



**CITY OF PORTLAND**  
OFFICE OF MANAGEMENT AND FINANCE

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**Regular Meeting**  
**Private For-Hire Transportation Board**  
Thursday, January 29, 2014  
111 SW Columbia, 8<sup>th</sup> Floor Conference Room B  
1:30 pm – 4:00 pm

**Call to Order:** at 1:38 by Kathleen Butler

**Roll Call**

Present: Steve Entler, Brenda Hiatt, Gail Bauhs, John Case, Patrick Kramer, Christy Keller, Kathleen Butler, Al Ochoa, Tamara Kennedy-Hill, Ramon Corona, Kirk Foster, Ryan Hashagan, Michael Huggins, Maher Abs, Eyosias Mamo  
Absent: Jon Putman, Frank Dufay

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

**1. Agenda**

**Motion to approve the agenda by Corona**  
**Seconded by Bauhs**  
**Motion carries unanimously**

**2. Approval of the December 5, 2013 Meeting Minutes**

Huggins: My name is spelled incorrectly in the roll call.

**Motion to approve the minutes with suggested amendment by Huggins**  
**Seconded by Hiatt**  
**The motion carries unanimously**

**3. Public Comment**

There were no members of the public who wished to comment.

**4. Board Member Comments**

There were no comments from the Board.

## 5. Non-Motorized Transportation Segments (15 minutes)

- a. **Review and Discussion of Proposed Code Changes: Non-Motorized Transportation: Horse Drawn Carriage, Pedicab, Pedal Tour (Kramer)**
- b. **Discussion and Board Recommendation**

Kramer: Back in 2009 we did a re-write of the code and introduced the non-motorized transportation segment. We recognized the need for a separate code due to the differences between motorized and non-motorized transportation. We have held several sub-committee meetings with non-motorized transportation industry representatives and are proposing today that the language and regulation pertaining to non-motorized transportation within code section 16.40 be moved into a separate chapter to be titled 16.41.

We think that separating the regulations up will make it easier for people to navigate the regulations and will increase efficiencies. Having a separate advisory committee for the non-motorized segments will allow the industry representatives to focus on regulations geared toward their industry. [Proposed changes to the code were handed out to the Board members.] We are considering changes to the way the regulations are structured. We hope to move more regulations into administrative rule instead of code. This provides greater flexibility to adapt our regulations to industry needs without going to City Council. There are still several levels of review that will take place prior to these proposed changes being presented to City Council. There may be some changes that come from those reviews like moving some Code to Administrative Rule but overall we don't expect substantive changes.

Hashagan: I want to thank the City and Patrick Kramer for helping to create this code revision. The new section makes code more relevant to the pedal tour operators, the pedicabs operators, and the horse drawn carriages. It allows us to have an industry meeting where we can address concerns and issues that arise in our industry. The meetings we have had so far have been very productive. We have our own set of issues that are separate from the issues related to other private for hire segments. This code revision will pull out wording that already exists in the code and make it more cohesive and logical.

Bauhs: This seems to make good sense. It will help to clarify the code and make things easier to understand. I support this change.

Entler: It appears they have already addressed the differences between true pedal power vehicles and motorized assisted pedal vehicles.

Butler: We are going to try and move more things into administrative rule and out of code so that the Board has more flexibility to change details. It will allow us to work more efficiently.

Hashagan: Having meetings specific to our industry will allow us to have more

opportunity to collaborate and work on issues that relate solely to our industry.

Kramer: I would like to recognize all of the industry representatives participated in the meetings. Their input was very helpful.

**Motion by Hiatt that the Board recommend to City Council that the revision to the code be approved as it was discussed and as written**

**Seconded by Ochoa**

**The motion passed unanimously**

## **6. Taxi and SAT Driver Insurance Occupational Accident Insurance Requirements**

### **a. Staff Recommendation for Insurance Requirements**

### **b. Discussion and Board Recommendation**

Butler: We are proposing a change to City Code requiring driver occupational accident insurance for taxi drivers and for SAT drivers who work for taxi companies. The language that is being proposed is as follows:

Taxi and SAT company permit holders are required to provide occupational and accident insurance to all full and part time drivers. Companies are exempt from this requirement for drivers who are employees and are covered through Workers' Compensation insurance as required by Oregon State Laws. This insurance must include minimums and limits as established by administrative rule.

