CITY OF OREGON CITY CITY COMMISSION MEETING MINUTES September 19, 2001

Mayor John F. Williams, Jr., called the regular meeting of the City Commission to order at 7:02 p.m. on September 19, 2001, at City Hall, 320 Warner Milner Road.

Commissioners

Present: Commissioners J. Derrick Beneville, Gary Hewitt, Dan Holladay, Doug

Neeley and Mayor John Williams

Staff Present:

Brian Nakamura, City Manager; Bryan Cosgrove, Assistant City Manager; Ed

Sullivan, City Attorney; Gordon Huiras, Police Chief; Leilani Bronson-Crelly,

City Recorder; David Wimmer, Finance Director; Mary Palmer, Public

Affairs Manager; Nancy Kraushaar, City Engineer;

Mayor Williams led the flag salute.

2. PUBLIC COMMENTS

Mary Palmer, Public Affairs Director, introduced Girl Scout Troop 204. She explained that the troop made ribbons in response to the 9-11 tragedy. The girls gave each Commissioner a ribbon representing the country. Mayor Williams thanked them.

Mary Nerpal-Smith, 191 Warner Parrot Road

Ms. Nerpal-Smith read a letter introducing herself to the Commission as the acting chairperson for the Citizen Involvement Committee until the January 2002 regular election of a permanent chairperson from the pool of neighborhood association leaders.

• The Commission heard Item 5.4, Contract for Construction of Mountain View Reservoir #1 Improvement Project, at this time.

3. ORDINANCES

3.1 Commission Report No. 01-187, Second Reading of proposed Ordinance No. 01-1027, for the Vacation of Otele (Rose) Street between Front Avenue and Frederick Street.

Commissioner Neeley moved for second reading and enactment of Ordinance 01-1027. Commissioner Beneville seconded the motion.

The City Attorney read the number and title of the ordinance.

ORDINANCE 01-1027, AN ORDINANCE VACATING AN UNDEVELOPED PORTION OF OTELE (ROSE) STREET BETWEEN FRONT AVENUE AND FREDERICK STREET AS SHOWN IN THE RECORDED PLAT OF CLACKAMAS HEIGHTS (SUPPLEMENTAL), CLACKAMAS COUNTY.

A roll call vote was taken and the motion <u>passed</u> with Commissioners Beneville, Hewitt, Neeley and Mayor Williams voting 'aye.' Commissioner Holladay voted 'no.' [4-1]

4. RESOLUTIONS

4.1 Commission Report No. 01-189, Proposed Resolution No. 01-35, a resolution authorizing City of Oregon City rental of safety deposit box at Clackamas Federal Credit Union for city records and microfilm

Brian S. Nakamura, City Manager, explained to Mayor Williams that this item came to the Commission because the credit union was a municipal corporation and needed approval from its Board of Directors. He said that the purpose was to keep vital City records away from the office.

Commissioner Holladay moved to approve Resolution 01-35. Commissioner Hewitt seconded the motion. A roll call vote was taken and the motion <u>passed</u> with Commissioners Beneville, Hewitt, Holladay, Neeley and Mayor Williams voting 'aye.' [5-0]

5. COMMISSION DECISION ITEMS

5.1 Commission Report No. 01-186, Final Report on the 2001 Enhancement and Cleanup Event and presentation of the annual Jon E. Storm awards.

Ms. Palmer recognized the committee members seated in the audience. She introduced Cassandra Coogan, Tualatin Valley Fire & Rescue, who gave a PowerPoint presentation on the results of the 14th annual Oregon City Enhancement and Clean up Event, 2001 (see attached report).

Ms. Coogan commented that the reduction in the number of tires collected this year likely occurred because past events have heavily targeted illegal dumpsites. She mentioned that the \$38,000 in savings to Oregon City residents broke down to approximately \$40 per household. She reviewed the community partners who helped make the event a success. She noted the positive publicity that the Event generated for the City. She pointed out that SOLV mentioned Oregon City as its model city for this sort of clean up event in the *Oregonian* article.

Ms. Coogan mentioned the 'thank yous' to contributors provided by the committee. On behalf of the committee, she recognized the support of the City staff and the City Commission, noting that Commissioner Neeley has been involved in this event for years.

