alliance.

Raye Miles: Good afternoon. I'm Raye Miles with the Transportation Fairness Alliance. We appreciate the data analysis that was done by PBOT. We do have a few comments and a few areas that we think you should be aware of when it comes to that data. I think they're passing around our handout, just in case I leave something out.

One of our biggest concerns is that the data collection doesn't accurately capture what the TNCs' unfulfilled trips really are, and that's because when you use the app, if there isn't a vehicle available, it frequently will not even accept your attempt to reserve or your attempt to book a ride. So, with the cab industry, once you get ahold of us, we have to accept every trip request within the city of Portland. So if we don't have a vehicle in the area, we have to deadhead a vehicle to the area to pick someone up. Whereas with the TNCs, if they didn't capture that somebody wanted a WAV vehicle at that particular time of day in that neighborhood. So it is kind of comparing apples to oranges, and we think over and over again that affects our data compared to their data, particularly when it comes to things like wait times.

We did note in the report that taxis have a higher percentage of unfulfilled trips, and we believe this is largely do the fact that taxis are allowed to require a credit card in advance to book a trip. So, we have a large number of no-shows, where, you know, we get

July 15, 2015

to the Lloyd Center, we get to wherever the pick-up location is, and we aren't able to locate the passenger, whereas if you've given a credit card to book that trip, you're more likely to be there. They have recourse if the passenger isn't there.

Novick: Raye, forgive me for not remembering this, but what's the code provision that prohibits you from requiring a credit card in advance?

Miles: We have to accept all methods of payment -- we have to accept cash, credit. Though it is possible that's one of the areas that is not entirely clear during the pilot program, and in an abundance of caution, the cab companies continue to abide by what has historically been the requirement. And that is one of the things put in place to ensure that everybody in Portland has access to transportation.

The report also doesn't touch on or contemplate the effective that surge pricing has on TNC demand and wait times. When a TNC implements surge pricing, this helps the response times by decreasing demand, because some of the population drops out because they're not able to afford the surge pricing, but it also enables them on the fly to increase the number of drivers on the road.

Novick: But Raye, under the pilot, you could also engage in surge pricing if you chose to, right?

Miles: We could. We have the challenge of meters in our vehicles, and we had to make the choice whether or not we were going to attempt to reprogram all of our meters, which is more challenging. But there is an option there. So, we feel like an improvement to response time does come at a steep price to consumers in Portland.

One of the other findings in the report was that there was limited data provided by the taxi cab industry providing WAV trips so comparisons between the two was not wise at this time. We sort of disagree with that conclusion in that the three largest companies provided WAV data, and those three companies represent 82% of the taxi market. While we don't have exact data, we believe the three companies also probably represent 98% or 99% of the WAV service that occurs in the city of Portland.

One of the objectives of the pilot period was to compare taxi and TNC performance serving people with disabilities. We believe there was adequate data to at least attempt to address this, and we believe it would have largely taken the wind out of this notion that it takes hours and hours to get an accessible vehicle in Portland. It simply isn't true. There are the occasional problems. There are anomalies, just like there are with all types of transportation. But for the most part, we believe the vast majority of service occurs within -- it takes about twice as long on average to get an accessible vehicle in Portland.

Finally, when you look at figure D1, we actually -- that shows what -- sort of the -- how long it takes on average to get a trip. We believe this really shows the similarities between our two business models and the fact that response times -- actually, once you get everything between about one minute and 14 minutes, they're very, very similar. Where the taxi industry really starts looking different is when you get the longer wait times. And once again, we believe that's because we have to take a request for service even though we don't have a vehicle in the area. And that typically -- these are the hard-to-cover trips and they're the ones that are deep out at 160th and Division or something.

Decades ago, the City of Portland decided that cherry picking of fares, meaning only taking the ones that are easy to serve, was not in the best interest of Portland citizens and should not be allowed, but this distinction shows up over and over again in the data prepared by the City. We think in order for parity to be achieved between the TNCs and taxis, you either have to waive the taxi industry of the requirement to accept every trip request, or you have to require TNCs to take reservation requests even though they have no vehicles available.

July 15, 2015

PBOT staff has been really good to work with throughout this, and we hope to work with them even more on the next compilation of data. We think eliminating time calls is really harmful to the taxi cab industry's data. In part because I think our response times are better on those -- but even worse, it disproportionately eliminates WAV requests, because more people who use accessible vehicles or require an accessible vehicle want to schedule their trip in advance, which is something that they simply cannot do right now with the TNCs. Thank you.

Fritz: Thank you very much. Appreciate your testimony.

Novick: Madam President, can I ask a couple of quick questions?

Fritz: Can we maybe invite panelists to come back at the end of the community testimony.

Novick: Sure.

Fritz: If you're able to wait. Thank you.

Novick: We have representatives from Uber and Lyft, I believe, in the audience. If you could come forward, Brooke Steger and Annabel Chang.

Brooke Steger: Hello, Commissioners. Thank you for having us here today. First, I just wanted to say thank you to all of the hard work that has gone in so far with staff, within PBOT and your own staff. I know that this has added an extra burden on to them, so I appreciate all of the thoughtfulness and hard work that has gone into opening up Portland to transportation network companies, working with us in making sure that this pilot program is as successful as it possibly can be.

We were pleased by the report that came out. I think showing the fact that our wait times are very much acceptable, showing that we're also offering service to the entirety of Portland in a very acceptable and reliable way -- something that we're really proud of and told you that would happen before we launched, but we're really happy that the data is able to show that.

One thing I do want to clarify is that you actually can request a vehicle within the application even if there are no vehicles available, and that is logged and that is a requirement that we pass that data to the City of Portland and that has been shared with City of Portland. So, any requests that comes in that we cannot fulfill is requested. That is why the data coming in showing 100% fulfillment rate of every trip. That also including cancellations, but it will also include someone requesting and there not being a vehicle in the area available.

Furthermore, we're pleased by the wheelchair accessible data, but we believe there is a long way to go and so I don't think that that data indicates that we are done or finished with improving the service. Commissioner Novick, to answer your question, it is correct that we do not have 24/7, seven days a week service. Currently, we are relying on a third party provider that we contract with. We do not have available -- there is not as much availability with wheelchair accessible vehicles as you might find with Uber X, where we are partnering with personal vehicles. We are very excited that we are almost there with P2P wheelchair accessible. We have partnered with a local provider to do an additional level of inspection, as well as a local provider to provide additional training to offer P2P wheelchair accessible trips on our system in order to supplement the supply.

It has been an extraordinarily complicated path that we have gone over the last two months exploring this issue, but we hope to have our first driver on the system next week, and I believe that will continue to grow. But I think that the work that the commission on -- the subcommittee on accessibility is doing is phenomenal. Some of the pathways they are going down we are in large support of and there does need to be some form of subsidy, we believe, on these trips because they are fundamentally more expensive to provide.

Furthermore, outside of the data, we are extremely excited about what has happened over the last two months that we've been in Portland. Not only have we

July 15, 2015

provided hundreds of thousands of trips, partnered with thousands of -- or hundreds of drivers and provided them with a level of opportunity -- and I will note that the average driver is taking home over three times what the last Portland report indicated that for-hire drivers were making in the city. We're very pleased with that, offering that level of flexibility. We continue to see hundreds of drivers each week interested in partnering with Uber and we've worked very hard to ensure that every vehicle is on the road, done our best to ensure they are compliant.

In addition to that, we have launched three additional products on our system -- Uber XL, which offers larger vehicles for larger parties to promote sharing of that vehicle and less vehicle usage. We've also launched Uber Pedal, which allows bikers to request a vehicle and put their bike safely on a bike rack located on the car; and we've launched Uber Assist. Uber Assist is simple an Uber X vehicle but with a driver that has additional training, sensitivity training and help with placing a folding wheelchair in the car, sensitivity and informational training over identifying someone who may be vision impaired, someone with a walker. And we have seen huge success. Even though that just launched last week, the demand for that is actually over 20 times what we see for a wheelchair accessible vehicles. So we find there is unmet demand in that demographic as well, and so we're very excited to have served that.

We currently have four full-time employees in Portland and a permanent office space, and we will be hiring five more hopefully within the next month. We're just very excited to be here and be in Portland. And I believe that some of our promotions and partnerships that we have invested in since we have been here really speak to our commitment to the community. We launched a neighborhood love campaign last month --

Fritz: I'm going to cut you off there because we are focusing on the report. Thank you very much.

Steger: OK. Thank you.

Annabel Chang: Hi, it's good to be back. Thank you again. We also wanted to thank PBOT and your staff in working with us. It's been a really smooth process in our view. It's been very successful. As you know, the permitting process that was designed allowed us to quickly move forward and begin connecting rides all over the city. So, that is something that we want to commend.

On top of that, we've been working very hard with PBOT to comply with our auditing and reporting requirements, so that has been going smoothly on our end.

One thing I did want to comment is about community involvement from our end. We were excited to be part of the Rose Festival. We are going to be working on --

Fritz: I'm going to ask you to stick to the report.

Chang: Absolutely, of course. One of the things I want to comment is the idea of all-city coverage. The data report indicates that there is all-city coverage, and that is hugely successful for us. For anyone wanting to get a ride, especially late at night, you want options and this now shows that people are using these options and want these options. So, that's something that we definitely want to note.

I did also want to note a couple of logistical issues that were not specific to the data report but are specific to the pilot that we're seeing play out. I have addressed that to a letter of City Council beforehand. One was the issue of the master mechanics, the master ASC mechanics. The second was the WAV issue, and the third would daily reporting. Why do I want to raise this?

A master mechanic is very, very highly skilled mechanic, and there's only about three -- about 100 or so that we know are possibly available in the Portland metro region. The City has a list of about 50. These are the only mechanics available as master

July 15, 2015

mechanics who do TNCs inspections. Now, that's a problem. Because that means there is limited supply, limited availability to get vehicles inspected to get on to the road.

Fritz: All of your vehicles have been inspected, right?

Chang: Absolutely. But what I'm saying is the expectation is that there will be growth, right, of more people participating. And with a limited number of mechanics, that poses a significant operational hurdle. So, our strong suggestion is that the ability of vehicle inspections be expanded to ASC-certified mechanics, not just master mechanics.

Fritz: I don't believe we're about to make any changes at the pilot program at this point, so that would be appropriate to ask again. I would like to know, though, in response to my previous question, would -- can Uber and Lyft tell us how many drivers are available at all hours of the day and night? Do you have the capacity in the system to know how many drivers have their app switched on?

Chang: Yes, we would.

Fritz: I would like you to report that, please. Because I wonder why there is disparate use of the taxis during the wee hours of the morning versus Uber drivers or Lyft drivers.

Chang: And I also would just note -- one of the questions is, how do we compare apples to apples and not apples to oranges, right? With this data report, it is a little complicated. Meaning, for example, out of taxis, the information about street hails and people picking up a taxi from a hotel for example is not accounted into. As well as the issue of someone arranging a ride in advance, as they mentioned. Those are things that we do not have access to, for example. Meaning, we do not street hails, we do not have curb space allotted at hotels, and therefore that information is not going to be -- that would not be apples to apples. I just want to make that abundantly clear that that is distinguishable. But we are working our very best to make sure that everyone that makes requests a ride can get a ride in a timely, safe, and convenient way.

Moving on to WAV access. As has been noted before, TNCs don't have a fleet. In order for us to work during the pilot, we've had to partner with providers, with access providers. There's a limited number in the Portland area and many of them are already contracted out to do medical transport, etc. So, what that means is we have to come up with solutions creatively. So, we are in the process of moving in that direction. Since day one, we've been partnered up with Ride Connection, one of the top providers of these rides in the Portland area. We've inked another partnership with Wapato Shores Transport and it's live today. These are all moves that we're making.

This is -- and I'm just going to flag -- this is the first time in Portland's history where you can get a WAV access ride at the tap of a button on demand. In our view, this is absolutely, 100% -- you know, raising tides floats all boats, right? And that is unquestionably what's happening, and that's a huge success for the community. I do want to comment on that. But it is still logistical hurdle. The way it's being conducted right now, we are not really sure if that is sustainable for the long term. We want to flag that as something that we need to look at very carefully for this to be a long-term, sustainable solution for the community.

Fritz: Thank you. We may have more questions for you later, also

Steger: Do you mind -- on the reporting of the number of drivers on the road, PBOT did provide in the report a completed request number and ratio. And so because we are supplying our trip data and the number of completed requests, I don't believe that you require to get a number of -- a count of the number of drivers actually on the platform, but you can look at --

Fritz: Now that I've seen the data, that's what I'm asking for the second part of the pilot. Otherwise, why would there be such a difference between the taxi versus your service during the day during the wee hours are the morning?

July 15, 2015

Steger: I can speak to that a little bit, but if you see the completed to request ratio, for example, at 5:00 a.m. as exorbitantly higher than it would be at say 2:00 p.m., then you would know that there may be a lower amount of vehicles available on the platform in relation to the demand there. So, the data that is currently being transmitted -- you could actually back into not the exact number of drivers, but if that demand is being met.