The particular amounts that would be required might need to be adjusted at certain points and times, which is why it was proposed as an administrative rule. What is being proposed is occupational accident insurance at a minimum of \$25,000, accidental death and dismemberment benefit with an aggregate limit of \$250,000, a \$100,000 accident medical benefit with a \$250 deductible, and a weekly accident benefit indemnity of 2/3 of their weekly earnings, with a maximum benefit of \$200.00. This section addresses the need for income to help pay for the kitty and other expenses a driver might have if they are out of work.

We have held workshops with insurance professionals and we met with the insurance professionals who are currently ensuring most of the taxi companies in Portland. We identified the insurance coverage that seemed to be most appropriate. The levels that have been suggested are moderate and are the same levels that Union Cab has already put into place. This will be a new requirement and we are looking to develop a manageable package that will not result in costs that are untenable for the companies or the drivers. In the future, if there was a way to fund it, it could be increased. There may be a way for somebody to increase the coverage on a case by case basis, but I need to get more information about how that would work.

Hiatt: The weekly benefit amount seems too low. The \$200 benefit will not help

enough to pay the kitty and the driver could still lose their place with the company. I don't understand why the benefit could not be \$500 a week. Most drivers make more than \$300 a week, which is what you are basing your 2/3 benefit on. This is not realistic.

Entler: From what I understand, the \$200 a week benefit amount is capped and this is all the insurance companies offer. I am concerned that only Taxi and SAT drivers are going to receive this benefit. What about the other LPT drivers? I know that Mr. Dufay was working on gathering information about insurance. I would like to know what his findings are before I vote on this.

Butler: We received quotes and a proposal showing the options and this is the lowest amount we found. We received this quote from the insurance provider covering most of the taxi companies in Portland. My understanding is that we are proposing the most basic coverage they offer. This is the coverage offered by Union Cab currently and it appears to be a very affordable package.

Hiatt: I would like to see more quotes. I would like to know what it would cost for a larger weekly benefit amount. I am also concerned that every company charges different kitty amounts. While \$200 a week may be enough to cover the kitty for one driver, it may be just a small amount of another's kitty payment.

Butler: One of the things we are working on is company performance standards. We are looking at the language added to the code when the permit fees were increased which put a cap on the kitty fees as of that date. Whatever they were then, we said it had to stay there. Everyone recognizes that there is a wide variance in the kitties. The City is currently looking at language to change the code regarding kitty regulation. We are looking at the differences financially for the smaller companies versus the larger companies and we are looking at the other types of fees charged to drivers. We are considering requiring that every driver is offered a certain amount of sick/vacation time every year without having to pay the kitty while they are off work. The reason why we would like to move this forward is when we talk the drivers, having this insurance is at the top of the list of their concerns. We believe we can get this in place quickly. One of the reasons we put the amount in the administrative rule is so that this Board would have the discretion to make a change at any time.

Hiatt: I support getting this in place, but I am concerned about the weekly benefit amount being too low. I want it to be revisited that we consider a larger weekly benefit amount if it is not cost prohibitive.

Abs: If the insurance will pay \$200 a week, why can't we limit the kitty to \$200? At least the driver can pay the kitty if they are sick or have an accident.

Butler: We will be discussing a 4 week break from the kitty every year for sick/vacation time. It is the next agenda item.

Foster: I want to move forward with this quickly, but I am concerned that the LPT drivers are not included in this. There are other SAT drivers that will not be included in this because they are not managed by a taxi company. I think they need to be covered as well.

