



PRIVATE FOR-HIRE TRANSPORTATION BOARD OF REVIEW

Minutes for May 12th, 2011 meeting

1. Call to Order: 1:35pm by Kathleen Butler

Roll Call

Present: Ryan Hashagen, John Case, Kat Wilkes, Raye Miles, Michael Huggins, Red Diamond, Muzafar Rasheed, Yassin Mohammed, Jeff Blosser, Jon Putman, Al Ochoa, Kathleen Butler, Frank Dufay, Patrick Kramer, and Lauren Wolfe

Absent: Ramon Corona, Gail Bauhs

* Alternate

Others/Audience: The list of other attendees is available from the Revenue Bureau.

2. Agenda

Motion to carry items 13 and 14 to the next meeting: Mr. Putman

Seconded by: Mr. Blosser

Discussion: None

Passed Unanimously

3. Approval of Minutes

Motion to approve minutes: Mr. Case

Seconded: Mr. Putman

Discussion: None

Passed unanimously

4. Public Comment

Jeff Davies, who has been a tour guide for 19 years, spoke about being notified recently of the permitting requirements for tour companies. He pointed to some differences between shuttles, taxis and the tour service he provides. He expressed concerns over permit fees being the same for companies who utilized their vehicles 24/7 as opposed to his business which utilizes vehicles much less. He also expressed concerns about the City regulating gratuities to hotels because that is a common practice in his industry. In his case money is given for business referrals.

Dan Mark, a taxi driver, said he was not concerned about "bribes" which he says is a standard for the industry. He indicated he is more concerned about other enforcement issues including unpermitted taxis and shuttles competing with taxis.

Darrin Campbell, a taxi driver, stated that he agrees with Mr. Mark's statements about tipping. He feels that suspensions and penalties are not enough to curb code violations.

Joshua Blaize, owner of Sea to Summit Adventures, stated that the majority of his services are

provided outside the city of Portland. His business is highly seasonal and he utilizes his vehicles much less than taxis companies who utilize their permits 24/7. He feels that more communication needs to go out to hotels listing all permitted PFHT companies with their phone number and website listed.

Ralph Stinton, owner of Grape Escape Tours, stated that he wants to comply and mostly agrees with Mr. Blaize and Mr. Davies. He would like a more equitable way of charging permit fees.

Steve Killough, Lucky Limousines, would like to see the combining of City of Portland and Port of Portland inspections. He also inquired about the progress with parking issues related to limousines dropping off and picking up passengers in the lane of traffic for brief periods of time.

Mike Campbell, stated that he wants to start his own limousine company but is apprehensive because of what he has heard. He doesn't understand why he has to be permitted when he provides services for customers outside of Portland and is only dropping off occasionally for proms.

5. Staff Reports:

Kathleen Butler reported about a meeting with the Head of Parking Enforcement, Nolan Mackrill. At that meeting, there was discussion about the issue with the limousine and other vehicles that do drop off and double-park when there is no parking available. Nolan Mackrill agreed to bring the issue up to all of the officers and encourage them to use common sense when parking is unavailable and vehicles have been parked for less than three minutes. That being said, Mr. Mackrill also noted that there is documentation of many instances of vehicles parked much longer than 3 minutes waiting for passengers, and this is not something the parking officers can ignore.

Enforcement Report: Frank Dufay, has been doing a lot of enforcements early mornings, nights and weekends and has been very successful. Orange Cab has been continuing to operate illegally and Americab is slowly showing up less and less so continuing to enforce penalties is important but not enough. Mr. Dufay is working on getting further enforcement from the City attorney. There have been two code hearing appeals. The code hearings officer agrees with the city code that a company that is unpermitted is not allowed to give business to someone else who is permitted. A number of tour companies have come forward to get permitted. Bottom line is about public safety. It is important to continue to enforce until the unpermitted limousine companies comply or are put out of business.

Permitting update: Patrick Kramer compiled data about how many permits we have issued specifically from the categories subject to the cap on permits: executive sedans, shuttles and taxis. There is a process where people can apply for relief from the Moratorium to the Board every 6 months. Mr. Kramer gave the current year permit numbers and numbers from the past two years. The first report from 2009 shows that there were 183 executive sedan permits issued compared to 162 permits currently in 2011. For the shuttles the 2009 reports shows that there were 99 compared to 80 in currently in 2011. The taxis have remained consistent at 382 permits.