Fritz: Well, that's my concern. It looks like there is not very much of your kinds of drivers available during the wee hours of the morning.

Steger: I will say that our -- the completed to request ratio for the TNCs combined was 5% overall, and that would include those hours. Furthermore, we will see when we originally enter a market, as trends show, you will see the most demand on a Friday and Saturday night and it does -- you will see over time a kind of movement towards those weekdays and week times --

Fritz: The purpose of the taxi regulations was to ensure that there's 24/7 coverage that people can get. Anyway, we may ask you to come back later. Thank you. We're going to get citizen testimony now. How many do we have signed up?

Moore-Love: We have 70 people signed up.

Fritz: 70 people signed up. So, we are going to go with two minutes. I think we're willing to stay until 5:00, so we may be able to get everybody done. What I'm going to ask if you're going to hear a beep when there is 30 seconds to go. If you could make sure at that point that you have said your most important thing, and then when you hear the series of four beeps, just finish your sentence and try not to make it a three minute sentence. That would be very helpful. Thank you Good afternoon.

Darin Campbell: Good afternoon, Commissioner Fritz, members of the Council. My name is Darin Campbell. I am the taxi driver representative elected to the private for-hire transportation board -- when it was meeting, of course. I'm also a lobbyist for Radio Cab.

I wanted to start out -- first of all, at the beginning of the pilot projects, Commissioner Novick issued permits of some sort to allow the TNCs to operate under the conditions that they would fall in line with the rules set forth by the pilot project. I've given a packet of screen shots of the Uber format showing that the WAV availability is simply not there. I think it is something that Uber and Lyft -- and you, yourself, Commissioner Novick - have spoken to today. However, we've had multiple people watching that, taking screen shots. We've seen approximately a 90% non-compliance rate for Uber, and I would say I had never once seen up until yesterday a WAV vehicle available on the Lyft platform. To me, it's just an absolutely unacceptable. Now, the couple hours a day that Uber did operate -- I'm not quite sure how they would get to 200 trips. I'll move on since I'm running out of time.

There's more non-compliance, and Uber has been using a garage to do inspections that for all research that we've done, we can't find anything in regards to being a blue sealed certified shop. Green Drop Garage is the company. Also, they're required under the pilot program to have local phone number for complaints and lost and found. Neither Lyft nor Uber have either done that.

Fritz: Thank you for your testimony. We are going to take written comments, too, so please send in the rest of your comments in writing.

Campbell: I can certainly do that. Thank you.

Fritz: Who's next?

Stephen Lovejoy: My name is Stephen Lovejoy. Thank you for having me here today. I just got back into town an hour ago so I didn't write anything, but I just wanted to come in and speak.

Approximately 12:30 on last Saturday, pulled up to the intersection of 10th and Burnside. In front of me was a gypsy cab, across the seat was a gypsy cab, on the right

July 15, 2015

hand side was a Lyft driver, on the left hand side were two Uber drivers. We were outnumbered four to five to one, and that's kind of how this is gone now with no cabs and zero enforcement.

Since this pilot program started, streets have been flooded with these drivers but there's nobody checking on it. It's killing our business. It's killing our morale. It's bad for our health. It's just not acceptable. I would assume that when the dispensaries starts selling marijuana recreationally that there will be enforcement on that. I can't understand why we would turn these new drivers on to the street and have zero enforcement. Never seen an enforcer at all, and I worked five -- now I work six, sometimes seven days a week because it has cut our income 30% to 50%.

I would like to also point out that our fine Mayor, nine days after we started this project, was at the tech fest hand-in-hand with Uber claiming how great this was and touting Airbnb as a success in Portland. When I sat here at that vote and heard you all talk about we didn't want another Airbnb with their, what is it, 94% noncompliant rate. I found the hypocrisy in it with the Mayor standing there arm-in-arm with Uber touting the Airbnb experiment when nine days before that it had been discussed here that it wasn't a successful -- I found that a bit disturbing.

I suggest that maybe the Mayor or Mr. Novick -- I certainly will give you my phone number if you want to ride along with me at night and see how bad this has devastated our industry, as well as how there needs to be enforcement on this, you're more than welcome to. Thank you.

Novick: I have a question for you -- and actually for any driver who comes up, if you have an opinion, I would appreciate your answering this question, if you have time -- which is, do you think that all drivers for TNCs or taxis would be better off if they were treated as employees and therefore entitled to minimum wage and to unemployment compensation, workers comp, and those kinds of things? Or do you think would be people better off as independent contractors?

Lovejoy: I think that depends on the person, sir. Personally for me, no. I would prefer to be an independent contractor.

Fritz: Thank you.

Raymond Roche: Good afternoon. My name is Raymond Roche. Thank you for having me. I just wanna say that I've been driving for about four years now. I've owned private day cab or the day half of a cab for about a year as of yesterday. And my income has dropped -- I started out working seven days a week for a little over a year, but then I was able to cut back to five days. And since Uber and Lyft have come to town, my income has dropped 30% to 40% and have I've had to increase my days of working to seven days again.

There is no enforcement. There has been no enforcement that I have seen. These guys are running amuck, going the wrong way down one-way streets. They can't find their way out of a wet paper bag, half of them. I don't know what state they're coming from, but they're just not following the rules. They're parking in taxi zones, they think they're entitled to whatever we're entitled to.

And we do it for a living. It seems like a lot of these people are doing it as a novelty. I've seen a gentleman out at the airport driving a late model Mercedes which he paid twice what my yearly income is. And that's before taxes or anything else -- expenses are taken out.

So, the enforcement is just -- it's nil. It's about as much enforcement as your serial jaywalkers running around town. I think a good idea he just brought up is someone needs to go on a ride-along and that way, you'll get a good idea of what we go through on a daily basis. Thank you for your time.

July 15, 2015

Fritz: Thank you.

Nona Carrasco: Hi, I'm Nona Carrasco. I work for Radio Cab -- you guys know me. I just wanted to try to make -- get as much out as I could.

I drive a wheelchair-accessible van four nights a week, sometimes five or six nights a week. As Stephen was stating, I, too -- I'm out four to six nights a week and I'm seeing TNCs everywhere. I'm also seeing a lot of the Uber and Lyft drivers with California plates, Washington plates. I live in Portland. I've lived in Portland since 1997. Every cab driver I know lives in Portland. We're local people in the local community. The reason why I'm having to work instead of four nights a week to five or six nights a week is because I, too, have been hit really, really hard with the call volume going down and we have actually more cabs on our fleet. So, this is just -- it's really, really, frustrating. Four nights a week is 48 hours. I drive the night half of a cab. Those are 12 hour shifts. Five nights a week is 60 hours. Six nights a week -- that's 72 hours, and I'm still not making what I was last year. I had more, but -- [beeping] --

Fritz: You have another 20 seconds.

Carrasco: Oh, I just was hearing the beep, sorry. These are some of the things that I've been seeing that is really frustrating as well. I'm seeing that you can buy Uber and Lyft decals off of Amazon. You can also -- they're being told that they don't actually have to be using their decals by the companies, even though that was part of the agreement. I'm seeing the fake taxi top light which I wrote to you, Steve -- Mr. Novick -- about the incident where I was threatened by a man named [indistinguishable] who had the fake top light on the Uber. He has like \$50,000 in unpaid penalties to the City. His permit was revoked, he was fired from Broadway and he actually made it on to the Uber platform because Uber does their own background checks. If he would have gone through City, the City would have seen they revoked this man's permit and he wouldn't have made it on there.

Fritz: Thank you.

Jonathan Orr: My name is Jonathan Orr, Radio Cab driver. Thanks for letting me come up and talk. So, I think as we've been hearing from a lot of cab drivers and as the data shows, there's plenty of vehicles on the streets now to meet demand and there's also some issues with background checks and people slipping through the cracks that maybe shouldn't be on these new platforms. At the very least, I think it should be considered possibly the City resuming control of the background checks and permitting process now that there's more than enough drivers available to meet demand. Sure, there could be more growth, but if you look at other cities, both cabs and TNC drivers hurt when these companies oversaturate the markets. They hurt their own drivers. They have their own drivers go on strike because when the drivers can barely make enough money, they have to do hourly guarantees to make a small wage, and they still give referral bonuses. They're trying to flood the market as much as possible. And a flooded market -- it's artificial. So, when the company is operating a huge loss and still giving bonuses to oversaturate a market, that's great for response times but, I mean, this is -- they're taking a loss to hurt our industry and hurt the full-time working people that do this.

I think 30% to 50% reduction net -- probably 40 to 50% reduction is what I've seen per day that I work average. I just got the paperwork rolling to cash out my 401K from my previous job -- not every cab driver is so lucky to have that to fall back on -- so that I can make it through these tough times and have a little bit set aside, you know, just to live off of my reduced income and then to look for other employment if in the future I need to because this continues. Mr. Novick, you have a question that you invite every driver to answer --

July 15, 2015

Novick: I was curious as to whether you think all drivers of all kinds would be better off if you were treated as employees and therefore entitled for minimum wage, unemployment compensation, workers compensation --

Orr: If the market gets much more saturated, that would look like an improvement, so possibly. However, I have been reading articles about that -- about the legal proceedings in California, and so I think it depends on how the state defines independent contractors versus employees and it depends on the -- how the company operates and the degree of freedom which their drivers have.

Novick: Right, I mean, that's how the laws are, but I'm just asking for your opinion, would you -- do you think you would be better off --

Orr: Would I rather be?

Novick: Yeah.

Orr: Again, I mean, I think that before Portland -- yourself and the Mayor and Mr. Saltzman voted to allow the TNCs to run rampant and flood our market, I think I was very happy as an independent contractor. I had a great degree of freedom for time off and other things. I like that a lot compared to a traditional employee-employer relationship. But again, if the money gets much less, then I'm just a wage slave trying to put food on my table. If I can't make a living at it, I'm going to have to go back to an employee-employer job doing something else.

Fritz: Thank you.

Chris Holmquist: I need to say I am a local Portland Uber driver, born and raised here.

Fritz: Give us your name for the record, please.

Holmquist: I'm Chris Holmquist. I was born and raised here. And honestly, this whole situation can be explained very simply: special interest and competition. The cab drivers are furious with Uber and Lyft because we're the competition, plain and simple.

******:** Not true --

Holmquist: Oh, it's very true. Competition sucks. And what I'm hearing is that the cab industry pays their cab drivers poorly. That's what I'm hearing.

Fritz: Folks, just -- let's let the person testify, please. Remember, this way or this way -- thank you.

Holmquist: I just want to say that instead of maybe as well as hearing from the drivers, maybe you can hear from the public that takes the rides with these companies -- just as a suggestion. I mean, we're all hearing from all sides. Yeah, that's great. But what about the riders themselves?

Fritz: Well, we have 70 people signed up perhaps we will hear from some of them.

Holmquist: Yeah, I'm just saying, even it out. I'm just asking that you listen to them and move beyond the special interest of the cab companies that are on these various governmental boards, and I just ask that we move past that. So, heed our concerns as well as the cab companies and listen to the public more. I mean, they're -- the public, the riders that have ridden with me have told me that they have had to wait a long time for cab rides as well. There may be a bad driver with Uber, yes. There may be a bad driver with Lyft. Same could be said with the cab companies. It depends on the person. I don't zero out one company because of one bad driver. There could be bad drivers everywhere, honestly, with all companies. Just don't pinhole everybody. You know? That's what I'm saying. Pretty much all I had in mind at the moment.

Fritz: Thank you.

Ben Schroeder: Hello, my name is Ben Schroeder. I've been a cab driver in this city for about 11 years with Radio Cab. And I have noticed a negative impact on my income, but I take solace in the fact that more and more people are signing up for Uber and Lyft because with everyone that does, the sooner we will all find out that it's a scam and these

July 15, 2015

drivers do not actually make any money. Everything you read about it says that the most satisfied drivers for Uber and Lyft have only been doing it for less than two months, and that's about as long as it takes for them to realize that things are getting hard to make ends meet with the money that they're actually bringing in with the business. Because things like -- among other things -- car maintenance comes into play. You've gotta replace tires -- I'm not talking about car washes --

Holmquist: [inaudible] -- taxi cabs --

Schroeder: You're interrupting.

Holmquist: Sorry.

Schroeder: I'm not talking about car washes and gas. What I'm talking about is tires, what I'm talking about is replacing your brakes, what I'm talking about is replacing your oil. And these are things that will actually get into your income because Uber and Lyft are taking too big of a cut to be considered anything other than a scam. They're taking 20% right from you, and you don't get to play with that money to put it back into the car. Whereas with a cab company, we are all pooling it together and the cars are all maintained. If you still want to make money as a driver, you should -- all of you Uber drivers and Lyft drivers -- should join a cab company because you'll actually have a car that's well-maintained and properly insured, and it'll always be there for you. And I can assure you, you will make more money doing that than you would with Uber and Lyft. It's a decades' old process and system that does work, and we need to actually take a view at this. Two months into this, these guys don't know what's up. I'm 11 years into it, you can trust me on this.