Butler: We are going to keep this topic open and as we get the new shuttle rules in place and work on the requirements for the executive sedans and limousines. The evolution for this is that it came from the taxi drivers pushing for reform. The insurance agent has a very clear path to this and it can happen very quickly. When we do start to work on enforcing this with the smaller companies, there will be more questions to explore. The insurance plan we are proposing for the taxi and taxi run SAT drivers is affordable because of the volume.

Foster: I am concerned that the small SAT and LPT companies will not be able to get the coverage if they don't have the volume the taxi companies have.

Butler: The wording should read that it applies to taxi companies that also have SAT vehicles. We want to include other SAT and LPT companies, but we still have to resolve the issues about size. It should be stated clearly that what we are proposing today is the requirement for taxi and SAT drivers who work with taxi companies be covered under occupational and accident insurance.

Huggins: So this should say "for taxi companies and taxi companies with SAT vehicles."

Butler: Yes. Some of the cost issues will have to be explored more before we require this coverage for all SAT and LPT drivers.

Foster: Could the language read "All vehicles operated by a permitted taxi company"?

Butler: That is a good suggestion.

Entler: I would like to have some discussion about how to fund this.

Butler: We also have your previous request to consider adding a service charge fee which would help cover some of the costs. We are working on crunching the numbers along with looking at the costs of the backseat credit card processing. The City agrees that there needs to be some funding mechanism that is recognized. We ask that you move forward with recommending this language with the knowledge that when we come back to our next meeting we will discuss some ideas about how to fund it. The service fee may be a good way to fund some of these things, but it might not apply just to this. It might apply more appropriately to some of the technology issues.

Entler: The service charge is not going to cover everything.

Butler: Yes, and there may be some necessary increase to the kitty to contribute to the cost.

Hiatt: Before you we look at an increase to the kitty, we need to look at stabilizing the differences in the kitty.

Butler: We plan to do this.

Foster: It is reasonable that the driver should pick up some of the cost of the insurance. Perhaps we can say that whatever costs are not offset by future service charges or fees be split at a set percentage between the company and the driver.

Butler: When we did the taxi driver labor market study, one of things that was recognized over and over again at the workshops is that what is important is to isolate what the driver is provided in terms of services and trips and how does that relate to the kitty amount. Some cities are asking the company to show what their costs are in terms of what they are providing to the driver and that is how they are determining what the kitty should be. I'm not sure we would want to say "every cost we put onto the taxi companies will be split between the companies and the drivers" because the companies and the drivers have different functions. But, it will be inherent when we look at the company performance standards and the kitty regulation.

Butler: Any members of the audience that wish to speak to this issue?

Raye Miles from Broadway Cab: One of my concerns is that this will eventually drive up the cost of taxi service in the city of Portland. I am concerned it further impairs the taxi industry's ability to compete with the other services that already exist and some that don't yet exist but would like to. I hope you will take time to look at all aspects and really understand the costs before making a decision. I have not heard a regulatory justification for making this specific to cab drivers and not to the other segments. I think that if it is something worthy for the cab drivers, why does the City not want it for the other segments?

Butler: We got the recommendation for the insurance from your insurance broker. I do agree with you that we need to apply this insurance to all of the segments. However, the cry for this insurance came from the taxi drivers. We found a path with the people who insure the taxi companies that is very easy to apply quickly. I do agree that we have to continue to bring this forward for the shuttles and possibly the other segments.

Raye Miles: I am concerned that this will be put into place for the taxi industry and will run out of steam before ever being enforced on the other segments. Is there any way to ensure that this will be put in place for the other segments? I believe this

is really an expanded role for the City. I want to make sure that everyone knows that this is coming for them as well in the future.

Bauhs: I am concerned we are focusing on taxi companies alone and not on the other segments. It takes a lot of time to get this type of regulation moving. If we start with one, how long will it take to get to the others? Is there a more fair way to look at it? What about companies that are LLC's? They have structured their companies in a way that each driver is an owner, which means they can avoid providing Workers' Compensation Insurance. Will that exception be covered in this, or is it intended to be covered?

Butler: That would not impact the taxi companies.

