

**Towing Board of Review
Minutes
September 21, 2011**

1. **Call to Order:** 1:39 PM by Chairwoman, Kathleen Butler.

2. **Roll Call:**

Butler	P	Gaylord	P	Osoinach	A
Child	A	Griffin	A	Tenney	P
Farres	P	Hunter	P	Wallis	P
Ferrero	P	La Fong	P	Wilson	P

3. **Recognition of Towers/Others in Audience**

<u>Name</u>	<u>Company</u>
Don Beatty	Gerlock Towing
Neil Benaroya	Crown Towing
Jim Benski	A & B Towing
Eric Benson	A & B Towing
Jesse Copeland	Sergeants Towing
Steve Dehning	Crown Towing
Aaron Hainline	Gerlock Towing
Debra Haugen	Citizen
Kim Karnes	Gerlock Towing
Steve Preston	Sergeants Towing
Patrick Sanford	Safeguard Towing
Bruce Schneider	Newhouse & Hutchins Towing
Tom Steigleder	ODOT
Craig Steketee	Crown Towing

4. **Approval of the Agenda** - Ed Ferrero moved and Donald Hunter seconded approval of the agenda. **Motion passed, unanimously.**

5. **Approval of Previous Month's Minutes** - Ed Ferrero moved and Helen La Fong seconded approval of the July 2011 minutes, as submitted. **Motion passed, unanimously.**

6. **Report from the Towing Coordinator and staff**

A. **Status of Service Fee Payments:** All Contract service fee payments have been received except for Safeguard Towing.

B. **Status of Monthly Report Submissions:** All monthly reports have been received except for Safeguard Towing.

C. **Bonding and Insurance Status:** All insurance and bond certificates are current.

D. **Tow log for previous month:** Ms. Gaylord reported that Northwestern Towing and Speed's Towing D8 had excessive passes in July and will receive notices.

There were no excessive passes for the month of August.

The Towing Coordinator and staff reports were accepted without objection.

7. **Old Business**

A. 60 day review of fuel surcharge - Ms. Gaylord reported that the cost of diesel in July was two cents lower at \$4.005 per gallon. Gas prices in July were at \$3.65 and currently at \$3.69. Ms. Gaylord recommended the surcharge be continued until November.

Ed Ferrero moved and Helen La Fong seconded a motion to accept the recommendation. **Motion passed, unanimously.**

8. **New Business**

A. Extension review results - approval of Tow Contractors for the 2011 - 2012 extension option - The Towing Coordinator introduced the method used to evaluate the Tow Contractors' performance and payment records for the 10/1/2008-9/30/2011 period. Each tower was evaluated based on 10 criteria with a maximum value of 10 points each for a total possible score of 100. The criteria were: Late payments to Tow Desk, Late City service fees, Late monthly reports, Equipment, Facilities, Audit (invoices), Excessive passes (number of months), Late responses, Number of uncertified staff (tow workshop), and Complaints.

The results of the review were broken into three categories. The following contractors in Category 1 received 80 or more points and were recommended for an extension without conditions: A & B Towing D2, D7, and D8, Retriever Towing, Beaver Towing, Northwestern Towing, and Speed's Towing D8.

The following contractors in Category 2 received 60 to 79.9 points and were recommended for an extension with a re-check after six months: 21st Century Towing D4, D5, and D7, Sergeants Towing D3 and D8, Gerlock Towing, Loop Hi-Way Towing, Security Towing, and Buck's 9T9.

The following contractors in Category 3 received 59.9 points or less and were not recommended for an extension: Crown Towing (40.3), Handy Andy's Towing (56.8), Newhouse & Hutchins Towing D4 (42.4), D5 (49.9), and D8 (58.5), and Safeguard Towing (52).

Please see the attached report for more details about the point system. Ms. Gaylord reminded the Board that those who are not granted an extension can re-apply when a new contract term is available.

Representatives from the tow companies that were not recommended for extension were given the opportunity to speak to the Board to offer an explanation or dispute their results. Steve Dehning and Neil Benaroya, the principals of Crown Towing, spoke before the Board. They also submitted a written outline of steps they have taken to improve their company's performance. Mr. Benaroya said this is their company's first review and that there should be progressive discipline before termination. He requested that his

company be upgraded to Category 2 so they can show how much they will improve with the new changes in place.