Ms. Palmer introduced Jerry Hermann, the recipient of last year's Jon E. Storm award for individual achievement, to present the award in conjunction with the Mayor. Mr. Hermann explained that this award memorialized Jon Storm, who died in 1994, and who had worked hard at making this annual event a success.

Mr. Hermann reviewed Larry Falleur's background as a local resident with a pressure washing business at Portland International Airport cleaning airplanes. He mentioned Mr. Falleur's use of his professional equipment to help out in the April 21 event. Mayor Williams read the award title and presented the Jon E. Storm award for the outstanding individual to Larry Falleur.

Mr. Hermann reviewed the contributions of Dick Bloom and Don Anderson, Jr., of Oregon City Garbage (B&B Leasing) to the success of the event over time. Mayor Williams mentioned that B&B Leasing took over collecting debris from senior citizens unable to get it to the event, thus relieving the Public Works department of that task.

Mayor Williams read the award title and presented the Jon E. Storm award for outstanding business to Dick Bloom of B&B Leasing. Mr. Bloom credited Don Anderson, Luke Engel and Scott Shorter for the success of the program.

Commissioner Holladay mentioned that B&B Leasing also provided cans and free pick-up for the skate park clean up. Mayor Williams thanked the company for still emptying those cans.

Mr. Herman and Thelma, Tourism Team Connections, presented Certificates of Appreciation to selected organizations and people who contributed to the event success:

- Steve Kendrick, for organizing the Park Place clean up;
- Commissioner Doug Neeley, for his grass roots work and support on the ground;
- Tourism Team Connections, for taking on the overlook of Willamette Falls this year;
- Clackamas Community Corrections, for cleaning up the frontage road/alley next to Firestone behind the Oregon City Shopping Center for three years in a row;
- Earth Crusaders (Jerry Hermann's group), for the landscaping and clean up down around the skate park;

- Oregon City High School ROTC, for helping with the skate park landscaping; (Mayor Williams noted that the ROTC has responded to every request made by the City for help.)
- Environmental Learning Center, for removing the two cars in Newell Creek Canyon;
- Tualatin Valley Fire & Rescue, for removing the two cars and for its work in helping to coordinate and mobilize the media; (Thelma mentioned TVF&R's help with traffic control and blackberry bush removal at the Viewpoint.)
- Bud Respense, for his volunteer work at the Park Place clean up since he was 7 years old;
- Girl Scout Troop 204 from the McLoughlin Neighborhood Association, for their over 5 years of involvement (including helping with the landscaping of the boat ramp and the entry feature at Clackamette Park in the past) and helping with the landscaping at the skate park this year;
- Reed Idford or Reed Idford Digital Productions, for producing an outstanding documentary video of the event.

Mr. Hermann mentioned the Committee's submittal of a request to the Metro Enhancement fund for funding to expand the Event to year-round status. He spoke of targeting neighborhoods in the fall for local enhancement. He suggested expanding the 'adopt a neighborhood' program to include 'adopt a business district' in order to encourage business owners to take a personal interest in keeping their areas free of litter and debris as a means of enhancing the visual image of the city.

Mr. Hermann showed the plaque listing the award winners since 1999, which would hang permanently in the City Hall vestibule. Ms. Palmer mentioned receiving a \$1,500 check from SOLV.

Ms. Palmer informed the Commission that Metro's cost of \$31,000 (out of the \$38,000 cost of the Event) has led to a request that the City make a formal presentation to the Metro Council on the success of the Event in order to encourage the Metro Council to continue funding the Event. Mayor Williams and Commissioner Neeley agreed to make the presentation.

5.2 Commission Report No. 01-190, Sassy's Cab Fare Increase Request

Mr. Nakamura recalled that this item came before the Commission some time ago; staff had been waiting on the Portland rate study, as the Portland rates served as the basis for most taxicab fares throughout the Metro region. He noted that Mr. O'Connor was here to ask for a fare rate increase to meet the demand of his expenses. He mentioned the extensive information in the Commission packet, and the e-mail received from Karin Redston who could not attend the meeting tonight.

Tim O'Connor, 20370 South Olson Road, said that he was here to answer questions.

Mr. Nakamura clarified to Commissioner Neeley that this issue came to the Commission before in response to a citizen's issue with the Sassy Cab rates. He said that, subsequent to that meeting, Mr. O'Connor brought the rates down to their original level. He indicated that Mr. O'Connor was now asking for a fare rate increase, based on the Portland city rates that were consistently used throughout the metro area.