Bauhs: When this broadens out to include other segments, there is that structure in place that needs to be looked at. I echo the concern about how to pay for this insurance. The concern about what this is going to do to the costs and will this be a shared cost for the company and the driver, or a cost placed only on the company. We hold a contract from the State that says we have to reduce costs and yet this is a move that appears in the long run to potentially increase costs. I would urge the Board to keep that in mind as we continue to assess this request.

Tesfaye Aleme from Green Cab: I have been advocating this type of insurance for the drivers. The cost has to come from the City, the companies and the drivers. If this is combined together it will be a responsibility that everyone can take together. I want to be sure when you are working on this, you will consider the costs. Companies like ours that are trying to expand and add technology, we should be seen as trying to recover the cost of doing business. I don't oppose, but it has to be seen from all points of view and we need to consider how this will affect the City, the drivers and the companies. For instance, what if Workers' Compensation comes in and says "Since you are paying for this for your drivers, they are now considered employees". Those kind of things should be considered.

Entler: I know we have the intention to move on to the other segments but I want to remind you that this is what we brought up a year ago in regards to the increase in taxi vehicle permits and nothing has happened in a year. There was a lot of public outcry when the subject was even brought up.

Butler: We have been working on this. The examination of the proper fees for the LPT non-taxi segment tends to be a little more complicated because different sizes of the companies, because of the type of business and contracting with TriMet for example. Also, the reality is we have to index our program costs and the requirements we enforce according to the amount of work and attention the different segments are pulling. Some of the LPT permittees have met with us and asked for increased resources into their segments before we increase the costs, which is fair. It is true that a large percentage of what we do is directed towards taxis and that is partly the reason why those fees thus far are higher. We are

expanding our enforcement into the limousine and other LPT segments and we do expect those fees to go up. We are trying to make a balance between the work we are doing and the fees we are charging. The City policies requires us to do that. We have to charge the programs that are using the resources as proportionately as possible. Since last year, we have started to track the expenses in each segment of our work in regulatory to ensure the fees we are charging are proportional to the resources.

In terms of expanding this to other segments. This effort came out of the taxi driver labor market study and it came out of the workshops that came after that study and it came out of many, many conversations with taxi drivers who state this is one of their number one needs. The guaranteed kitty-free time off was their number two issue. It is not always going to be true that what is appropriate in one segment is appropriate in all of them. In the luxury segments we are not hearing complaints about this. It is a very different industry and the company sizes are very different. However, there may be other segments like shuttles and SAT companies where this type of insurance is needed. We have looked at taxis and determined that the need is there. Fairness is important and I don't think we are being unfair. The costs are being paid right now. The individuals that are in accidents who end up with medical and other costs know that the costs are much higher than this insurance coverage is going to be and we all pay it. In terms of Workers' Compensation, the information we are getting is that putting this in place may actually protect the companies from being forced to provide Workers' Compensation Insurance.

I understand concerns about fairness across the industries and making sure we do this properly and follow through with enforcing this upon other segments if we find it to be necessary. I would ask you all to consider that this is something that was recognized over a year ago as absolutely crucial to these drivers. What we are proposing is broad language in code which allows the Board to make adjustments at any point in time to the amount or to what is required. I would urge you to move forward with it and recommend to City Council that they put this in place. There will be several drivers two months from now that will have a very different outcome if we have it place than if we don't.

Kadir Wako from Union Cab: Thank you for putting this idea before the Board. I have been advocating about this insurance for drivers for years and still advocate for it now that I am a company owner. One of my cab drivers had an accident in 2009 and broke his hand. The company terminated him right away. He had surgery and was charged \$45,000. The driver now works for Union Cab and he is still paying this medical bill. If he had this simple insurance, he will be covered and the company will not fire him. When Union Cab recommended this insurance, we tried to get Workers' Compensation for cab drivers. For 50 cab drivers, the quote was over a million dollars. This insurance policy that the City is proposing is a win-win for the company and for the drivers.

Butler: Mr. Wako, since you have had this for six months, can you tell us if this is an

affordable policy to carry?