Fritz: Thank you.

Kelly Coates: My name is Kelly Coates. I've been an Uber driver for just under two months. And I just checked and I've had 131 rides. I currently work for a nonprofit and tutor on the side and when tutoring goes away with the summertime, I picked up the Uber rides as a mean to supplement my income and have done so well for what I need. The thing I most appreciate about being an Uber driver is the fact that it's flexible to my schedule so I can determine when I log on to the partners app and I can determine when I don't. If I get a call from a friend and want to grab dinner, I'm not beholden to anybody else to do so.

I also appreciate the support that I've gotten from Uber. I'm surprised to hear -- I mean, I shouldn't be surprised -- that there are people not in compliance. I know that I'm getting at least two to three times a week emails Uber folks with reminders about the requirements, the things they're doing to make it so I can meet the requirements easily, whether it's picking up a fire extinguisher or hands-free device to be sure that I'm in compliance. I've never seen -- well, I wouldn't know, but the rides without the Uber decal -- I mean, they make it very simple to follow the requirements that are necessary.

Commissioner Novick, in regard to your question, I quite honestly don't have an opinion or I'm not educated enough to make an opinion to have a decision one way or another.

Fritz: Was it hard to get your car with the mechanical check?

Coates: Not at all. Green Drop Garage was extremely accessible, was easy to drop in, took me about a half hour. And have actually gone back there since to get other work done when the AC went out during the heat wave.

Fritz: And how about the background check?

Coates: No issues. Was getting the reports as they came in to let me know that I was passing all of the requirements.

Fritz: Thank you. Very helpful. The next three, please.

Ashton Root: Hi, there. My name is Ashton Root, and I drive for both Uber and Lyft, and I have had nothing but absolutely positive experiences for myself and my riders seem to be

July 15, 2015

enjoying themselves as well. Out of five stars -- because you can rate your driver -- I have maintained 4.84 stars as of today.

Personally, I care for aging parents. I make my own hours. I can work when and where I want and I urge that the independent contractor status remain. I can speak all day about the value of the TNCs for removing drunk drivers from behind the wheel. I give a beer-cation rides to people have a car, but they say, "Uber is here, it's very handy, we are out to drink tonight," so I appreciate Uber.

One specific ride that I found very interesting -- and I think it is something that has been overlooked -- I gave a ride to a woman from an event management company. She was meeting a group of potential companies here to see if they would want to do their conventions here in Portland. And she said, hands down, unless Uber and Lyft were in a town, we don't go there. So, I believe having Uber and Lyft in town is going to be getting more convention-type business here, and I heard it right from the horse's mouth. She is with a convention management company and she talked about to the American society of executive management -- I wrote that down -- where they also speak about doing their conventions where there's Uber and Lyft available. Thank you.

Fritz: Thank you.

David Holmquist: Hi, I'm David Holmquist, a resident of Vancouver. I'm retired and I'm age 70. I drive for Uber in Vancouver and Portland to supplement my social security income and to remain independent. In my first two months of ride sharing, I have earned \$4873 and averaged \$23 per hour I work in earnings -- not fares, but earnings. I average 5.7 hours of work per day in these days I've worked. My totals have -- of income have been growing higher over the weeks to last week at \$885 in actual income, and my goal is \$1000 per week. So, that's why I work with Uber.

I am independent. I work only when I want to and I stop when I'm hungry or tired and other reasons. I'm going to Seaside for a couple of days this weekend. A pretty cool job. State Farm is my personal auto insurance carrier and at no cost to me, Uber provides very good insurance when I go Ubering -- \$1 million on me and my passengers plus comprehensive and collision on my car when I am Ubering. I have details on the sheet that I can give each of you. My car and I are fully covered and so are my passengers all of the time.

About half of my riders are from out of town. Business travelers are shocked to hear that we might not have Uber here next time they come. They use it nearly everywhere in the year they go, except where Uber drivers and politicians are threatened with violence by taxi drivers in Madrid and in Paris as clear examples. My business travelers value Uber's service so highly. They use it several times a day while they're here.

Portland has a high-tech image and Uber is an essential part of that hip identity among tech-savvy visitors and residents. They expect to find Uber and Lyft operating. According to my 450 riders, Uber exceeds taxis.

Fritz: Thank you for your testimony.

D. Holmquist: Do you want the insurance figures?

Fritz: That would be great, you can give it to the Council Clerk. [applause]

Fritz: Please, no -- as some of you may have come in late. We have 70 people, we cannot take time for applause. So, if you would like something you can do a thumbs up or hand wave but no noise, please. Please go ahead.

Dennis Gavin: Hi, my name is Dennis Gavin. I have been an Uber driver for over two months now. I can only speak to my experiences. These guys were eloquent in how they phrased things.

My experience is that I am in between jobs. It's an opportunity for me to earn an income. I don't have to -- I can actually work for the time and I have the abilities to go to

July 15, 2015

interviews as needed. So, it's an opportunity for me to bridge that gap. As I've done Uber over the last couple of months, I've realized that it's an excellent source of income and I plan on continuing even once I do find full-time employment. It's an opportunity to earn extra money to pay for vacations or whatever comes up in the future.

The experiences my riders have had have been nothing but pleasant. They've said a lot of great things about Uber. I've had the opportunity to have a lot of conversations with people all over the world -- Ireland, Sweden, Germany, Israel -- you know, just the opportunity that these people are coming to Portland. They want to know more about it. And I've been in Portland eight years, so I have been able to explain good things around here to do and I think we're allowing for other businesses to hear and know what is available for them. I think we're giving them an opportunity -- and I believe the taxis are doing the same thing -- but we're giving them an opportunity to experience Portland from a different perspective, too.

It is a great opportunity for me. I think that the people I've met who have been driving for Uber have had great experiences as well. And going back to one of the previous people earlier -- Kelly had said that Uber is very good about telling us what we need to do, having a decal here, having the fire extinguisher, having the first aid kit, having everything that is necessary to follow compliance. I have never seen anybody out of compliance. I have my decal up all of the time when I'm driving. It's a very simple format and they're very good about communicating with us.

D. Holmquist: Commissioner Novick, I would prefer to be classed as an independent contractor. I don't believe by IRS regulations -- which I've read -- we are in any way employees of Uber.

Fritz: Thank you.

Casey Moffett-Chaney: My name is Casey Moffett-Chaney. I've been a Lyft and Uber driver for a little over a month. I am a retired teacher -- full-time, 10 years -- and a retired minister full-time, 22 years. And I am experienced with having my program cut, otherwise I would have been a full-time teacher for 30 years. That was not fun and I understand and I really do feel for the taxi drivers that are experiencing this.

I can only speak from my own experience. Some of the people who just spoke said it all for me, and I'm going to keep it real simple, and that is that we decided to take this on -- both my spouse and I are drivers -- and we decided each of us would take it on because we have a business at home that is not full-time. It is -- we're in a major slump right now and we needed money. We're unable to pay our home taxes and several other utilities, so we took this on. It took us about a week and a half, two weeks for all of the requirements to be met and we started driving. We take 50% of it and put it away for taxes. We take 50% of our salaries or amounts we make driving, and we put it away for taxes, we put it away for repairs, and we've still have been able to maintain our -- we paid our taxes, we paid all of our utilities, and it's working for us.

The experience that we have had has been terrific. We're some of the wee hour drivers. Both of us like to drive at night. It's kind of fun. We found that people in general love this ride share system. The drivers, the riders that we have love it. They can't say enough about it. I don't hear anything from them saying, "oh, we've had bad experiences," it has just been great and we've had great experiences with them as well. I feel also that we have taken a lot of people who are inebriated home and they basically said, "if it wasn't for you, I would be driving." And I was a little surprised at that but they said it takes so long to get a taxi that it's not worth it. That's it. Thank you.

Dan Mark: My name is Dan Mark, I own a company called Mark Car Service. I have been in the taxi business for 15 years in this town. I saw the Uber train coming in 2011 and I got my own town car permit in 2014 and started on my own. My income hasn't gone down, it's

July 15, 2015

gone up. I'm an Uber driver on the side. I use that to fill in on when I'm between reservations. I'm waiting for black car to start for phase two of this to go.

You know, we hear about how bad Uber is, and I wanna tell ya, Christmas and New Year's fell on Thursday, which is pay day. They pay us on Thursdays. Got an email from Uber that they were going to pay us a day early so that the holidays wouldn't impact us.

Uber hired me to drive David Plouffe around when they had their launch and had the tech fest with the Mayor at OMSI. It was a handshake agreement. We agreed on a price. When it was over, I sent them a bill. They paid me exactly as agreed, no questions asked. Behind the scenes, I've had no problems.

The customers that I get -- I've run 270 rides. I would say there is a good percentage of the people that I take that are not taxi customers that haven't been ride customers. They're new, and they do Uber and Lyft. A majority of the customers that I get do rail on the cab companies. That's to be expected.

I have a fire extinguisher, two first aid kits and I have two million's worth of insurance. And your question, Mr. Novick -- when I started in the cab business in 2000, after 90 days of work, you had to sign up with the teamsters union. After 90 days, they took our state and federal taxes out every day. They took money out of our pay every day for our Christmas fund. We were employees. We had workmen's comp, unemployment, and we also had personal injury protection in case we were in an accident. They broke the unions at one time. They fired everybody and then rehired them back and made them subcontractors.

With Uber, if I don't show up for work for three or four days -- when I show up for work, I show up for work. I am an independent contractor. If I worked at one of the cab companies and I didn't show up for three or four days, there would be a problem.

Fritz: Thank you.

Mark: Just like they treat an employee.

Fritz: Thank you very much.

Marilyn Clint: I'm Marilyn Clint from the Portland Rose Festival. This year, Lyft became our first official rideshare partner, and they helped us overcome our perception or misperception that it's difficult to get to our downtown Rose Festival events. They became our partner with a brand new event that we wanted to create at the waterfront at Starlight Parade Saturday, the Starlight after party -- and not only did they help us promote it, but they helped dispel the perception that there would be no access to it.

We were also very happy to partner with the Bureau of Transportation this year on the pilot project for Better Naito, turning a lane of Naito Parkway into better access for people who choose to ride bicycles or be pedestrians. The fact is, our customers are changing, and the way they interact with the world is changing as well, and there are consumers out there who want to connect with one another and with the world through their hand-held devices, like is offered by the TNCs.

We're happy to work with the TNCs. We're happy to work with the cab companies. We're happy to work with a great transportation system that we have in Portland that help people get to the Rose Festival and other great events in Portland. Thank you for the work that you've done on this pilot project, and we look forward to going forward to working with the TNCs. Thank you.

Mason Loika: Hello, my name is Mason Loika and I am an Uber driver. I moved here from the east coast -- Philadelphia area to be specific -- where I was a freelance, a photojournalist for a respected weekly newspaper. In addition, I made a living by driving because it just wasn't that much money to be made writing for a newspaper. I've also written a book. It's published. So, when I take people on an overdrive, they're going to ride with an author.

July 15, 2015

I learned in driving a limousine that you leave plenty of following room for the car in front of you. People don't want a white knuckle ride. They don't want someone to step on it and get me there. We're not a cab. And I've done cab work. I worked in LA, so I know what these cab drivers are going through. But I can also tell you this -- yes, Uber is a ridesharing service. It's what happens when technology finally at last meets car services and becomes ridesharing. But more than that, it's becoming a phenomenon. We have young people taking this for the first time. They're celebrating -- "this is my first time doing an Uber ride!" Or a second ride because the first one -- we're really meeting interesting people. So, we get a cross-section of what I think are really good people willing to put their card information out there. Uber communicates very nicely and not over the top. I don't -- my wife had a stroke in March. I look after her. It's important for me to name my own hours, and Uber has never, ever tried to stretch me in any way. I'm glad to be an Uber driver.

Wynde Dyer: Hi, my name is Wynde Dyer and I'm a driver and owner of a 2015 Ford transit connect wheelchair vehicle at Green Cab, as well as a 2014 Prius V wagon. Your lovely court reporter is handing out some data for you. \ I have heard a lot about data here. I don't believe all I've heard. What I'm giving you is my hard numbers for the last month and a half. As you are looking over that, I'd like to do some math for you and let you know that my top-earning driver made \$3200 before expenses in the last month and a half. Not bad. But he works you know, 60, 80 hours a week helping the wheelchair clients get from point A to B. It's hard work. It comes in around eight to 10 an hour. The second driver, who works four or five days a week has made \$2400 in the last month and a half. My third driver made 1\$900. My night driver made \$1800 in the last month and a half and I personally have only made \$1200. I'm disabled. I just work on Friday and Saturday nights. When you see that 1200, you think, "that might not be so bad, she only works two days a week." What you don't know about that, is that my car payments are 800. That Prius V and that wheelchair is going to be off the road if I can't make them.

I've cashed out my insurance deductibles at \$2000 in order to float my drivers with free kitty so they can continue to serve the disadvantaged people of Portland. I am fortunate to have a boyfriend who makes a grand total of \$1200 to \$1400 a month working at New Seasons. God bless New Seasons for giving me good health insurance -- otherwise, I would be back in the hospital and those cars would not be working on the streets.