Commissioner Neeley asked how long it was from the time that Mr. O'Connor increased the rates to the time he brought them back down. Mr. O'Connor said that he thought it had been less than a month.

Commissioner Hewitt quoted from a June 25, 2001, letter from Sassy's Cab Company, which stated that it has been charging a minimum \$7 fee in Clackamas County since March 2001. Mr. O'Connor clarified to Commissioner Hewitt that that statement did not mean that Clackamas County authorized the rate increase, as the only two jurisdictions in the area that regulated taxicab rates were Portland and Oregon City. He indicated that the letter had relevance to public

acceptance. He pointed out that the minimum did not affect people to a great extent, as most rides were over two to three miles.

Commissioner Hewitt observed that Oregon City would be the only jurisdiction in the state allowing this minimum. He noted that the drop charge, the mileage, the wait time and the shared ride were identical to Portland. He mentioned that the Portland Taxicab Board of Review initially passed this issue but then brought it back for rethinking; it has not gotten anywhere in Portland since then. He discussed his concern with Oregon City stating that this \$7 minimum rate was necessary when no other jurisdiction saw it as necessary.

Mr. O'Connor characterized the issue as receiving just compensation for the service they provided. He pointed out that the Portland cab companies (which was the only jurisdiction Commissioner Hewitt was referencing) had a high volume in calls and drivers within a high density area; those drivers were usually only a minute or two away from a call pick-up after dropping off a passenger.

Mr. O'Connor explained that Sassy's Cab invested more time and money in serving Clackamas County than Portland cab companies did in serving Portland because Clackamas County was less dense, generated a lower volume of calls, and Sassy's had fewer drivers. A Sassy's cab driver might be sent from Milwaukie to Oregon City to pick up someone going 1.5 miles down the road to the doctor.

Mr. O'Connor spoke to achieving a rate that could sustain the drivers. He argued that no one in this room would work for \$3 an hour, which the current rate translated to for the drivers. He said that the drivers worked hard on 10 to 12 hour shifts, five to seven days a week, and earned less than the minimum wage. He held that the cab drivers deserved the respect of the city and the county for the service they provided.

Commissioner Hewitt stated that he knew nothing about the cab business but he did not buy Mr. O'Connor's argument that all his people were out of Oregon City when a call came in from Oregon City. He held that it did not make sense that that could occur on a regular basis and Mr. O'Connor continue to do business.

Mr. O'Connor said that Commissioner Hewitt understood the situation exactly. He indicated that the only way they could continue to do business was by operating efficiently as possible. He pointed out that their usual evening coverage for Clackamas County of four to five drivers could be spread out over a wide area. He observed that Sassy's was a regional cab company for Clackamas County, and not Oregon City only; a passenger picked up in Oregon City did not always stay in Oregon City. He argued that even a pick up and drop off in Oregon City took half an hour to 45 minutes.

Mr. O'Connor described the call handling process from when it came into the dispatcher to its assignment to the closest driver. He said that they could show mathematically that they have earned the \$7 by the time they showed up at the door; the 3 miles included in that rate was a bonus. He stated that they handled the calls on a first come, first served basis; they did not prioritize based on the length of the trip and the estimated fare.

Commissioner Holladay asked when the relevant code provision (OCMC 5.28) was instituted. Ed Sullivan, City Attorney, indicated that it existed before he started working as City Attorney in 1998. He said that the Police Chief indicated that it was at least 20 years old.

Commissioner Holladay pointed out that Sassy's Cab wrote the June 25, 2001, letter to the City of Portland, and not to the City of Oregon City. He concurred that the arguments in the letter were germane to the issue at hand.

Commissioner Holladay asked if Mr. O'Connor had been aware that Oregon City required a taxicab company to get approval from the Commission for a rate change. Mr. O'Connor said that he was aware of it after Mr. Nakamura contacted him.

Commissioner Holladay recalled that the Commission heard an issue on taxicab rates a year to a year and a half ago. Mr. O'Connor said that it did not involve Sassy's Cab, and that he was not contacted. Commissioner Neeley concurred that the Commission has seen an issue dealing with taxicab rates within the past two years. Mr. Sullivan said that he recalled some issues of Portland companies coming to Oregon City and the rates that should be charged.