Wako: Yes, this is a minor payment for the cab company.

Ahmed Abdi: I am a cab driver for Broadway Cab. We are independent contractors, but we are misclassified; everybody here knows that. The ways the companies treat us is not the way an independent contractor should be treated. We are in the middle and nobody knows how the cab drivers are being treated. Somebody takes money from your account and controls everything, yet they call you an independent contractor. The reason is so they don't have to pay any benefits. When something happens, they show you the door. Accidents can happen, especially when you are driving every day, 12 hours a day. How come the insurance the cab companies have covers the passengers, their luggage and even their pets, but it does not cover the driver? How can we let that happen? We have to change. We have to say that this is not right and do something for the drivers.

Jean Felix Saint Felix: I am a cab driver. In 2011, I was in an accident while driving for Broadway. We pay the company a kitty of \$450 a week. If we get into an accident, they kick us out and don't give you anything. They are getting \$900 a week per car, yet they say they cannot afford to pay to cover the driver for this insurance. We drive for 12 hours a day, in the snow, in the ice. And we never have a pension. Broadway Cab makes a driver disabled without any insurance. They might make you wait for 3-5 years and never get disability. What are they doing with the kitty money? What are they doing for the driver? They cover the luggage we carry, even the dogs, but not the drivers. Why doesn't the City set rules to make the companies offer something for the drivers? If the driver dies, their kids have to go to college, to serve the country. We want the company to understand this. If you don't bring them the kitty, they overcharge you. If you go on vacation, you have to give them the kitty for the entire time you are planning to be gone before you leave, or when you come back you do not have a job. How are you going to stop this?

**Hiatt moved that the Board recommends the draft as amended to get something into place right now.**

**Seconded by Corona**

**Motion is unanimous**

Ochosa: I would like to remove the word "and" after occupational. In the code, I would like it to say something about making sure any of the insurance requirements including this one will always be current and enforced when the driver is actually driving the vehicle.

Butler: I would alter the language to be the same as with the other policies, which says "Obtain, comply with and maintain." The language is at the very top and all of the coverage sub sections fall under that, so this new sub section will be number 4 will fall under that.

Entler: I am reluctant to vote without seeing any of the background detail and without putting something in there allowing the companies to adjust for the increase in spending either by

way of what we are talking about or at least allowing them to request an adjustment to the kitty to cover the cost.

Butler: What we are going to do is take the language issues we have talked about, then we will set up a date for council and brief the commissioners. We can have another Board meeting addressing some of the finance issues prior to going to City Council.

Entler: The other thing I'm just realizing is that the second part of requirement is an administrative rule, so the Board will have the power to adjust it.

Butler: Yes. It is our goal to do that with as much of the code as we can because the details really do belong in administrative rule.

**Motion by Case to move agenda item number 7 after agenda item number 8 so that the requests for moratorium be reviewed before one of the members of the Board needs to leave**

**Seconded by Hiatt**

**The motion passed unanimously**

- 7. Requests for Relief from Moratorium (30 minutes)**
  - a. Staff Report**
  - b. Board Consideration of Requests**
  - c. Board Determinations**

Kramer: The Board has been given a copy of the recommendations from the City.

Butler: We had a group of taxi and shuttle requests. We made a decision on all of them to deny their requests for reasons that pertain to the entire group.

Kramer: We received direction from City Council to hold off on approving any taxi companies until we are able to report back to Council regarding the permits we issued last May on how the year has gone. We are on track to report to them shortly after May, which marks one year. At that time, there will be further review of the taxi applicants.

Butler: We are recommending that we do not consider any of the taxi company requests until after the one year report gets to City Council. Is there anyone here who wishes to comment?

Tesfaye Aleme from Green Cab: If the recommendation is going to be tied up with City Council's direction, I have no way of doing anything at this time. I will continue to apply again until I can get more taxis in service. I can't reduce the kitty until I have more taxis in service. The breakpoint has to be at a place where it goes down.

Butler: Any other taxi or shuttle company representatives who would like to speak

about their application?