When I first came and spoke to you all, I mentioned that I sponsor now formerly-homeless individuals into our industry so they can get back up on their feet and have housing. I joked to you I may myself return to homelessness if this pilot program went through. I think that that's a bit more of a reality than it is just me playing with words. It's really bad out there for us and I'm hoping that you will take the trials and tribulations your full-time taxi drivers are experiencing to heart when you consider continuing an uncapped pilot project such as this. They have enforced caps elsewhere, they are effective. You can do it to Uber as well, and everybody can have their piece of the pie that supports them and their families -- both TNCs and taxis alike.

Fritz: Thank you.

Dyer: Actually, I would like to answer Mr. Novick's questions with regards to independent contractor and employee status. I just sent all of you an email at the beginning of the City Council meeting with a link to an article where the authors are discussing a unique idea that I think would help Portland balance that concern about independent contractor versus employee status. It's one where drivers make a subminimum wage through their company. If they make more than that in their rides, they are compensated based on their rides as opposed to their wage. That money is then been taxed, social security comes out of it, drivers are then entitled to worker's compensation and unemployment claims should their

July 15, 2015

company go bankrupt as mine may certainly do. And if any drivers are terminated from Uber, which we know Uber does, they would also be eligible for unemployment compensation to support their families. So, I encourage you to look for flexible options rather than trying to squeeze square pegs into round holes with just the two options of the independent contractor and employee.

Novick: Thank you very much.

Justin Byington: Hi, I'm Justin Byington. I've been a Radio Cab driver for the past year. One thing that I really like about this job is that I do get to meet all the people in the community, and it's a great job and I can understand why Uber and Lyft drivers would also really enjoy this job. But there is a really big difference between Radio Cab and big corporations like Uber and Lyft. I'm valued as an asset to Radio Cab. They value me as an asset because that's the type company that they are and also because all people who I work with have been drivers before or are friends of the family of Radio Cab drivers. Whereas a company like Uber -- they have publically stated that their biggest budget and financial burden is their drivers. They actually went to replace those drivers with automated cars. They are partnered with Google to do this. So, what happens a few years when automated cars become a reality? All the Uber and Lyft drivers get laid off. Is that what Uber and Lyft drivers think of as a company caring about them? I know you love your jobs, but what happens when they disappear in that way?

Fritz: Thank you. Who's next?

John Hopkins: I'm John Hopkins. I drive a Radio Cab and a wheelchair van. You have to excuse me, I just ran from upstairs and I'm a little out of breath. I'm concerned -- my money is down about a little less than \$1000 for the month of June. I was out of work the previous two months due to an accident. What I'm very concerned about mostly is in this process. We're not really talking about the demand realities of transportation. A lot of people like to talk about what their jobs are, and I can't blame anybody for wanting to keep making a living in this town. But the truth is, there's never been enough cabs on New Year's Eve. There's way, way too many on New Year's Day. We're right into the summer months and demand in the summer goes down largely because we don't have enough rain to make people want to jump into a rolling umbrella. You couple that with 2000 extra vehicles to service the city, and at some point, nobody is going to make a living. I don't know if my observations are correct but from the April 20th meeting, it seems like we've got all new Uber and Lyft drivers here to testify. I'm wondering if some of them haven't already dropped out because the money isn't as good as it seems. Thank you.

Fritz: Thank you.

Chaun A. Carroll: Hello, my name is Chaun Carroll. I started driving with Lyft shortly after it became available here. I hope that I speak for all Lyft drivers, but I definitely speak for myself, I have nothing against any cab drivers. I was only just recently even made aware just from reading the internet and stuff about the whole thing about the cab drivers suffering, the cab industry suffering because of the Lyft and Uber coming to town. So, I obviously wish no ill will towards any cab driver, you know. But that being said, I lost my job due to an accident right before Lyft did come to town, and so when I found out about it, I applied and got my car checked out and did all the necessary things. Commissioner Novick, I would prefer to be an independent contractor. And it just helped me out, like -- you know, I lost my job unexpectedly and without Lyft being there, I would have been in a really bad position financially. Since then, I have found other employment. I still do Lyft on a part-time basis because it provides me some extra money where I can, you know, actually, for once in my life have a savings account, actually have some money put to the side in case something goes wrong. I'm actually going to start college in the fall, which wouldn't be an option otherwise. I just think that it's a really good service. And I really think

July 15, 2015

in a free market economy, all options should be available and the community will sort it out -- the public, if we don't work for them, they'll shun us. I think that there's room for everybody, just have to work out the guidelines.

Fritz: Thank you.

Hopkins: Could I say one more thing?

Fritz: Actually, no, we need to get to the next set of folks. Thank you very much.

Hopkins: I just wanted to say --

Fritz: You can send it in writing.

Hopkins: I would be happy to be an employee only under the circumstances where if I had to be, if my -- if I'm going to be rated by my customers, then I want to be considered --

Cigi George: Hello, my name is Cigi George and I'm a newcomer to the taxi industry. I am one of the lucky few that have had an outstanding corporate career, and now I'm bridging that to my retirement and playing the traveling gypsy and getting to experience the cabbng industry, which I have to say, has been a fantastic experience thus far. And I currently work for a Russian-based company -- great but small, very committed to customer service and serving the public.

What I've witnessed in these past 10 months with my peers is a cut in their salary by two-thirds or more. Frustrated, angry, helpless, and dismissed out of hand professional cab drivers who have been committed to their careers for years. I think that you would be angry also if there was a wand that just whacked your salaries back to two-thirds or three-fourths just in the trial period. And that's how it was presented to them -- just for the trial.

Both taxi drivers and the companies they work with operated by the City rules, paid by the City rules, tested by the City rules, criminal background checks by the City rules, and the cars that they drive are maintained to City standards and rules. My query is this: why isn't the Mayor and his entourage and the task force supporting the cab companies more? Visibly and verbally. Why aren't you out there seeing what's going on in your streets? The sting operations with cameras and videos. You have opened up a floodgate of minions. That is correct -- it's more than one. This one gentleman tried to contradict me at the last meeting, and say, "no, there is only, you know, one, maybe two," but there's hundreds because they are coming from -- they are running amok from here to Spokane, scooping money out of our city and from the committed hard-working people, professional taxicab drivers in your own backyard. All I've seen or heard is lip service and no support or backbone to the taxi industry, which is an integral part of Portland unlike any other state.

Fritz: Ms. George, if you would give us the rest of your testimony in writing, that would be very helpful. Thank you.

George: Thank you.

Dan Payton: My name is Dan Payton. I'm both a driver and a passenger for Lyft. A little history real quick -- I used to drive a truck years ago, wined up doing military contracting. A few things changed for me. I'm pretty new to this whole accessibility issue, but trying to get around and get to various places and going throughout the day has been kind of a challenge. I'm happy to see now more options available. More competition is better for passengers. I don't dread wanting to go somewhere now. Before it's like, "how am I going to get there? I could drive but I don't want to." It's just a lot better now with more options available.

And as far as being a driver, I have to really control my environment. I can't work eight-hour shifts or ten-hour shifts. I can't commit to certain days a week. Things have to be pretty fluid with my ability to work and everything. This job is great, you can sign in as much as you want, work as much or as little as you want, take breaks. Which is where also the piece of being a contractor is a really big deal. I don't think the model would work for me if I had to be an employee. I wouldn't be able to meet the hours and all the other

July 15, 2015

commands that come along with that. So, personally, I'd rather take care of everything on my own and just be an independent contractor.

Social aspect for me is great for me as a driver as well. I get to meet and talk to people I normally wouldn't see. I don't know -- it's really a nice thing to have more options available and meet and talk to a lot more people that I don't normally get to. And I actually used the WAV service to get here today. I was happy to see now it's operating during the weekdays. So, hopefully everyone is just patient as things kind of get going here and we can get things smoothed out. Basically, you just keep a focus on the important part, and that's the passengers in the community.

Jan Arthur Weston: I'm Jan Weston, and I'm really pleased that my Commissioners are taking the time to view this issue. It can only -- no matter how it comes out, it can only benefit the people of Portland.

What attracted me was work any time. And for a semi-retired guy, that had a lot of appeal. I have several other jobs that pay \$10 to \$15 an hour. It's hard to find good paying jobs. With Lyft and Uber, I make right around \$35 an hour. Time well spent. I have to plan my time. I don't work that 10:00 to 4:00 in the morning. I want to keep my household intact, so I try to be home by 9:00 or 10:00.

To address Commissioner Novick's issue, I'm only going to be a part-timer because as a part-timer, I can spend time volunteering in the community. One of the things that I volunteer at is Meals on Wheels for Lyft. They've introduced me to that, so that's another one of my volunteer things.

My biggest concern is that I recognize that there's something going on here that is not working well for the cab drivers. And I've looked at it in other cities also. And so, if somehow, some way, Portland could find a way to make it a little more level playing field for the cab drivers -- even if we had to give up something -- giving up a little to keep them on and keep them employed would really be an accomplishment. So, I hope that it works that way. Thank you.

Fritz: Thank you. [applause]

Roy Pascarella: Hi, my name is Roy Pascarella and I'm very happy to be a Lyft driver. It's really improved the quality of life for my wife and I. Her work has her in California, so we support two households. And this past year has been a little tough and we were talking about might have to move out of Portland. Lyft came about -- which is a god send, it really was. I've never made less than \$25 an hour. I've been doing it for a month, 310 rides or something, 4.95 out of five stars. It's just really enjoyable. It's also improved the quality of my life in terms of giving me the social interaction that I'm looking for when my wife is not here. And also, because she can only come here for weekends, being an independent contractor and not an employee gives me the opportunity to take a week or two off to go down there and spend it with her to maintain our relationship. Thank you.

Patty McKowen: Hi, my name is Patty McKowen. Thank you for having us here today. My background is this -- I came to Lyft from a bit different perspective than a lot of other people. A year ago today, in fact, my dog died. I was very heartbroken. And after about a week, my oldest son, who drives for Lyft full-time in San Francisco, called and said, the rest of us are worried about you cannot stay home crying all the time. You're an independent contractor -- I'm a freelancer -- and you are isolated, why don't you try Lyft? You would have fun with it. So, after having the car detailed three times to get rid of the dog hair, I did that. And it was true. I didn't cry anymore. I was happy with the people I was showing around San Francisco, where I lived at the time.

Then I decided I wanted to leave the bay area and did my research and I looked to see where Lyft is because it's really good for me personally and it's fun. The money is

July 15, 2015

great, but that was not my initial primary reason. It was something very good to supplement my income, but I came at it from a different point of view.

I moved to Seattle because Lyft wasn't in Portland. And I was only there a couple of months and a couple things happened. One, I got a phone call from a very close friend back in the bay area. She had just been diagnosed with stage three cancer and wanted to know if I might come and help with her kids while she was going through chemo. I said, let me think, so I called Lyft and said, OK, I don't live there anymore, I'm in Seattle. They said, yeah, you can driver in the bay area again and we'll make sure that everything is up to date and current. So, I was able to go down there and take care of a good friend for a while she got her chemotherapy, came home, and now I'm in Portland because my daughter needed surgery. And I was able to come down here and get licensed and inspected to meet the Portland requirements again, which Lyft helped me to do. So, I'm able to be here. And it's so important -- others have talked about volunteer work and taking care of loved ones. That's a huge benefit. And if I were asked to become an employee, I don't think that I would do that. The independence is terribly important. Thank you.

Fritz: Thank you.

Ronald Wamala: My name is Ronald Wamala. I've driven for Green Cab for the last eight years and now, I'm currently driving for Uber. The main difference between both sides is this: when I am sick, I am not able to go to work. I don't have to pay something called the kitty, since I'm driving for Uber. But when I was driving for Green Cab, whenever I was sick or whenever I took vacation, I had to pay something called the kitty. It was just a very unfair system.

I have an example which happened last year on May 24th. I was T-boned by an inexperienced driver and then for three and a half months, I was not able to work. I was going through a physical therapy, going through massage and all the treatment. Yet, the company that I was working for, Green Cab, was billing me \$520 every week for three and a half months. So when I was able to come back to work, I found about \$5000 that the owner of the company was asking me to pay, and I felt that that was very unfair. I felt that the cab industry -- the way it's structured in the city, it's based on fraud and exploitation and abuse. That is why I welcome Uber, I welcome Lyft, because they provide me with the relief -- provides me with the time with my family. I am able to work only eight or 10 hours a week and provide for my family adequately, and I take day or two days off, and that is why I welcome Uber with two hands. Thank you. [applause]

Fritz: We're going to take three more and then take a five-minute stretch break and then come back and keep going.

Juan Regino: My name is Juan Regino. I moved to Portland back in 1990, about 25 years. I moved to the land of opportunity. And this is what we are up against right now.