Patrick also noted that the Vehicle Aging Requirement that was part of the Code rewrite in 2009 will be coming into effect in 2012. Aging requirements are 10 years for shuttles and taxis and 7 years for executive sedans. After 2012, we will not be able to permit vehicles that are older than 7 and 10 years.

6. Proposal for Replacement of Taxi Plates

Mr. Dufay stated that some of the taxi plates are really hard to read. The new Pedicab plates that were made were inexpensive (\$10-\$12 each) and he proposed to have new plates made.

Raye Miles thought that it was a good idea but didn't feel like they should have to pay extra for the plates. She stated that if the City required new plates then they should be included in the fee they already were paying.

Ms. Butler agreed to attempt to include this replacement of plates in the division budget.

7. Discuss Process to Review Request for Relief from Moratorium

Ms. Butler noted that the requests from April will be up for discussion by the Board in the July 13th meeting.

John Case had discussed in a previous meeting that he thought it would be a good idea to have the applicants come to the Standing Committee meeting prior to the July Board meeting where they could ask their questions and allow everyone to get a better idea of the underlining issues.

There was general consensus that the requests should be discussed first in the more informal Company Standing Committee Meeting.

8. Standing Committee Reports

No Reports for executive sedans from April or May, 2011 because there were no meetings due to lack of agenda.

There was a informal Driver Standing Committee meeting that discussed taxi drivers agreeing not to do demonstrations in front of hotels at this time. There is also a website that is currently up and running called cabdriversalliance.com. No reports for shuttles.

9. Report, re: Ad-Hoc Committee for Wheelchair Accessible Vehicles

Ms. Butler mentioned that there have been several discussions about the Portland Accessible Cab Agreement (PACA) and the wheelchair accessible vehicles.

Jon Putman lead the Ad-Hoc committee meeting and stated that Radio Cab would be the "go to" company and they would guarantee 24/7 wheelchair accessible service.

10. Report, re: Ad-Hoc Committee for Shuttle Regulations

Al Ochoza, discussed the meeting on April 28th where the committee reported on findings and getting shuttle companies into compliance. Issues were addressed and they are getting close to coming up with a solution. Mr. Ochoza brought up points that were discussed at the meeting. One was that the shuttle companies should have to choose one type of permit. There was a proposal to stick with the shuttle's current fixed-route schedule and having "on demand" service just between the airport and downtown. Another option would be changing to an executive sedan permit. The proposal is still up for further discussion at July 13th Board meeting.

Kat Wilkes, requested for a separate Ad-Hoc subcommittee meeting about the saturation in the SAT market. Ms. Wilkes also wanted to emphasize the importance of safety in regards to the drivers as well as the passengers and that the safety fund comes back to the drivers so that they can purchase their own safety equipment.

11. Board Meeting Comments

Ryan Hashagen, asked how would rented vehicles get inspected before use?

Mr. Dufay answered that, currently, when you get a rental vehicle as a replacement vehicle there is a \$25 fee to be inspected unless it is from a rental company. There is a separate charge every time you bring in a replacement vehicle and the City is looking into how to enforce it.

Mr. Hashagen brought up seasonal permitting for pedicabs because most of the pedicab business is done in the summer months.

Ms. Butler answered that, we are working on a permit timing process that will attempt to prevent renewals from happening during the peak business months.

Jon Putman proposed for a better way to show that the driver is licensed and can easily be identified other than the small sticker on the lower left side of the vehicle windshield. Mr. Putman thinks that it would be a good idea to have another sticker on the side windows so it is easier to tell if they are licensed. Mr. Putman also mentioned that it is especially important for the people who are more vulnerable to know that the form of transportation that they are riding in is licensed and safe.

Al Ochoza commented that the shuttle companies have similarities to the tour companies. He suggested that it would be a good idea to have a separate Ad-Hoc committee specifically for the tour companies where they can discuss how they conduct business and as a result, get into compliance with the Code.