Charles Archibong, Owner of Aloha Express Airport Transportation Services: I registered this company on 8/27/98 and at this point I have only one shuttle. In 1999 I put in an application for more permits and they told me there was a moratorium. I have been waiting all these years to be allowed to apply for more permits. A few years ago the moratorium was dropped for about a week, but I did not know about it. I called and spoke to Mr. Dufay and he asked why I wasn't registered with the City. I told him the first year I was registered with the City, but subsequent to that I did not come in. He said because of that he wasn't going to do anything for me. I let it go. Then, a few years back I came back again and Mr. Dufay said the same thing again. I have been in business all this time, while others who were in businesses like mine have closed their businesses. I am asking now for a relief from the moratorium. I only have one shuttle and I would like more shuttles so that I don't have to turn away business anymore.

Butler: We do have a waiting list now and we are keeping track of applications. Once we have everything in place, we will be in a better position to look at additional shuttle permits.

Simon from Simon Shuttle Service: I understand you don't want to give out to many shuttle permits. The service I want to provide will be targeting certain groups. I want to provide a shared ride/shuttle service, which will help to reduce the carbon footprint. I want to help the new Chinese immigrants. When I first moved here, there were not very many Chinese people here and daily life was very difficult because we did not speak English. I plan to drive the Chinese immigrants around and help them find their way around town. I plan to offer a shared ride to pick up people and take them to the store or to church.

Butler: Would you have a certain route that you follow?

Simon: Yes, we will focus on SE 82<sup>nd</sup> and in some areas of Beaverton.

Butler: Would you be taking people to, or picking up from, the airport?

Simon: When people need airport service, we would offer that to them.

Butler: How is your executive sedan business going?

Simon: This service is going well. Most of my business is from the wealthy Chinese travelers. I would like to provide service to the Chinese people who are living here locally who can't afford the executive sedan.

Butler: What ways do you get your customers for your executive sedan business?

Simon: I advertise in China and the Chinese travel agents call me.

Abs: Everybody has a community that they identify with. We don't need more shuttles to come into the backfield.

Kennedy-Hill: What percentage of your services would be going to the airport versus shopping trips and taking people to church?

Simon: 75% of the trips will be short trips to church and the grocery store. About 25% would need a ride to or from the airport.

Entler: A shuttle permit is not just for shared rides. It's for people who are picking up and taking people to or from the airport. This is outside the definition of a shuttle service.

Simon: I plan to make a route with multiple stops at apartment complexes. My executive sedan service is not adequate for the new Chinese immigrants because the pricing is too high for them.

Butler: The 2009 code defines shuttle service as "Transportation provided in a vehicle over a fixed route and time schedule." I understand that the service you plan to offer is a little different from a typical shuttle service. But we need to clarify the wording in the code more before we can permit any more shuttle permits.

Hiatt: If you have a planned route and you stick to the outline, this might be something that we would consider. But, if you have people calling you saying "I would like to go the grocery store on Saturday at 2pm" and you show up to pick them up, then you are providing taxi service.

Case: What type of vehicle will you be using?

Simon: Minivan

Case: Would there be any reason why we could not grant an executive sedan permit?

Butler: He would have to follow the minimum fare requirements.

Case: What is the pricing structure you plan to offer?

Simon: I plan to offer 40% below taxi rates.

Hiatt: Are you planning to wait for an unplanned ride at the airport?

Huggins: It would not preclude him from doing that.

Simon: I am hoping to offer shared rides. I want to have a set schedule with set

stops. This service does not appear to be available to the community. For instance, this group of people has no easy way to get to Costco because they do not have a car. I want to bring this service to the community so they can take an affordable ride and share that ride with others.

Case: The reason that we might grant such a permit is because you offer a unique ability to speak with these people while no other taxi drivers in town can do so. Is that what you are saying?

Simon: Yes.