Mr. O'Connor confirmed to Commissioner Holladay that he had not been aware that he had to come to the City for a rate increase. He reiterated that there was no other city in Clackamas County that he knew of that regulated rates. Commissioner Holladay indicated that he had thought that Sassy's Cab knew of the procedure and raised its rates before coming to the Commission for a rate increase.

Commissioner Holladay commented that, while he understood why Portland regulated taxicabs (given its geographic size, the number of taxicabs and the possibility of shenanigans), he was not certain that it made economic sense for Oregon City to be the only other municipality in the state to regulate taxicab fares. He spoke to letting the market regulate the rates in a private company. He questioned the City regulating taxicab rates when it could not regulate the rates in the major marketplace (the Portland metro area) or for other cab companies. He asked if it made sense for the City to regulate rates for the one company that contributed to the Oregon City economy.

Commissioner Holladay said that he supported the rate increase. He indicated his support for doing away with the regulation and the ordinance in the near future.

Mr. O'Connor concurred with Commissioner Holladay's point that Sassy's Cab was not a monopoly. He argued that if people did not like the \$7 minimum fare, they could hire other taxis. He mentioned that other taxicab companies have started up in Oregon City and folded because this was a tough way to make a living. He stated that Sassy's has borne the brunt of a rough summer.

Mayor Williams read into the record the e-mail letter received from Karin Redston. She agreed to the \$1.80 per mile increase but opposed the \$7 minimum fare. She requested a trip-by-trip breakdown of the actual costs of a trip, including a six-month log of trips with mileage written down per trip. Mayor Williams summarized Ms. Redston's letter as a request for more documentation of Mr. O'Connor's claims.

Mr. Sullivan confirmed to Commissioner Neeley that any taxicab company that offered service in Oregon City was supposed to come to the Commission, and not simply those companies based in Oregon City. Commissioner Neeley reiterated that he remembered something coming before the Commission having to do with taxicab rates but he did not remember the specifics.

Mr. Nakamura indicated to Mayor Williams that the City did track business licenses, although he did not know at this moment how many other taxicab companies had Oregon City business licenses. He mentioned the difficulty of determining whether a Portland cab company met the requirement of doing business in Oregon City if it dropped off a passenger in Oregon City whom it had picked up in Portland or if that met the requirement for doing business in Portland.

Commissioner Holladay cited OCMC 5.28.10, which required anyone driving in the city in a car for hire with passengers to have a business license. **Mr. Nakamura** concurred but noted that enforcement was difficult. He recalled a conversation he had with a Portland cab company about the need for an Oregon City business license, which resulted in the cab company telling him that its drivers would drop off their passengers at the borders of Oregon City before it would get a business license in Oregon City.

Mr. O'Connor observed that the issue was greater than simply other cab companies, as there were other transportation providers besides cab companies. He mentioned Medical Transportation, which was a large broker for ferrying people back and forth to hospitals and doctor's offices. He held that the number of car for hire providers in Oregon City made it nearly

impossible for the City to enforce its regulation. He observed that Portland had trouble enforcing its rules, even with its established boards.

Commissioner Neeley suggested temporarily moving on in the agenda in order to give the Police Chief time to return with the information he left to find.

- The Commission heard Item 5.3, League of Oregon Cities request, at this time.
- The Commission continued its discussion of Item 5.2.

Mr. Sullivan stated that ORS 221.495 allowed the City to regulate both the entry into the market and the rates, which included people from outside the City. He noted that this was a delegation and not mandatory.

Mr. Sullivan confirmed to Commissioner Holladay that a police officer could ticket a cab driver from a company not on the Oregon City list of business license holders. He indicated to Commissioner Neeley that the ordinance said 'use the street,' which included those simply passing through Oregon City.

Commissioner Neeley moved to table this issue.

Commissioner Neeley said that he wanted to see information on what happened the last time the Commission heard an issue dealing with a taxicab company.

Lumie O'Connor, co-owner of Sassy's Cab, recalled that a couple of years ago, New Leaf Taxi Service opened up in Oregon City. Mr. Sullivan confirmed that the issue of New Leaf not having a license did come before the Commission.

Commissioner Holladay commented that he thought they risked putting Mr. O'Connor in financial jeopardy if they tabled the motion.