This is the opportunity for me to make money for my family. I was recently let go from my job as a junior engineer for plastic injection molding, and I'm raising four daughters. This gives me the opportunity to make money. I represent Uber and Lyft. It's been great. I mean, I meet people, great people every day. I take them to places where I haven't been. Although I live in Portland for 25 years, I just -- you know, recently I'd see a lot of drivers every day. And to me, it's a way to keep my family -- support with money, you know, to make an extra income. I've work seven days a week before at my company, and my daughter always asks me to take a day off. With this, I can just turn off the app and enjoy time with my family.

My car is brand new. It is a 2014 Ford fusion. Don't need no tires. I've got a warranty for 100,000 miles on that. The maintenance I do myself you know, and Uber -- they sent me to a place to get checked and everything. It's a brand new car. I got 9.5 stars on Lyft and 4.85 on Uber. And you know, I tried to provide the best service that I can.

July 15, 2015

Overall, I love this job. This is the land of opportunity and this is where -- that's where I want to take it. I want to make money for me and my family.

Fritz: Thank you. Sir?

Scott V. Jayne: Hello, my name is Scott Jayne, and I've been a resident here since 1989. Until 2008, I'd been a very experienced business person and entrepreneur, general contractor and real estate distributorships with real leased out brick and mortar locations, various other business enterprises. When the economic collapse hit in 2008, our family lost everything. It was a sweeping wave of disappointment and acknowledgment for us that regardless of what our personal planning had done in our lives, technology happens. Changes around the world happen and you adapt and you move on and you get better at things, or you don't. You die. So, after crying in our beer for maybe a couple of months, we both went back to school and did some things. Now, I have a degree in alternative energy engineering. I also have a degree in advanced mathematics and I am teacher at a high school for advanced mathematics. That's a lot of student loans.

I have found after much investigation -- because I was very -- I am cynical a bit and very skeptical about whether all this would work. I had some run-ins with Groupon before that I didn't quite like, but I went ahead and joined on with Uber. What I can say right now is that I don't work for Uber. I work for myself. I press a little button when I want to take a ride, and I press the button off and don't want to give rides to anybody.

And real quick -- just a little vignette on the Starlight Parade -- my family wanted to come down and sit on the corner with a bunch of other people and watch the parade, which is an all-day affair. You know, I've been to millions of -- not millions -- but plenty of Starlight Parades. I didn't want to do that, so I dropped them off at the corner, I pressed the button, I made \$200 bringing other people to the Starlight Parade for the rest of the night. And then I turned the button off and took my family home. And you just can't turn this thing off. I love it. And I would absolutely only want to be an independent contractor.

Wamala: Same here.

Fritz: Thank you. So, we're going to take a quick stretch break and we'll be right back.

At 4:02 p.m., Council recessed.

At 4:09 p.m., Council reconvened.

Fritz: It wasn't a five-minute break, but Karla and I were back five minutes ago. Who are the next three, please? I'm sure Commissioner Saltzman will join us in a moment, please get going.

Michael Speed: OK. Thank you very much for having me. My name is Michael Speed, and I'm a resident here in Portland. First and foremost, I want to say that I am not against the taxi cab service. They are very instrumental to the city as far as transportation. However, I do challenge them to do is to perhaps up their game. Maybe it's time for them to evolve. Competition in any industry is healthy. We have a rating system, so if we're not up to par, if we're not doing what we need to do, we will be taken out of the system. It gives us an incentive to offer the best service that we possibly can on every trip.

All our customers -- all the customers that I've had -- have been very excited to get into the car. We become buddies. Every day I'm meeting new friends, buddies, and they are very excited when we drop them off. I have not heard any negative reports. Unfortunately, I have heard quite a few negative reports from the taxi industry of individuals not being able to get picked up and various other issues. So, I just -- like I said, I want to reemphasize the fact that it's time to evolve. Perhaps, there's a rating system that the cab services can use to up their game and provide a better service, but I think that there is room for all of us here to offer this service.

July 15, 2015

Fritz: Thank you.

Edson Buchanan: Hi, my name is Edson Buchanan. I've been a Lyft driver for about six weeks now. To begin with, I just want to say that the taxi company or service was asking to give you an insight as to what's happened out there, and they're asking you to go out there. I'll give you an insight from myself. I've done about 215 Lyfts. And out of 215, around 80% say that they are very happy to -- actually, 100% are happy to have us here, 80% says that they no longer will use the taxi service simply because the taxi service is just not run very well. They said that the average wait time is between 30 to 45 minutes. I had one gentleman that was actually right up by Radio Cab. He went in and asked, can I get a cab? They said it was gonna be a 30-minute wait, and then he hit me up. I took him home, and he explained what happened.

The second thing is as a Lyft driver, any time -- not any time, but a majority of the time when a taxicab sees me, they definitely give me the number one finger saying that I'm number one on their book for taking their business. So, you know, for me, as a person who has three kids and a wife, I needed to find a job where it's going to be able to work around my schedule. So, for your question, I would like to be an independent contractor. With three kids, my cost of daycare and everything else, it just adds up. So, it's hard to find a job that's going to cover all that. An independent contractor job definitely has helped my family.

Novick: Just to clarify, you could work irregular hours and part-time and still be an employee in the sense you'd be guaranteed minimum wage and have your employer have to contribute to worker's comp and unemployment charges and things like that.

Buchanan: Well, if they're set hours, then it really wouldn't work for me just because of my wife's schedule.

Novick: I'm just saying that the idea of being an employee is not inconsistent -- does not require having set hours. You could have unset hours, but just for every hour you work be guaranteed a certain wage.

Buchanan: Well, if that was the case, then I would be for either-or.

Fritz: Thank you.

Mukhtar Abdow: Good evening, all of you, Commissioners. First, I want to thank you guys for the last time. You guys voted for us to work inside Portland. You changed our life. So --

Fritz: Give us your name, please.

Abdow: My name is Mukhtar Abdow. I am one of the immigrants from Somalia. So, I want to tell you, since you guys vote for Uber to let us work inside Portland, there was a big change of our life. Now we work everywhere plus our life change. I never have a savings account and now I have a saving account. Every week, I don't go somewhere else or asking paycheck. I see my bank, they deposit like big checks. I work, I want to survive. I work translation company, I work any company, I never seen big paycheck like Uber. I can let them even take my money -- 30% -- I can let them because the way they change our life. I never drive a nice car, now I am driving a nice car and my life changed totally. Plus, most from Somalia or Ethiopia or anywhere -- they quit driving from the cab companies who they took all their money. But now there is only 20%. Wherever we go -- like let's show up everywhere, we get 15%, 20% tire changing, inspection, background check, everything, it's great. And now you let us work in Portland, we know that there is a too many even people moving from outside, they know Portland is the opportunity of the human. It's not only one particular, it's like a human being place. I was the community leader in Portland, Oregon for Somali -- now we have [indistinguishable] our organization. For the last three years, we could not have afford to work for it. Now, I wake up any time I want and I work and I have a good paycheck. Our organization is called Somali American Cultural Mentor. so we work in part-time. We have a chance -- my daughter told me when

July 15, 2015

she see me all the time, plus she see clean car I'm driving -- she said papa, keep it, keep it. Even this holiday -- we have holidays coming -- we celebrate in good way, better than the way that we used to have. And money -- drivers quit because they see big money in Uber, so nobody [indistinguishable] while they have a big net on the top of the company. They don't work. We are the one in the history of Portland and they collect -- 24 hours they fine us and then they took our money. Zero working. So, now.

Fritz: Your time is up.

Abdow: Our life changed --

Fritz: I get that, thank you very much. I just want to remind everybody that you can also submit testimony in writing. This is a mid-point report, we'll have another hearing in August.

April Kline: I'm April Kline. I'm the wife of Bert Fox who has driven for Radio Cab, owner operator for 30 years. He can't be here today because of a medical procedure. I am retired, so he's the sole bread winner in the family. And his income, our income has been reduced greatly since Uber has come in, especially any of the credit card stuff that goes through Uber, instead of coming to Radio.

Before Uber, he was able to work eight hours a day and we were able to have a living wage. Now, he has to work 10 hours a day and he can't work extra days because of his health. He's a transplant recipient and has a lot of health issues ongoing. And another point I'd like to make is that in the last hearing that you had, I was here and I remember you, Ms. Fritz, were asking a lot of questions about how do we know that Uber drivers are actually paying for their licenses, actually paying their taxes? Three taxes that we pay every year -- a lot of them -- the Metro, the County, and TriMet. And the answer that day -- and I don't know if it's any better -- is you don't really know because you cannot trust Uber's figures, you don't trust them to be truthful and share with you. And -- I lost myself. I'm sorry. OK.

So, I would like to -- if that continues, I would like it that we don't have to pay taxes. Let's put it that way. There's no way that you will know whether they're paying -- I know what they said, they said, "well, if we stop for something else and we ask them for their license and they don't have one, then we will give them two weeks to get it." If you were an Uber driver, would you volunteer to pay your taxes? Probably not.

Fritz: Thank you very much.

Vivianne Katlaps: Hi, my name is Vivianne Katlaps. My first group of questions really are concerning the environmental impacts of Uber, and I'm wondering what methods are being taken. I saw in the paper release that there is possibly going to be a plan that would take one to two years, maybe involving Portland State University to evaluate those things. But I have some questions here for the City.

I'm wondering if you have spoken to DEQ about the impact of additional drivers -- being Uber and Lyft -- on already congested areas considering the traffic conditions in Portland, and also the effect of the car exhaust in the environment. I'm wondering, does the addition of more than 1000 new cars on the road affect Clean Air Act attainment, vehicle trip production over time? Cars are now operating as independent commercial transportation vehicles, and in addition to that, there are many brand new cars that have been purchased for the purpose of driving for TNCs that have been advertised by Uber. They are often encouraging people to look into it even if they don't own a car. So, that's just adding to the problem that we already have here in Portland. Has the City discussed impacts to current road and bridge conditions based on previously unexpected additional individual vehicle trips? Have you talked with ODOT and what they're expecting having all these people who are under the guise of ridesharing or -- what is it, car-pooling -- but

July 15, 2015

really, they are entering their vehicles with the intention and purpose of making money by transporting individuals, mostly.

And then, does the addition of City-approved additional transportation service violate local, state, or federal agreements with TriMet? Are my tax dollars going to be scuttled after all of the new additions with building a new MAX, and how is that affecting transportation within the city? Are they going to be null and void?

Would the approval of a new non-environmentally friendly transportation system change future use and growth models from the mass transit systems throughout the metro area? Have we planned for this? And lastly, has the United States EPA agreed with the concept that free market growth of personal transportation options is operable within the nationally-established pollution reduction strategies?

Fritz: They're all good questions. Thank you very much.

Katlaps: Thank you.

Jeannete Thibert: Commissioners, thank you for your time and energy. Commissioner Saltzman, you asked at the last meeting to know how this process would affect drivers, so my answer is this. I understand why TNC drivers love their new jobs. They love their jobs for the same reason that cab drivers have classically, historically loved our jobs. Great social interaction, flexibility, independence. It's a great fallback job. In fact, my career as a cab driver started as a fallback job, and it's been twice as long as the career that I had prior. It's good part-time. And it can be a great full-time position. Unfortunately, right now, there's still serious systemic disparity in the process. I can list that later starting with insurance.

But the biggest piece is that some corporations are still acting like teenagers, and others are asked to take responsibility to step up. I drive a WAV vehicle, a wheelchair accessible vehicle. To give you a snapshot of the quality difference of my life in the last year -- May of last year. I have a beautiful home, it is very much a refuge for me. I also had a space downtown, because after the second or third time I got caught in huge traffic, I decided I needed that. I worked three and a half days and then I put the cab in the shop on the fourth day. That was a full week. And then I took three days off.

This May, I have cut my -- I had to let go of the space that I had so my commute time has increased. I have cut my living expenses 30% to 50%. And even without all of that responsibility, the only way that I am surviving right now is on my savings from last year and prior, and the fact that I now have four adults living in a one bedroom home sharing the cost of living. I don't know how much longer this will last. If I make it through the end of this grand experiment, I will be blessed.

When I brought up that family discussion for me two weeks ago was about whether to apply for food stamps. I happened to be at the task force meeting, and the head of that meeting encouraged me to do so. I think that there's a systemic problem in how we're addressing this, because rather than creating good solutions, we're just going to encourage more people to apply for food stamps as a solution to having a functioning transportation network.

Look, I've been out working. I've been taking the orders, and that billion dollars corporations told me yesterday, "oh, we have difficulty. We can't do that." Really? I figured out how. If a multi-million-dollar corporation can't figure out how to take care of people across this town, whether they be able-bodied or in a heavy wheelchair or in a folding wheelchair -- if they can't do it, they can take the rest of the business that supports my ability to do the work that needs to be done? I'm working for as long as I can. And then, I may park the car, declare bankruptcy, and let some -- Commissioner Hales has some place else to be. Maybe when he gets back, he wants to be a TNC driver. I'll volunteer my van and he can pick up people.