Butler: The code says that "If the applicant has adequate financial resources, a valid business plan, and an unmet need" that is something that we should take into consideration. I think this particular service, if it is offered as a scheduled, regular route, shared-ride service is appropriate for the Board to approve. The only reason we recommended denial on all of these applications at this meeting is because we are tying up a few loose ends on the shuttles. I have met with Michael Huggins and we talked about making sure we get those fee schedules into our admin rule language before we issue any more permits. There are a few other rules that we talked about and came to an agreement on that we really want to get finalized before we start putting more permits out there. There are some issues right now at the airport in terms of wait times. We have a list of people who have applied for shuttle permits and we want to be sure we do this in a very orderly way.

Kennedy Hill: It would be nice if we had a summary of the applications given to the Board so that we can see some of what they intend to offer, while leaving off the personal financial information.

Hiatt: Prior to voting on this, I would like to see the fixed route and the schedule that Simon plans to use.

Butler: The two business owners who were here today and spoke to the Board had some specific issues that are outside of the norm. If you do vote not to approve them today, I would like somewhere included in that motion an acknowledgement that they will be brought back at the next meeting. The way the code is written, we can only do this twice a year. But, we might want to keep these two open for that.

We are recommending no new shuttle company and vehicle permits be issued until the new rules are in place. We are recommending that we follow the direction of City Council and not consider any additional taxi vehicle permits until one years' experience with the new taxi permits issued in May 2013 and we report back to City Council on those.

For the executive sedans, we acknowledge that we are below the moratoriums numbers. We are going to handle these requests administratively at the Revenue Bureau because we have no grounds to deny when we are under that number. Any

requests for changing that moratorium number will need to come to us from the Board.

**Hiatt moved that we deny the shuttle permits today, but we revisit the requests from Aloha Express Airport Transportation Services and Simon Shuttle at the next meeting with more specificity. If it is not provided to us at the next meeting, then I would vote to deny the permits.**

**Seconded by Case  
Ochoa abstained  
The motion passed**

**Bauhs moved to deny the requested taxi permits and that we wait for the May 2014 report regarding the recently permitted taxis to make a decision on issuing any new taxi permits.**

**Seconded by Hiatt  
Motion Passed**

**8. Taxi Driver Vacation/Sick Time (30 minutes)**

**a. Staff Recommendation**

**b. Discussion and Board Recommendation**

Butler: It is our recommendation that we add some language to City Code requiring taxi companies to give the taxi drivers at least four weeks each year of combined vacation/sick time where the kitty does not need to be paid. We have tried to address some of the issues brought forward by the companies by saying that the drivers could be required to provide a substitute driver or allow the company to utilize the vehicle with a substitute driver that they obtained. With those conditions, the driver's position would not be affected. We tried to anticipate some of the business requirements and said the driver would need to provide at least two weeks' notice for any vacation leave and would need to notify the company at the earliest possible opportunity when sick leave was required.

This is a proposal for discussion. It is nowhere near complete. This is one of the top issues for the drivers. Many drivers travel out of the country to visit their families. Driver mentioned having a difficult time paying the kitty when they are sick. Many drivers continue to drive when they are sick so that they can pay the kitty and maintain their position with the company. We hope to address those issues by providing a certain amount of leave each year. I do anticipate this will be going to the company standing committee meeting for a more detailed discussion.

Entler: We need to define the kitty because it means different things to different companies. There are at least two driver-owned companies now and as the owners of the company, they are bound to pay those weekly kitty amounts. I don't know that this is an issue at our company.

Butler: Most of the drivers we have spoken to who work for Radio have not said that

this is an issue for them because the lease drivers don't pay the kitty when they are not working.

Hiatt: I have two concerns; one for the drivers and one for the companies. For the drivers, I feel the wording for "other charges" during the vacation time needs to be clearly defined. There is at least one company that separates the kitty and the driver lease agreement. They don't charge a kitty if the driver is not working, but they continue to charge the driver lease agreement. And, they reserve the right to use the car while the driver is not using it. For the companies, I feel the drivers should provide more than two weeks' notice for vacation time off to the companies. I don't feel this is unreasonable. Also, we need to define "other charges".