Mayor Williams seconded the motion. A roll call vote was taken and the motion <u>failed</u> with Commissioner Neeley and Mayor Williams voting 'aye.' Commissioners Beneville, Hewitt and Holladay voted 'no.' [2-3]

Commissioner Holladay suggested approving a temporary rate increase for 60 days in order to give staff and others time to gather the information that the Commission wanted. He argued that doing so did not put Sassy's in a hard spot and it gave the Commission the ability to make another decision in 60 days.

Commissioner Hewitt discussed his frustration with the picture painted of this situation. He disagreed that Sassy's was the only cab company working Clackamas County, as he saw Portland cabs in the county. He argued that someone was making money or they would not be doing it. He spoke of the struggle he had in saying that the increase was justified for Sassy's because Clackamas County was a rural county and Sassy's had to travel farther than other cab companies.

Mayor Williams pointed out that Commissioner Hewitt did not know if the Portland cab was simply delivering someone from the airport or picking up a call that originated in Clackamas County. He held that Mr. O'Connor's issue was the call for a pick up on a short delivery. Commissioner Hewitt observed that he did not know that Sassy's Cab was not also dropping off a passenger.

Commissioner Beneville referenced Commissioner Holladay's earlier comment in discussing his surprise that Oregon City even had an ordinance requiring approval of rates, when it was difficult to monitor such an ordinance. He agreed that the market should determine the rates. He held that Mr. O'Connor had good supporting evidences for his case. He did not find it unreasonable to approve his proposed fee increases.

Commissioner Neeley commented that he was certain that other cab companies did business in Oregon City, as they were listed in the phone directory. He reiterated his question of how many

taxicab companies had business licenses in Oregon City. He asked if the \$7 minimum rate held true for most taxicabs operating under Portland's rate system.

Mayor Williams indicated that Portland did not have a \$7 drop rate. Mr. O'Connor said that, outside of Portland, Sassy's Cab has established a \$7 minimum. He noted that they agreed to stop charging it in Oregon City. He indicated to Commissioner Hewitt that, even with the \$7 minimum, Sassy's was still in competition with the other cab companies.

Mr. O'Connor discussed the history of Sassy's Cab Company. He stated that Sassy's Cab was dedicated to providing the best quality service to the region that it possibly could. He recalled that when they bought the company, it had 15 '1978 vintage' vehicles, which were beat up and filled with smoke odors; they immediately turned that around by investing considerable money in bringing the cab fleet up to where it was now.

Mr. O'Connor explained that they now had '1991 vintage' vehicles and needed to make another significant investment in upgrading their fleet. He indicated that the figures he has provided were correct. He commented that the years shown where they lost money were not as significant as this year, as they have made changes to entice quality drivers and to give them a larger share to keep. He said that they went through one of the slowest summers, due to situations that had little to do with the local economy.

Mr. O'Connor challenged anyone to show how the investment of half an hour for a \$7 or \$5 fare penciled out to the wage that a self-employed contractor should be making (taxicab drivers were independent contractors). He held that the numbers spoke for themselves; they did not pencil out whether a driver came from Milwaukie or from the top of the hill in Oregon City.

Mr. O'Connor mentioned that it was a technical nightmare to change the meters, and took a whole week. He pointed out that a temporary rate change meant that the meters had to be changed.

Commissioner Holladay moved to approve the rate increase as requested in the documentation and to instruct staff to investigate whether any other cab companies were licensed in the City of Oregon City, and if they are not, to begin enforcement procedures. Commissioner Neeley seconded the motion. A roll call vote was taken and the motion passed with Commissioners Beneville, Hewitt, Holladay, Neeley and Mayor Williams voting 'aye.' [5-0]

- The Commissioner returned to Item 8, Non-Agenda items, at this time.
- 5.3 Commission Report No. 01-191, League of Oregon Cities Request for QWEST Litigation Contribution

Mr. Nakamura noted that this would be funded out of the general fund contingency fund, as it had not been included in the budget.

Commissioner Holladay moved to approve the request from the League of Oregon Cities for the QWEST litigation contribution in the amount of \$6,390. Commissioner Neeley seconded the motion.

Mr. Nakamura indicated to Commissioner Neeley that the amount requested was based on the annual franchise receipts, and not on population.