July 15, 2015

Fritz: Thank you very much for your testimony. [applause]

Becky Haggerty: My name is Becky Haggerty and I am an Uber driver. I've been driving the past couple months, and I have to say, it's been a highly positive experience. I spent 17 years working for an assisted living company as a risk manager and was laid off a year ago. After exhausting all my unemployment benefits and my savings accounts, it came to the point where something had to happen. The work just wasn't out there. And that's why I drive. I choose the hours that I want to work. I can supplement our income. My husband works from home. We have one car, so I only can drive, you know, maybe 20 hours a week, but that's also by choice.

I have utmost respect for all the cab drivers in the room. And I also have a new-found understanding of what it means to sit in the car for five to eight or longer hours a day. It's hard. It's work on the body. Driving in traffic is also very demanding, and -- but with the freedom of being an independent contractor, which is what I would prefer to be, I know that when I'm tired and I should not be on the road any more, I tap off and I go home. That means that I'm safe and everyone else is safe.

I've had the most positive experience with people coming to Portland. I would say that 90% of my passengers are not from Portland. They are here visiting this lovely city that I call home. I've been in for 20 years. They come here from New York, from Seattle, from LA, from all over the place. They are here, and they love it. They use Uber somewhere else or they use Lyft somewhere else, and they are just happy that we're here. That's pretty much what I have to say. It has been -- I drive by choice, but I also drive because I have to. It supplements our income. Thank you.

Joseph Vera: Hello, my name's Joseph Vera, and I want to thank the Council for letting me speak also. I'm a retired marine and have been retired since 2001. And I'm glad to be here in the Oregon area. I left California six months ago, but I'm happy that I finally got work with Uber. I haven't had any work until now, until last week. It's only been a short week, but I'm happy that I have money coming in. I find it difficult because other people haven't hired me but Uber has and what I like is the freedom that they have. The reason that I left California, is because there is too many regulations there. Please don't californicate Oregon. That's all I got to say.

Fritz: Thank you. Thank you for your service.

Steve Entler: Good afternoon. My name is Steve Entler, I'm the manager of Radio Cab. I've been a resident since 1944, and I think that it makes me the oldest guy testifying today. I am also a combat veteran of six years -- Vietnam era. Just to make things equal.

I testified at the -- I think it was the April 21st meeting at City Council, and I brought up the issue of the fact that most of the cab companies don't gather data in exactly the same way. I got largely ignored. And of course, the task force went ahead and made a requirement exactly as spoon-fed to them by the TNCs. So, the report that you got to look at today kind of started out with saying, you know, there was an inequity in the way that the reporting went and the fact that they got it from three of the cab companies. They should have been aware already that there was going to be difficulties. Instead, the report made us look kind of bad.

Also, the fact that they weren't putting in prearranged times calls and reservations and stuff kind of threw things off as far as response time levels. I think they didn't know how to deal with the fact with the prearranged time call that when the cab shows up early, does that count as a negative time? And how does that factor into the equation? So, just a few things.

I also have a bit of a different view about the fund that's being -- they are trying to pursue to help the wheelchair accessible availability here in Portland. You know, 25 years ago, that was never discussed. It was left up to the cab companies to find their own way of

July 15, 2015

making the accessible service funded. We all have the ability to -- especially right now -- to change the rates we charge the public, change the fees that we charge the kitties, and make it at different levels. The TNC companies also have the ability to change the percentages that they rake off the drivers so that they could have non-accessible wheelchair providers -- ridesharing service providers charged a different rate than the ones that provide accessible service. They all have the ability to do that. And to create a whole new level of bureaucracy here at the City and have PBOT collecting funds and then going through some grant process to redistribute it to the companies does not make any sense.

Fritz: Thank you. We will be happy to take more suggestions in writing.

Entler: OK.

Heather Dunn: Good afternoon. My name is Heather Dunn. I'm also a veteran, I'm a former military spouse. I want to talk about the sociological stance with Uber as far as -- Uber has given me the ability to as a single mom, as a single parent be able to make my own schedule, be able to pick up my son. It's also -- you know, there's no age discrimination, there's no class discrimination, there's no discrimination whatever with Uber. As far as, you know, you go to a job -- I moved eight times in three years with the military. Now, I don't have 10 years of history of employment. I go to Uber, I apply, I get hired. That's huge. Especially for military families who have been shipped around the United States for years and years.

We want to talk about, the food stamp issue? Guess what, I'm not on food stamps anymore because of Uber. My son gets to see me when he goes on the school bus in the morning, and he gets to see me when he gets off the bus. I can't say that there's been any other job that I've ever held that I've been able to do that. I'm there for my son at all times. Yes, I work for Uber, but I've done 7000 miles of Uber since it started, I've done 553 trips. And I have an average of 4.94. So, I can say that if it weren't for Uber, I probably would be back on the food stamps. Thank you.

Fritz: Thank you and thank you for your service.

Jonathan Olson: I would like to say that I too am also a veteran of eight years. So, we're all veterans here at this table.

Fritz: Could you give us your name, please?

Olson: My name is Jonathan Olson, and I have lived in and around the Portland area for over 30 years. I've been a professional driver as a courier for over eight years. I started driving for Uber in Salem over four months ago. When the service became available in Portland, I started driving here. I do this as a full-time job, this is not a novelty for me. My passengers consistently tell me that they love Uber and Lyft services. Many of them tell me that they intended to never use a traditional cab service ever again. The reasons are many, including but not limited to the general perception of poor service, rude dispatchers, and occasional no-shows. My customers praised the convenience and response time of rideshare services. Modern communication technology is changing the world, not just for the for-hire transportation industry. Ride share as it stands now may not be the future, however, it has become increasingly clear that the traditional cab model also is not the future. Things will change. That change will be painful, as change always is. We must all grow and adapt to the world around us. Dinosaurs did not adapt. Where are they now?

Fritz: Thank you very much.

Entler: Can I answer Commissioner Novick's question?

Fritz: I need to go to the next set of folks, we've got another 30 people who want to testify. Thank you.

Joseph Acord: Good afternoon. My name is Joseph Acord. I've been an Uber driver since two months now. Aside from a few issues brought up by the third party company that they used for background checks, I've had no issues.

July 15, 2015

My customers are always telling me how Uber is a breath of fresh air in Portland. They get tired of the one, two, three-hour wait times for a cab. I've had a couple of customers tell me that they have had Radio Cab or one of the other cab companies actually cancel their trips on them without any reason or calling them or anything -- just cancel the trip, and they're stuck trying to figure out another way to get around. They have yet to have Uber cancel on them. They really enjoy the five to 10-minute wait periods for a ride. And generally they're just happy there's an alternative to the rude dispatchers and drivers that are in Portland now. I don't know how many times I've had a customer tell me how they get sick and tired of having to deal with this cab drivers that don't have manners, they think that they are entitled because they have the cab.

I like Uber. If it weren't for Uber, my family and I would be on the streets. I got put on unpaid medical leave from work and no other company will touch me because I am on medical leave for my back. Driving doesn't affect my back. I can drive. That's how I support my family right now. That's about all that I have got to say about that.

Fritz: Thank you for your testimony.

John Burch: My name is John Burch and I want to thank you for letting me speak up here. I've been self-employed for most of my adult life, and the last job that I had as a general contractor I had to close a year and a half ago due to serious arthritis, in which I've had my knees replaced twice and I've got serious arthritis in both my feet. I've got a muscle disease that can't be named. So, I spent the last year and a half trying to find a job that would keep my income level where it needs to be to sustain my life and circle that around my medical issues. Pretty impossible task, until somebody mentioned Uber.

I've been working for Uber -- well, I've been driving for Uber, excuse me -- for two months now. My wife is a school bus driver. She's off for the summer. A year and a half that I was unemployed, I've charged up \$15,000 in credit cards just to maintain our lifestyle and support our kids at home. Just driving for Uber, I've been able to pay all the house payments, pay the credit cards with no problem. I really don't feel that -- I'm not here to slam the cab companies. They all need a job, they all need to work. But this has been a monopoly for going on and they abused it. Just like this gentleman sitting next to me, every day, day in and day out, I hear horror stories about cab companies and how these folks will never ride in one again. Now, I agree that maybe that market may be a little saturated with drivers and maybe there needs to be a balance there so everybody is a win-win.

Fritz: Thank you very much. Appreciate your testimony.

Chris McClenaghan: My name is Chris McClenaghan. Thank you for the opportunity to speak. I'm a new resident of Portland, seven months. I've been working for Uber for two months. I think that I would like to, one, confirm the statement by the gentleman in the prior group about change of management. I do not envy your responsibilities to resolve this. I would simply ask you not resolve it in favor of anyone in particular except perhaps the citizenry of Portland and provide an effective mechanism to allow the competition to occur in this space. I believe that I am an independent contractor. I work independently in other pursuits and in this pursuit, I would prefer not to be an employee of any company that would provide other services to me as an independent provider. Thank you.

Fritz: Thank you.

Burch: I would like to make one statement to Mr. Novick--

Fritz: Actually, we need to go to the next folks. Thank you very much. You are certainly welcome to send it in writing.

John Houlgate: Thank you very much for allowing me this opportunity to speak. My name is John Houlgate. I've been a resident of Portland for about a year and a half and a resident of Oregon for four years now.

July 15, 2015

First, I wanted to address Commissioner Novick's question. I did not sign up with Uber to become a W2 employee. I signed up to become an independent business person. I've been in business for myself full-time since 2006. That was one of the things that attracted me to this model, was to be able to set my own hours and be able to leverage whatever tax benefits there are working as a sole business person.

What I wanted to also bring to your attention is that though there's been a lot of tensions between the cab drivers and the new TNC industry here, I had -- I experienced a verbal harassment on the road by a Radio Cab driver on May 8th at about 4:50 in the morning as I was leaving the airport. That incident was reported to the Portland Bureau of Transportation and they have since taken the appropriate action to that. I do want to thank the Portland Bureau of Transportation for addressing the issue and taking it seriously. And I just want to let you know that, for myself -- and I think everybody else here, should take this very seriously that there is no room for harassment while we're at work, especially on the roads where there is a very potential danger that could cause a lot of harm.

That said, Uber has been a big help to me in helping me through a very difficult financial period where my wife had some health issues and I lost some business a couple of years ago. This has been able to help me bottom out and begin to restore some of the lost income that I had. I don't know anything more to say, so I'm going to stop right here. I thank you again for listening.

Fritz: Thank you.

Janet Weiser: Good afternoon, my name is Janet Weiser. I'm a retired paramedic and a current clinical massage therapist with my business. I first want to thank the Council for all the time you put into this and the task force. This has been a daunting effect for all of you and I want to say thank you very much for your hard work.

I've been driving with Uber since they first came to the area back last summer in Vancouver. I saw it as an opportunity and I wanted to be onboard. I also drive the Lyft platform, so I do drive for both. I live out in Beaverton and I try really hard to serve that area because it is very underserved. I do come into Portland and I do manage and work here also, so it gives me the flexibility to serve those populations. I've done over 500 trips on Uber and with Lyft about 100 and I run a 4.95 at this point for a rating, so I do give good customer service also.

Six months ago, my husband's job went away due to a corporate downsizing, and if it had not been for the TNC platform that I was working, our house would have probably lost our home and bankrupted. I was able to increase my driving and managed to balance the budget. My own business has ups and downs, and this has been able to give us the opportunity to remain is a status quo and to keep my kids in school. I've got two going off to college.

I work with a lot of different riders from every walk of life. The Nike employees who are going to and from meetings every day, the 20-somethings that are going out on Friday and Saturday nights, and the mothers who are going shopping at WinCo. I do a lot of grocery shopping runs every single weekend. It's so fun after church to go to WinCo and pick somebody up with 32 bags of groceries. Not a problem.

I'm thrilled to be able to manage my schedule and see my clients when I want and to be able to drive when I want and to get the extra money into the budget. Not only do I drive, I'm also a rider. I use the service to come into town, and I'm happy to say that I love it. I'm going to do it more and I'm going to stay with it. Thank you.

Fritz: Thank you.

Bright Phillips: Hello, my name is Bright Phillips. I have my own business but I drive for Uber. One thing I'd like to let my taxi friends know is that technology is here to stay and Uber is here to stay. I love to drive for Uber. It gives me an opportunity to drive for people

July 15, 2015

all over the world and see different perspectives and a lot of different people's culture and experience. It's great. I love to drive for Uber. I think it Uber here to stay and technology is also here to stay, so the best thing for us to do is to have a level playing field so that everyone will feel treated very fairly. That's my story.

Fritz: Thank you very much.

Deann Pettit: Hi, I'm Deann Pettit and I drive for Uber. And just briefly, the reason that I came to drive for Uber is I had some physical issues, health issues that kept me from working for almost a year, so I understand the feeling of being faced with the possibility of the reality of your income stopping and where are you going to make money, so I understand some of the cab drivers' concerns with it. Their income has gone down, but then again, it's like for me, this has been a life saver. I didn't have to borrow money to pay my mortgage in June and as I'm starting another business, I can combine both things. It gives me some money to survive on while I'm getting something that's more long-term going. And thinking about just the times that we live in -- and it's so simple how Uber and Lyft work. It's so simple that people can't wrap their head around it. That it doesn't have to be overregulated, that it can be this simple, and this perfect. The riders that I get in my car -- we're a lot alike -- "this is the greatest thing ever invented for everyone!" It's convenient for the drivers, it's fabulous -- or, convenient for the riders and fabulous for the drivers. I just think that as technology changes and things -- I mean, you look at Blockbuster and Hollywood Video are not here anymore, but I think that there will always be a place for cabs.