There were no representatives from Handy Andy's Towing at the meeting. Instead, there was a letter signed by Evy Jo McNealy and Andy Anderegg presented to the Board. The letter outlined steps they have taken to improve their company's performance.

Bob Wilson spoke on behalf of Bruce Schneider, owner of Newhouse & Hutchins Towing. Mr. Wilson said they have been towing for the City for 36 years. He explained that their company experienced hardship in 2009, which resulted in difficulty making payments on time. He said their company's performance has improved significantly in the last year and a half. Mr. Wilson also asked if he could go over the numbers again with Ms. Gaylord in case there were errors in the report.

Patrick Sanford, the manager of Safeguard Towing, was the last to speak before the Board. Mr. Sanford did not appeal the recommendation, saying that they will stick to PPI towing. Ms. Gaylord said as it gets closer to the end of the month, she and Mr. Sanford should go over any unreleased vehicles.

Ms. Butler entertained a motion to take action on Category 1 towers. Ed Ferrero moved to accept the Towing Coordinator's recommendation for an extension without conditions. Jason Wallis seconded. **Motion passed, unanimously.**

Ms. Butler entertained a motion to take action on Category 2 towers. Ed Ferrero moved to accept the Towing Coordinator's recommendation for an extension, with a re-check in six months. Donald Hunter seconded. **Motion passed, unanimously.**

There was further discussion before a vote was made on Category 3 towers. Clark Tenney, owner of 21st Century Towing, pointed out that a penalty for late response and a penalty for an agency complaint appeared to be a double penalty if the complaint is about a late response. Ms. Gaylord said the two are calculated differently.

Mr. Ferrero asked if it would be practical to extend the contract for Category 3 towers with a re-check in two or three months. Ms. Gaylord said it could be done; however, the decision should be weighed against the fact that with tow volumes so low, the towers who remained would have a bigger share.

Ms. Butler acknowledged that economic times have been tough; however she reminded the Board that the evaluation process has been in place for some time. She said if accommodations are made for Category 3 towers, it would have to be done in a way that would be equitable to the towers who have managed to meet or exceed the contract requirements.

Mr. Ferrero asked if a company's improved performance in the latter part of the contract would be adequate. He also asked if notices, suspensions, or penalties were given to the companies that weren't performing well under the contract.

Ms. Gaylord said that Tow Desk is not in the habit of reporting late payments unless the amount is extremely high or the tower has not been responsive. She said that towers receive copies of the results of their equipment and facilities inspections. Also, they receive monthly reports regarding passes, late responses, and uncertified staff.

Mr. Ferrero asked if there is a qualitative difference between a score in the 40s and a score in the upper 50s. Ms. Gaylord said she relies on the Board to make the distinction and the Board can change the threshold. She said there is probably not much difference between 55 and 60, but there would be for a score below 55.

Ms. Butler said it is important to look past the overall score and see where the deficiencies are because some are more serious than others.

Ms. Gaylord said that historically, each criterion was weighted equally because it was difficult to quantify in a way that everyone could agree on. She added that the Board can change this.

Mr. Ferrero clarified if the contractors who were not extended could meet with the Towing Coordinator to go over the evaluation. Ms. Gaylord said she would meet with them and if errors were found that bumped up the score to 60 or more, the Board could decide to extend the contract. Furthermore, the companies that will need a re-check in six months will be evaluated using the same criteria.

Ed Ferrero moved that Handy Andy and Newhouse D8 be added to Category 2 with a re-check in six months. Donald Hunter seconded. Ms. Butler asked for discussion. Helen La Fong expressed concern with changing the scale seemingly arbitrarily. Ms. La Fong stated there had to be a determining factor. Ms. Butler also expressed concern with adjusting the scale to bump up certain contractors without regard to performance.

Ms. Butler asked for a vote on Mr. Ferrero's motion. Donald Hunter and Ed Ferrero voted in favor. Helen La Fong, Jason Wallis, and Kathleen Butler were opposed. **Motion failed.**

Ed Ferrero moved to accept the Towing Coordinator's recommendation to not extend the contract for Category 3 towers. Jason Wallis seconded.

Ms. Butler asked for discussion. She commented if perhaps it can be taken into consideration whether or not performance has been deteriorating or improving over time.

Mr. Ferrero suggested if perhaps the Towing Coordinator could meet with the Category 3 towers to find a way to improve performance.