Mr. Hashagen thought that it would be constructive to create the committee. Mr. Hashagen volunteered to help facilitate the committee.

John Case suggested that we should have a company standing committee that would include the tour companies as well as Board members to come up with some solutions and discuss in greater detail the

specifics of tour guide business. The Board decided on **Tuesday, May 17th 2011 at 1:30pm** for the Standing Committee Meeting.

12. Proposal for Prohibition Against Payments/Gratuities for Referral of Passengers

Ms. Butler discussed some of the research we have done on this issue. In other cities, the legislation that was put into place did impact the problem and had a positive effect. Ms. Butler also explained that there are ways to enforce the prohibition. This proposal will be presented to the Board at the July meeting.

Red Diamond, explained the meaning of "Kick Backs". When hotel guests seek transportation services, hotel doormen call for a vehicle and the driver comes and kicks back money to the doormen. It may initially seem innocent but it actually has a profound influence on how transportation methods are conducted in the City of Portland. Mr. Diamond explained that this is unfair to drivers because the drivers who are waiting in line wait sometimes for hours before they are allowed to pick up. Many times, the drivers who have been waiting and following the rules are cut off from the drivers who have previously paid the doormen. As a result, the drivers who have been waiting get a short fare and wasted time with hotel services. The drivers who are giving money to the doormen have also been known to drive long routes to the airport which encourages illegal service providers and results in consumer fraud. About 2/3 of the customers are businessmen that come from all over the world to conduct business in Portland. The significant minorities are tourists and we should make it a priority to protect these people from getting ripped off.

Mr. Diamond also talked about the impact that the "Kick Back" scheme has on the economy. He estimated that if there are ten hotels in downtown Portland, and each hotel is "selling" 10 trips per day, that is 100 trips that are being sold. If the standard "Kick Back" is \$10, then that's \$1000 per day going to the hotel doormen. If there are 36,000 trips per year, then that is \$365,000 going to the hotel doormen. If 2/3 of the trips are being sold to taxi drivers, those drivers are kicking back about \$250,000 per year. If the other 1/3 are being sold to town cars and shuttles, that's 12,000 trips and \$40 per trip comes to about \$500,000 per year. As a result, the taxi industry is losing about \$750,000 annually. Customers usually want to know what is happening and appreciate being informed of a scam.

Ms. Butler proposed that there would be a penalty structure similar to other code violations and would include a penalty to the driver, a penalty to the doorman, and a penalty to the hotel. There would also be an additional penalty to the company. For first time violators, the company would be notified and would have the ability to take action against the employee. The Board Report from the City of Los Angeles Department of Transportation, indicates that hotels and companies play a significant role with the enforcing of compensation in exchange for the referral of passengers.

John Case, suggested to change the word "compensation" because travel agents use the word when they deal with transportation company commission and is a general part of the fee structure. "Kick back" seems to be a better word to describe this type of money exchange.

Motion to prepare a draft of ordinance that prohibits the act of compensation in exchange for

the referral of customers: Jon Putman

Seconded by: John Case

Passed Unanimously

13.

13. Proposal for Ad-Hoc Committee: Review of Permit Caps Jon Putman

Mr. Putman mentioned the need to discuss the Moratorium and whether or not we even need one. He stated that without a Moratorium, it would make Portland look like it's a better developed City and ready for economic development. The Moratorium limits the City's ability to make the changes that are needed for improvement. Mr. Putman wants to eliminate the Moratorium for a couple of years and believes that the City can manage without one.

John Case stated that since 1987, he has been working on Portland becoming a Medallion system instead of a Moratorium. It is the opposite of the Moratorium system. Sees that the Medallion system is where Portland needs to go. The Medallion vs. Moratorium system is up for further discussion.

14. Future Agenda Items

- Request for Relief
- Shuttle Solution
- Safety Fund Issue
- Language of the Prohibition
- Gail Bauhs Proposals

15. Adjournment

Motion to adjourn: Mr. Putman

Seconded by: Mr. Huggins

Passed Unanimously

Meeting was adjourned at approximately 3:30pm. The next Board meeting will be on Wednesday **July 13th, 2011 at 1:30pm.**

Minutes submitted by:

Lauren Wolfe, Regulatory Program Specialist