Fritz: Thank you.

Renee Beus: Hi. My name is Renee Beus, been with Radio Cab for a decade. My rating is 10. [laughter] I've trained a lot of drivers, I've had a lot of fun doing this job, so I do also know why all the TNC drivers enjoy the job. You know, it's nice to have something flexible. It's a shame it has to kill careers. Some people have been driving longer than I've been alive. I feel sorry for those guys if this all crumbles, and I don't know what they're going to do next. I would probably have a pretty easy time finding another job, but I really like driving cab.

One of my frustrations has been with lack of enforcement. I work all night, 5:00 p.m. to 5:00 a.m. So, I work that critical gap where, you know, everyone's done making their money and there's still people that need to go home, so I'm there for that. And it's -- I've seen Uber cars try and hustle people for cash fares, you know, I've seen them park in taxi stands. I have asked them to move. They -- some of them say, "I'm a taxi" and I'm like, "No, I'm sorry, you're not a taxi. You can't use a taxi stand, you can't do street hails, and you can't negotiate for cash." But, you know, there's no one overseeing it. As long as I'm talking about oversight, I hope that everyone is making sure that these people are fully, fully, fully insured to 100% for every phase of the app because one of my regular customers works at a natural food store. She was telling me how her co-worker got hit on his bicycle -- he cycles every day -- by an Uber car. He got all his front teeth knocked out. And the first thought besides "oh my god, how horrifying would that be" is "oh, jeez, I hope that that gets covered. I hope the claim doesn't get dropped" because these people, like me, we don't have a lot of money. So, if they are having to pay out-of-pocket for a claim that got dropped, I don't think they got that in their bank account. That's all I got to say.

Tesfaye Aleme: My name is Tesfaye. I'm from Green Cab. The first thing that I want to say is we're not against Uber or Lyft or anything. We're asking for the same rule and the same ride -- everything has to be done the right way. [applause] That's the only thing that we are asking. If that's what we're asking, we are not going to be complaining about what happened here and what happened there. To be sure, one thing that we're asking for for the same ride, then we will be competing within the system. There are fallbacks from the

July 15, 2015

regulations and rules have to be enforced immediately. I can tell you, because I cannot tell how much the drivers are losing I feel the pinch, and we reduced our kitty, which I have submitted report to Commissioner Novick that we have reduced the kitties so that the company and the driver can share that pain. So, we have to know those kind of things. If we are not playing with the same rules and same ride, then some of us might be out of business because based on the situation, I have to spend about \$500,000 for wheelchairs. If the wheelchair thing is not going to be enforced, then, I'm told "get out" because you know, you are not worth it.

The other thing we have to make sure is if a company is going and partnering with another company, there is no gain of wheelchair available because they're using already the existing company vehicles. So, those kind of things have to be very carefully weighed in. That's what I want to say.

The last thing I want to say is a driver sitting here was giving his car -- he has drivers driving the car and he was generating money for himself. And that driver was paying the company insurance and all the expenses. So, these are the drivers that are trying to slide out and accuse companies. And the other thing is --

Fritz: I need you to stop you. Thank you very much. Please send the rest in writing.

Alme: OK, thank you.

Ilene Brown: My name is Ilene Brown. I drive for Uber and a little bit for Lyft. Prior to driving for Uber and Lyft, I was a contract driver already, and I think that maybe we're not aware of how many contract drivers are on the road in Portland today because we keep talking about Uber and Lyft and the taxi companies, but there are thousands of contract drivers driving in Portland every single day. I had contracts with several -- with an auto parts company, and they just got new contracts with more stores so there are more drivers. Contract driving has been around for a long time, and I think now that we're changing into a platform where we're driving people, now everybody is paying attention, but this is an area in Portland that's an issue here. It's a good issue, but we're -- I'm kind of losing my train of thought about it.

Anyway, I'm a professional. I drove as a contract driver and still do part-time. I drive Uber full-time because I like it so much better. I drive at night because I want to serve my community. When I started doing this, I thought, "there's no way I am driving at night. I'm not driving a bunch of drunks." That's the best part of it. I am serving my community. Helping people keep from drunk driving is huge here. I never realized that there was that much of a problem until I had people sitting in the back car saying, "if it wasn't for you guys, we would be driving drunk." That's important to me, so I chose to drive the night shift. I go out about 10 o'clock at night and drive to the morning until I get tired and then I go home.

I could talk about how great this is for me personally -- I make more money, I can work when I want, all the things that everybody says -- but the important thing is the community and the visitors here. I have driven people from documentary film producers to a kid backpacking on his mom's Uber account. [beeping] We're serving more and more visitors and locals in Portland by adding transportation network companies. And it's not just us, it's Postmates delivering food to people and to hotels and our visitors and locals. We're doing so much more by allowing transportation networks along with the cab companies, and I think that we can't do any better than that.

Fritz: Thank you.

Dorn Matthews: Hi, my name is Dorn Matthews. I'm a Radio Cab drive for about six years. I'd like to bring up that there seems to be some magical assumption that there is a disparity between the character of an Uber driver and taxi driver. They're these nice, working people and the taxi drivers are scummy, hook-handed jerks. And that's really not -

July 15, 2015

- that's the whole PR angle. On top of that, a lot of the stories I've been hearing have been, "I didn't do anything before this, I had such and such-and-such job unrelated to driving, and they hired me. Nobody else would hire me, and they hired me." Is that a glowing -- that's not really -- I don't see that as a particularly good thing. We have veterans driving -- as in better drivers. Maybe once upon a time it was World War II veterans but now, people with experience driving. And we could treat this like Oprah where you get to drive an Uber, you get to drive an Uber, you get to drive an Uber! But eventually, the well is going to dry up and it's not going to affect us, exactly. It could, because if they become so numerous and so dependable that they can always be there in 10 minutes -- but we already ascertain that the numbers shown at the beginning were junk because they're not accepting the numbers for the rides they don't accept because they're busy or nobody is in the area -- are not counting. So, it's going to boil down to how many are we going to let on the road. Because I think these are fantastic people driving cabs, but you are going to get the guys that we need to get rid of. And I don't want to see people getting dragged down -- people actually who do their jobs well, and I don't want to see them getting screwed up by -- I should probably not mention names, but it's just it seems like the lack of standards is detrimental. And when you're out, if the business dries up because there's too many guys, you're on your own. And the cab companies were set up for continued business and self-containment in the regulatory structure. So, sorry if I sound inflammatory, but you guys are alright in my book, just want to make sure --

Fritz: Thank you for your testimony.

Matthews: Thanks.

David Mosier: Hi, my name is David Mosier but I go internationally by the artist name videotape. And I'm a licensed security guard and I'm an Eagle Scout. I'm here to talk about funny business I have seen since I've been trying to get a legitimate taxi job going during the free interim program.

I've always wanted to drive a cab. I want to help people increase their mobility. I was given the option to have a sustainable wage doing guaranteed early morning rides and WAV cab rides in a handicap van. But as I found, this process has been tied up in bureaucratic red tape. It didn't help that PBOT moved buildings this time to different offices, people were closed, were on vacation. It didn't help that when I called people, they didn't know the new procedures that were set during interim period and they didn't know how to move me through the system or do their jobs properly. Even when I made phone calls to people for weeks, all I did was go around and around in utter confusion.

I see this disparity here where I've been tied up in red tape whereas Uber and Lyft drivers can pretty much just start driving. I'd like to question, what's a lobbyist in this situation? Who here is a special interest? If people are paid to be in this meeting or at other meetings such as the interim period review workshop for the mid-point review -- if they're paid to be here and give these testimonials, I think you should be questioning that. If they're all wearing these pink T-shirts saying they're independent subcontractors and the T-shirts have the company logo on them, isn't this some Orwellian double speak?

Another issue you really need to tackle is the influences that are going on here. I see the Starlight Parade propaganda event, and it's trying to influence the general public. I see the Mayor in cahoots with Lyft or Uber as being questionable. Even the Willamette Week and the press has taken money outside of an advertising role from these companies and these sponsored events.

Fritz: Thank you very much.

Mosier: That's questionable.

Fritz: Thank you for your testimony. [applause]

July 15, 2015

William Daniels: Hi, my name is William Daniels, I drive for Radio Cab. The first thing that I would like to do is to apologize for any Radio Cab driver or other person representing Radio Cab that behaved in an unloving way to anybody else. That is not acceptable to me, and it is not acceptable to Radio Cab. [applause] That goes our stand, so people that did that behaved on their own and not acceptable.

I hope you understand that when Uber reported the amount of money that their drivers are making, that does not include the cost of the cars. That's a significant expense that they are not covering or telling you about. I've been driving for nine years -- longer than any other work that I have ever done -- and I like it. I give great customer service. I work about 52 hours a week. My wife is disabled. With my income, we cannot own a home of our own, but we can have a decent standard of living.

So, point number one. If you allow TNCs, you will be chopping up full-time work into supplemental and not living wage income. Point number two. Portland has an ethic of buying local. If you allow TNCs, you are sending money to big, out-of-Portland and out-of-Oregon multi-national companies. [applause]

If we take a larger view of transportation, according to Audi, they will be ready to market driverless cars by 2017 and Nissan by 2020. TNCs will replace their drivers with driverless cars. So, point number three -- at that point, you will be sending all the money for providing transportation services to out-of-Portland and out-of-Oregon giant multi-national companies. And no, I do not want to be an employee, I would much prefer to be an independent contractor. Thank you very much.

Fritz: Thank you very much.

Semay Araia: My name is Semay Araia, and I work for Radio Cab and I own a cab right now. I start with Radio about two years ago, and I got the opportunity to work for them and also be an owner. Like I hear everything in here, everybody says like a second job, but driving a cab is a full job for me. And they're taking all my income because of the Uber drivers. Because nobody has time to call because the system? OK, we can change the system. But nobody has time to complain about Uber. They're not going to call or anything because they always use cellphone texting to make an appointment, that's like what everybody does. But for me, being a Radio Cab taxi driver is my main income. I do not have any other source to add extra income. It's unfair to me and any other drivers. We have to compete with other drivers that's using it as people around with their own cars and extra income. So, the only thing I'm asking is if any of the people's for Uber, they use it as a second job. Does anyone with a full job as Uber and can survive through that? And I want the same rules for everyone and to get my job back because I'm losing income. Thank you.

Fritz: Thank you.

Frink Warninghoff: My name is Dirk Warninghoff. I'm a Portland native, I was born North Portland in '77 and graduated from Lincoln about 20 years ago. Previous to a cab driver, I was training in the United States army before the deployment to Afghanistan and Iraq.

I own my own share at the cooperative that is Radio Cab. Radio Cab helped save my life after returning, affording me as a native PDX person to stay here with a living wage. I've been losing about 40% of the income, if the City would have not put cabs on taxis the last 14 year, cab companies would have been able to service those orders faster. And since the TNC has no caps -- more cars on the road then all the taxis combined -- they can give faster service

Some things I would like to see the TNC cars do -- labeling on the cars. Maybe like magnets like the Oregonian has they can put on the sides and the front. [applause] I'd like to see caps on the amount of cars on the roads so every driver can take home money. Maybe raise the caps on the weekend nights. Enforcement fees for all. I was paying 600 a

July 15, 2015

vehicle before taxis gone wild, and I would love to see that on every vehicle because that's a big expense to get into. And to answer Mr. Novick's question, the state's in the driver's seat for the independent contractor thing, just like they are for the minimum insurance requirements. You guys are kind of waiting for them to make a decision on that.

Kelly, who was here and spoke -- she was happy to supplement her income with 131 rides in two months. I do that many rides in a week and a half, because it's my living wage job, not supplementing my income. I'm happy people are supplementing enough to buy themselves a dinner so I can't afford a mortgage. By allowing a competitive advantage to no wheelchair requirements and capping us before when you didn't give them a cap at all is called collusion, it's giving competitive advantage to somebody. And if Union Cab doesn't sue you, the TFA doesn't sue you, then someone's going to do a Go Fund Me and sue you and the City of Portland for collusion. They are the same taxi-style rides, not the same background checks, not the same wheelchair requirements, not the same enforcement trees, and not the same labeling. Please have the same rules for all.

Fritz: Thank you. [applause]

David Gibson: Good afternoon. I'm David Gibson. I commute an hour and a half from Dallas, Oregon to do my job with Uber. And even with that commute, I figured out I'm throwing about \$2000 a month down the toilet in hours I could be working and fees. I am still making a good living. I lived in Portland most of my adult life, and I will be coming back now because if this doesn't work out, I have to go to work for Forest River that pays \$10 an hour. And I would also like to say to the ten or 12 people rude to my brother, shame on you. Sorry, I had in that on my mind.