Mr. Wallis expressed an interest in having complaints reviewed to determine specific performance issues. He explained that it requires a lot of work for agency personnel to file a complaint and they typically do so only when a problem is systemic.

Ms. Gaylord said that agency complaints are a small enough number and she has not seen a trend in the types of complaints. She added that complaints are across the board.

Helen La Fong asked if, at the next Board meeting, an exception can be made for a company that wasn't able to get bumped up but has shown an improvement in performance. Ms. Gaylord said it is something the Board will have to decide and that there has been no precedent.

Ms. Butler said the Board could vote not to extend the contract for Category 3 towers unless sufficient mitigating factors were found to bring up their scores. She added that once the factors were determined, the Towing Coordinator would have the ability to keep a company on the contract.

Ms. Gaylord reminded the Board that in the past, the contract was extended only if, after further review [for possible errors], a company was able to bring up its score to 60 points or more.

Mr. Ferrero expressed his opinion that there is a general sense of wanting to reward improved performance or the promise of improved performance; however, it may have to be addressed at the next Board meeting.

Ms. Gaylord reminded the Board that the contract ends at the end of the month and the next Board meeting isn't until November. She asked if Category 3 towers should be allowed to operate until a decision is made in November.

Mr. Ferrero said that if a motion is passed giving Category 3 towers the opportunity to go over the results, and they find additional points in the next two weeks, then the contract should be automatically extended. He added that if a company is unable to find extra points, the contract will not be extended but further consideration may be given at the next Board meeting.

Ms. Butler asked that the earlier motion be repeated. Ed Ferrero moved to accept the Towing Coordinator's recommendation for Category 3 towers. Jason Wallis seconded. Following discussion by

the Board, Ms. Butler asked for a vote. **Motion passed, unanimously.**

Ed Ferrero proposed a motion to bump up to Category 2 any Category 3 towers, if they find additional points that raise their score to 60 or more. Jason Wallis seconded. **Motion passed, unanimously.**

Ed Ferrero moved that the Towing Coordinator develop criteria for evaluating the performance of Category 3 towers based on the severity of the complaints that were lodged. Additionally, the Towing Coordinator should factor in improving performance over the life of the contract. Donald Hunter seconded.

Bob Wilson, industry representative, suggested if it wouldn't be easier to re-run the matrix and compare the first part of the contract to the last part of the contract. Ms. Gaylord added that it wouldn't be difficult to break down the results for each year. She also clarified that the motion would apply to contractors who are not able to find additional points after going over their results. The breakdown of results for each year would be presented at the November Board meeting.

In addition, Ms. Gaylord said she can make a recommendation to the Board at the next meeting regarding the severity of complaints. She can also present to the Board what types of complaints are received.

Ms. Butler asked for feedback from the audience before calling a vote. Mr. Benaroya suggested giving Category 3 towers the same 6-month re-evaluation as Category 2 because the re-evaluation has to be done anyway. He said if at the end of six months his company doesn't make it, at least the City would've been fair in its determination.

Aaron Hainline, part owner of Gerlock Towing, said that if Category 3 towers are given the opportunity to improve their scores and bump up to Category 2, then Category 2 towers should have the same opportunity to bump up to Category 1. Ms. Gaylord responded that this could be done; however, priority would be given to those in Category 3.

Ms. Butler called for a vote on the motion. **Motion passed, unanimously.**

B. Consolidation of Class C rotational districts - Ms. Gaylord announced that she is considering recommending consolidating two Class C rotations into one. This agenda item will be discussed at the next Tow Board meeting when she has further information. She said that she also wanted to give the people who would be impacted by this consolidation a chance to respond.

A question was raised concerning the effect on District 4, if Newhouse-Hutchins was unable to bring their score up to 60 points. The Towing Coordinator reminded the Board of the information originally provided concerning the effect of eliminating District 3 as a separate district. Ms. Gaylord said if Newhouse D4 is not able to remain on the contract, then changing the district boundaries would be imperative. It was also brought up that no decision was made on changing District 2 boundaries.

Ed Ferrero moved to re-form Districts 3, 4, and 2, regardless of Newhouse's status. Jason Wallis seconded. **Motion passed, unanimously.**

9. **Adjourn**

Ms. Butler entertained a motion to adjourn. Donald Hunter seconded. The **motion passed, unanimously.** Meeting adjourned at 3:54 PM.

Minutes submitted by Jenny Farres: Regulatory Program Specialist