A roll call vote was taken and the motion <u>passed</u> with Commissioners Beneville, Hewitt, Holladay, Neeley and Mayor Williams voting 'ave.' [5-0]

- The Commission heard Item 6, Consent Agenda, at this time.
- 5.4 Commission Report No. 01-188, Contract for Construction of Mountain View Reservoir #1 Improvement Project

Mr. Nakamura stated that this was the smaller reservoir, and not the larger one discussed by the Commission before.

Commissioner Holladay moved to authorize the City Manager to execute the contract for construction with Clackamas Construction, Inc., to provide construction services for Mountain View Reservoir #1 improvements project. Commissioner Beneville seconded the motion. A roll call vote was taken and the motion <u>passed</u> with Commissioners Beneville, Hewitt, Holladay, Neeley and Mayor Williams voting 'aye.' [5-0]

• The Commission heard Item 3.1, Second Reading of proposed Ordinance No. 01-1027, at this time.

6. CONSENT AGENDA

Commissioner Holladay moved to approve the consent agenda. Commissioner Neeley seconded the motion. A roll call vote was taken and the motion <u>passed</u> with Commissioners Beneville, Hewitt, Holladay, Neeley and Mayor Williams voting 'aye.' [5-0]

- 6.1 Approval of special meeting minutes of August 30, 2001.
- 6.2 Approval of regular meeting minutes of July 5, 2001.

7. APPOINTMENT BY MAYOR

7.1 Reappointment to Oregon City Civic Improvement Trust Trustees (OCCIT) with terms to expire on January 31, 2005.

Mayor Williams explained that he reappointed Jane Church and Dr. Scott Dunfrey to the OCCIT because they had had short terms and done good work.

8. NON-AGENDA ITEMS

8.1 Fire Station bid

Bryan Cosgrove, Assistant City Manager, indicated to Commissioner Neeley that staff would bid out the fire station sometime next week, following completion of the land use approval process.

Mr. Nakamura discussed the timeline for the bid, which he said would be within 45 days; the bid approval then came to the Commission, and construction would proceed.

Commissioner Neeley asked what the timeline was for the corrective action at the 'College Station.' Mr. Nakamura indicated that staff wanted to parallel the two construction projects.

Mr. Nakamura confirmed to Mayor Williams that staff has not yet confirmed the joint meeting with the TVF&R Board due to conflicts. He indicated that staff did not yet have a formal date from the two chiefs regarding when the special task force would finish up on manning the station. Mayor Williams observed that manning the station needed to run parallel with constructing the station.

• The Commission returned to Item 5.3.

8.2 End of the Oregon Trail Interpretative Center contract

Commissioner Holladay moved to have on the next regular agenda an up or down vote on whether the Commission was going to negotiate a new contract with the End of the Oregon Trail Interpretive Center. Commissioner Hewitt seconded the motion.

Commissioner Neeley mentioned an agreement reached in discussions with the End of the Trail Foundation that he and the Mayor sit down with the Executive Director and Foundation chair to

discuss what might be in the agreement. Mayor Williams confirmed that that meeting would probably occur in the first week in October.

Commissioner Holladay discussed his concern with the Commission's lack of opportunity to discuss this issue frankly among its members without the pressure of the presence of other boards. He argued that it was a waste of time for the Commission to go through the contract negotiation process if there was not support for the contract at the end of the process. He spoke to discussing whether they were going to negotiate the new contract at the Commission level.

Mayor Williams concurred with Commissioner Neeley that they had a gentlemen's agreement to work on the contract and see if it was possible to write a contract on which all of them could agree. He said that he was reluctant to turn down the Center before giving them a chance to talk with the Commission.

Mayor Williams indicated to Commissioner Beneville that the due process was this proposed October meeting. Commissioner Beneville observed that they could potentially discuss the issue of the existence of the Center at that point.

A roll call vote was taken and the motion <u>failed</u> with Commissioners Hewitt and Holladay voting 'aye.' Commissioners Beneville, Neeley and Mayor Williams voting 'no.' [2-3]

Mayor Williams adjourned the Commission meeting at 8:16 p.m.

Leilani Bronson-Crelly
LEILANI BRONSON-CRELLY
CITY RECORDER

CITY COMMISSION MEETING MINUTES September 19, 2001