I've been doing this job now for probably -- the longest-serving Uber driver here -- almost a year. I've been here the entire time they've been operating in Oregon. I've done Eugene, Salem, Portland, Portland metro, and Vancouver. I've had almost 3000 rides. It is my fulltime, it is how I raise my son and take care of my aging mother. It is the only thing that I do. With my disability, I can't go back to house painting, so is if this doesn't work out for me, I will get another job but it won't pay half as much as this one. Thank you.

Petr Morolohshef: Hello, my name is Petr Morolohshef and I'm a driver. I've been driving, I've been delivering the newspapers, I've been delivering pizzas. I've been driving tow trucks -- I really like driving tow trucks -- but in 2008, I walked into the Radio Cab and I really, really liked it because it used to be a great company and there was a lot of money to be made back when it was a monopoly. But the thing started going down, and then eventually I realized that I'm being told to do work not the same way I was trained. The way I was trained is I get to pick and choose the orders that I want to run, because the company is under such pressure, the demand was so high and the supply was so low that the driver was able to pick and order, which is not a good sustainable business test. And it got to the point where there was like, "dude, you do too many of them. Stop doing this." I was like, "how many is too many?" The TNCs have this thing called acceptance rate. You just cannot reject because you get deactivated from the system. And I was like, hey, let's do something like that because you can't just single me out and say, "hey, you're doing too many" when I know everybody else does it. Let's say five flags, 10 rejects per shift. If you do more, you get de-authorized for the rest of the shift. They didn't want to do that, so what ended up happening is I got pushed out in a really, really sick way. I am right now considering talking to a lawyers and bringing up a lawsuit against Radio Cab company because I've been harassed there and I've been treated unfairly. I believe I've been discriminated based on my race and the way I look and the way I dress. I am really devastated. It's been more than a year and hours of therapy and counseling and my first visit to the emergency room in my entire life, my first visit to jail my entire life. Like, I'm making money OK but I really like driving, and I don't see why this whole thing would be

July 15, 2015

going on here because two adults should be able to be able to subcontract for a ride without intervention of the government. That's my opinion. Hey, you want a ride? You have a car. Give me the money. That's all, thank you very much.

Fritz: Thank you.

Delilah Jones: Hi, my name is Delilah Jones, and I've been driving with Radio Cab for about seven years. I was born and raised here in Portland. I just want to say that upon approval of the arrival of the TNCs, my gross hourly income dropped about 30%. So for the first time in the eight years since I graduated from Portland State University, I am behind on my student loan payments, which is really awesome. But the thing is I see the rise of the TNCs as part of a larger trend siphoning money from the lower and middle classes and just generally devaluing labor and the working class. Taking the taxes and income from the local economy and delivering it to rich investors. On the surface, it sounds really great that you can pick up a little extra money in between your two or three other part-time jobs. But, the way that I see it is we're taking 500 living wage jobs and turning them to thousands of on the side, "it's fun" gigs, you know.

I'm an award-winning professional driver. I get ongoing training in defense of driving and customer service. I actually have a support system in Radio Cab in case of emergencies, accidents, or just lost items. I have excellent, reliable insurance that covers me constantly. And the fact is, driving is the single most dangerous activity that we all engage in daily and safety should not be taken lightly.

I understand that the TNCs are here to stay -- you know, barring the hundreds of lawsuits that they are facing in the country and world right now -- but I want to see the City do two things. I want to see them strengthen the safety regulations for commercial insurance, training, signage, cameras, the same permitting process that I go through, 24-hour phone support for drivers and customers, more than just an initial inspection but ongoing inspections for vehicles, and I want to see, too, enforcement of the regulations you put in place.

The last time I spoke before this Council, I requested that TNC drivers follow the same protocol for permitting that I do. Commissioner Novick's response was to remove the \$100 fee for taxi permits, effectively causing taxpayers to pay for my background and driving record checks. I assume that the next step is to require taxi companies to do their own checks and I won't need a permit anymore, but that's the only way that the City can know that I've been vetted and that I've paid my taxes. Please enforce the rules, not just relax them to accommodate bullies so that they can flood the market, instigating a race to the bottom. Thank you. [applause]

Fritz: Is that all that signed up? Did anybody get missed?

Moore-Love: Did anybody who signed up not hear their name called?

Fritz: Thank you very much, everybody, that was very effective testimony and I appreciate everybody being here. Colleagues, what's your pleasure for what we'd like to do now? We're through with the public testimony, we had said there might be questions for staff or some of the parties.

Novick: Actually, I would like to ask the same question of both the TNC representatives and Raye, if that's possible. If somebody from Radio Cab wants to come up, I'd like to ask the same question. It's the question that Commissioner Fritz asked, which is, how many drivers do you have available between 2:00 and 6:00 in the morning? And I'll take anyone's answer first, second, third, and fourth.

Steger: I don't have the exact -- I don't know the exact number. I can say the data that was passed to the City is accurate so our completed-to-request rate is high. That includes 24 hours a day so you will be able to see if there is a spike during that time. I believe that prior to us launching, I supplied a comparison of a taxi app data snapshot here versus

July 15, 2015

what we see in Seattle, Washington. So, we see service in the mature market 24 hours a day and I'm happy to paint that picture to ensure you guys are comfortable with that service that is happening.

Fritz: The question is not how many rides are accepted, it's how many rides are available. So, you will be able to supply us with the number of drivers who are available on your app on an hourly basis, is that correct?

Steger: The completed-to-request ratio. So, the ration will indicate how many are requested versus how many are completed --

Novick: Sorry, but if you go on the app that says nobody is available, does that count as a request or not?

Steger: You can request a vehicle if no one is available.

Novick: But why would you request a vehicle if you can get a message immediately saying no one is available?

Steger: We see that happen on a daily basis multiple times a day is there is no -- particularly if it's very busy. Again, with the data in terms of the driver count, we have a contract with the City that dictates what data we will share with the City, and so we are happy to discuss change in that contract and what changes to that contract we think need to be made or what changes to the contracts you would like made moving forward?

Fritz: Folks, if you could be quiet while we're trying to deliberate, that would be very helpful. So, that's something that you can negotiate or change in the contract?

Novick: We'll discuss that. Same question to everybody else. How many drivers, if you know, do you have on the road between 2:00 and 6:00 in the morning?

Chang: I think going back to the TNC model, it's an individual that chooses whether to turn on the app or not. How we incentivize people to do that is through primetime, so that gives the incentive to come out and serve that period of time. So, that's how we address the demand and supply, and we know that works. Why do we know that that works? The TNC mid-pilot data report shows that. When there's periods high demand, the wait times are reduced. I think that's a clear indicator of it. But you know, we'd be happy to open up the conversation to how we get -- what kind of information is needed to answer the concern and question that you have. We're happy to open up that conversation.

Fritz: It seems to me you're a technology company, you have the means to know how many people have switched on the app.

Chang: Yeah, absolutely. I think there's always a way to determine if the app opens. So yes, absolutely.

Fritz: That would be helpful. And then do you, in fact, give a primetime incentive for 2:00 to 6:00?

Chang: So how the primetime works is dynamic pricing. So, if there's a lot of requests and currently low supply, then drivers see that on the app. They can see that they are now being incentivized to go and turn on the app and go and visit that area.

Fritz: Was that a yes or no? Do you incentivize --

Chang: Yes --

Fritz: -- people to drive between 2:00 and 6:00 a.m.?

Chang: Right, yes. Through dynamic pricing, it would be the case that there would be an incentive to go out and drive at that period of time if there is -- to be clear -- if there is demand at that time, the dynamic pricing would incentivize people to go out and meet that demand.

Fritz: So, if I'm having my medical emergency but I don't want to call an ambulance at 3 o'clock in the morning, unless everybody is having the same time, there isn't going to be an incentive to have one of your drivers take me to the hospital.

July 15, 2015

Chang: Well, I would say in a medical emergency situation, you should absolutely call an ambulance.

Fritz: No, not if you have a sprained ankle -- that's probably not a good thing to do. I would like somebody else. There would be a bus, right?

Chang: I will note this. You now have multiple options available. In the past, if you have a sprained ankle at 3:00 a.m., you may have four options available. Now, you have at least six.

Fritz: That's what we are trying to determine, though -- do we have more options or are we in fact putting taxi cabs out of business and taxi drivers out of work so that there will be fewer taxi cab drivers to take me to the hospital at 3:00 a.m. with my sprained ankle?

Chang: Right, and to briefly respond to that, I think the report absolutely assures of the fact that there is incredible demand. That people are using these rides, that people are excited about it. The people of Portland, visitors to Portland -- they are taking these rides. There's no doubt about it.

Fritz: Not at 3:00 a.m., though. At 3:00 a.m., there's much more taxis than your service that people are able to get.

Miles: This is actually topic that the City of Portland contemplated decades ago, which is why the current taxi cab code mandates that two-thirds of vehicles have to be added in a given time. So, we do monitor that. We do keep two-thirds of the vehicles on the road, even in the middle of the night. And so that number would be -- I think it's around 88 or something.

Entler: So, not all companies have the same model. Not all cab companies are created equal, and they don't have the same model. At Radio Cab, we have back-to-back 12-hour shifts so everything is available to go out 24/7. You know, Portland has been embracing the ride sharing experience of Radio Cab for many years and we've tried to, you know, make sure that that's available to as many people as possible. On any given day, we keep records of who's out there. And you know, really, it will vary from shift to shift depending on -- the drivers know which days are the good days or the good nights to work and the driver availability for the vehicles will sometimes vary, but not a great deal.

Novick: Just one more question for Raye and Steve, which is, how many rides did you give in May of this year and how many did you give in May of last year, and what kinds of rides?

Miles: I just compiled this for you right before I went on vacation. I don't have the exact numbers. I can get this for you tomorrow. Our ridership in May was down 30% -- or no, our riders in June, was down 30% from a year ago. Our number of rides provided. And I can get you the exact numbers.

Novick: Thank you. Steve?

Entler: Our dispatch ride count for May of this year, I believe, was about 110,000. And I think it's down -- it was about 8% from last year. I could get the exact number for you.

Novick: About what percent?

Entler: The percentage was down, I believe -- the dispatch manager told me it was down 6% to 8% from the previous year. That's dispatched orders, only.

*****: [inaudible]

Entler: No, for the month of May for this year.

Fritz: And one final piece of data that I hope that you can get to Commissioner Novick for the final report is the number of pre-booked and taxi stand rides that are provided and how -- because that should be factored into the efficiency and the time wait.

Entler: We don't track the stand business. I doubt that any of the cab companies do. They're pretty much on their own. We could try to do that. And by the way, in that dispatch order count was included pre-arranged time calls and stuff like that, so, it wasn't -- I think

July 15, 2015

that the numbers probably got filtered out for those numbers and also for suburban originated trips. So, the numbers that were reported to the City were probably 80% of the total that I just got through stating.

Fritz: Thank you.

Novick: Thank you.

Fritz: Do I hear a motion to accept the report?

Saltzman: So moved.

Novick: Second.

Fritz: Please call the roll.

Item 1230 Roll.

Saltzman: Thank you, everybody, for your testimony. Gives us a lot to think about between now and when we decide after the end of the trial period what to do. Thank you. Aye.

Novick: Thank you, everybody, for your testimony. I think a lesson that I get from this session is how hard things are for working people in this economy. That there are a bunch of people who are now riding for Uber and Lyft, who are not doing it to buy themselves a Mercedes -- it's become critical to their income, and I understand that taxi drivers have taken a hit. And I -- as I said before when we started this -- I am concerned about protecting any industry from competition. I'm also concerned about an economy which more and more consist of people doing piece work without having the guarantee of minimum wage and employment compensation and worker's comp and what we think of as part of a job. So, that's what -- I mean, a major thing I'll be struggling with as we consider what to do next. Again, thank you all very, very much. [applause]

Fritz: Thank you very much, everybody, for your participation. Thank you especially to my colleagues for being here and listening to all of the testimony that was presented.

I'm struck not only with the challenges of working people, as Commissioner Novick said, but also the environmental issues -- that we are encouraging people to drive more. And I was quite perturbed at hearing some of the extra commuting that's happening to come to work in Portland and the effect that has on the air quality and on our public transit system, where I would prefer there to be more buses available for folks to catch at various hours of the day and night.

It seems to me that we can do better than the current pilot, that there should be a win-win or at least a not lose as much-not lose as much scenario that could be divined. I did appreciate the one commented about anybody who made unloving comments. Now that I'm Council President and I'll be presiding while the Mayor is out of the office, I'm going to start by reminding everybody that it would be helpful to not have unloving comments. Because we're all Portlanders and we care about each other. [applause] Thank you. Yeah, you can applaud! We care about each other, and it should be about how do we make this work for the most people, including the customers and also including all the drivers. So thank you for this, Commissioner Novick, thank you for your work on this, and there's certainly a lot more work to do. Aye. With that, we are adjourned.

At 5:28 p.m., Council adjourned.