Butler: The idea being that if somebody else is driving the vehicle and paying the company, then that substitutes for the driver who is not.

Hiatt: I want to see the language clearly defined to include a lease fee.

Kramer: If we take Hiatt's suggestion and say "other charges including..." and list all of the charges that can be included. This way the companies will not add other charges to the driver that we did not approve of.

Tefaye Alemu from Green Cab: This is not an issue for our company. A lot of drivers take 3-4 months off to go home and visit their families. They bring in their own replacements and we don't charge them a fee. One thing I am concerned about is the language "The companies may not charge the kitty or other charges during the vacation time." That should be defined clearly to state that this applies only to the driver who is taking time off and not to the vehicle. Since we have a replacement driver using that vehicle, I am concerned we could not charge this fee to the replacement driver.

Butler: The driver who is replacing the driver on vacation would pay the normal Kitty fee.

Jean Felix Saint Felix: If there is an emergency, the driver can park the car in the company lot and the company can then lease it to another driver. If the company owns the vehicle and the company does not find a driver to fill the seat, then this is the companies fault and not the driver's fault. The company has two drivers in one car and they own the car, if one driver is on vacation, talk to the company. I have a plan to go on vacation for 15 days. The company said OK, you have to put money down to reserve your spot for when you get back. When we leave, they rent the car to another driver and get the money. When we come back, we pay for the car, but somebody else was driving the car.

Butler: We are proposing is that the driver who was on vacation would not have to pay to keep their spot.

Hiatt: The proposal would need to clarify that if the company fails to lease the car, the driver is not responsible for the lease fee.

Butler: We are proposing several options. One option is the driver could provide a substitute driver so long as that driver met all the requirements of the company and the City.

Hiatt: That works if you are an owner, but if you are a lease driver you are not allowed to do that.

Butler: The companies need to maintain a certain number of vehicles on the road and they need to be able to meet their financial obligations. If the City is going to say "all drivers need to get up to a certain amount of time off each year", then there are certain things the company needs to be assured of. The driver can provide a spare driver, so long as that driver meets all the requirements, and the company will get their income and service from that driver. If that is not possible, then the driver who owns their vehicle has to allow the company to put a qualified driver into that vehicle. They can't tell the company not to use their vehicle and also not pay the kitty.

Raye Miles from Broadway Cab: I will be at the company standing committee meetings to discuss this further. I think it would be worthwhile to compile information about what each individual company charges the drivers. I think there is some misunderstanding of what goes on. There are costs to keeping a driver active such as drug testing, MVR etc. I'm concerned it's not fair to all of the drivers to spread those costs out among all of the drivers when it's really some drivers more than others that want to come and go. A lot of our policies are geared towards a driver who wants to go on leave for 90 days and not a driver who wants to take off a day or a week. I am concerned that adding more and more regulation onto the taxi industry will eventually take a toll on their ability to stay competitive with the other industries.

Corona: The wording related to sick leave notice needs to be more specific, such as call in before your shift starts etc...

Foster: All of the SAT companies are now required to classify the drivers as employees except for the taxi exemption used by TriMet. We are all required to pay our drivers to not work one week a year. Being told you are not allowed to charge versus being told you have to pay the drivers to not be at work is a big difference.

Butler: There are a lot of differences between the segments. Some segments have requirements that the taxi companies do not have.

## **9. Announcements: Upcoming Meetings**

Kramer: The dates for the upcoming standing committee meetings are as follows:

Company Standing Committee Meeting is on February 11, 2014 from 1:30-2:30  
Driver Standing Committee Meeting is on February 11, 2014 from 3:30-4:30  
The location will be 111 SW Columbia Suite 600.

The next Private for Hire Transportation Board Meeting will be held on Wednesday March 26, 2014 at 1:30pm at this location.

## **10. Adjourn**

The meeting was adjourned at approximately 3:57 pm.

**Motion to adjourn by Corona**  
**Seconded by Case**  
**Motion passed unanimously**

**Minutes submitted by:**  
Christine Keller, Regulatory Program Specialist