



## OFFICE OF THE CITY COUNCIL

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### **Special Committee on Vehicles for Hire Meeting Minutes - amended March 22, 2016 11:00 a.m.**

**Location:** Lynwood Roberts Room, 1<sup>st</sup> Floor, City Hall – St. James Building; 117 West Duval Street

**In attendance:** Council Members Matt Schellenberg (Chair), John Crescimbeni, Bill Gulliford, Doyle Carter (arr. 11:10),

**Excused:** Garrett Dennis

**Also:** Council Members Greg Anderson and Reggie Gaffney (arr. 11:26); Peggy Sidman – Office of General Counsel; Jeff Clements – Council Research Division; Ali Korman-Shelton – Mayor’s Office; Kirk Wendland – Office of Economic Development; Chief Robert Connor – Sheriff’s Office; Mike Weinstein – Finance Department

See attached sign-in sheet for additional attendees.

**Meeting Convened:** 11:00 a.m.

Chairman Schellenberg convened the meeting and the attendees identified themselves for the record. He asked the attendees to observe a moment of silence for Council Member Doyle Carter’s ~~sister~~ mother who passed away recently.

Chairman Schellenberg suggested that the committee proceed, given the failure of the Florida Legislature to take action on transportation network company regulation, by working from the amendment that Council President Greg Anderson had proposed to pending Ordinance 2014-665, which has not yet been acted on by any committee. He recommends that the committee focus on the key areas of driver qualifications, insurance coverage, vehicle inspections and “trade dress” or medallion requirements.

Steve Diebenow representing Lyft said that the company agrees with the insurance requirements proposed in House Bill 509 that failed in the legislative session. Brad Braddock representing the taxi industry stated that his industry’s experience in Florida is that 70-80% of accidents involving taxis occur when there is no passenger in the vehicle, which may impact how much insurance the City may wish to require of TNC companies. Tim Alborg representing Lyft explained the three time periods during which different insurance levels apply – when a driver is “on the clock” for the company but before a ride has been requested, when a driver has been summoned but before the passenger has been picked up, and when the passenger is in the car being transported. The HB 509 insurance requirements discussed during the session would have imposed higher insurance levels than general public driver requirement when the

driver is “on the clock” (\$50,000/\$100,000/\$10,000), then a \$1 million liability requirement when a passenger enters the vehicle. Mr. Alborg said that Lyft’s policy is that the \$1 million insurance applies from the time the driver accepts the ride request before the passenger is picked up. Joe Mobley representing Uber said his company also agrees with the HB 509 insurance requirements.

Mr. Braddock said that Jacksonville has a big problem with “rogue” drivers representing themselves as TNC drivers when not actually using the company apps. Mr. Diebenow said that the TNC companies fully support prosecuting rogue drivers to the fullest extent because they are a detriment to the reputation of the industry. Mr. Crescimbeni said that testimony given at a previous meeting indicated that the TNC companies are not interested in complying with the City’s regulations because cellphones and credit cards used by the City to book rides in sting operations are quickly blocked by Uber and Lyft from any future response.

In response to a question from Council Member Anderson, Mr. Braddock said that insurance coverage on taxicabs is uniform throughout the day, whether the vehicle is on-duty or not, and whether it’s carrying a passenger or not. The amount the taxi company charges the driver for use of the vehicle includes both vehicle rental and company-provided insurance. Council Member Crescimbeni stressed that fairness of insurance requirements among all types of vehicles for hire should be a paramount consideration, and he doesn’t see the distinction between taxicabs and TNC vehicles when it comes to being on- or off-duty or drivers using vehicles for personal transport versus business purposes.

Chairman Schellenberg recounted his experience several weeks ago on a trip to California during which he traveled by taxi, UberBlack, UberX and a rogue TNC driver to experience the full range of possibilities. He better understands the differences among the types of services and recognizes that differences in regulation are justifiable because of the different business models.

Bob Carle, Public Parking Officer for the Office of Economic Development, discussed how the City reviews insurance coverage for taxicabs, which are corporate policies obtained by the taxi companies rather than personal policies obtained by the individual drivers.

Council Member Gulliford asked the Office of General Counsel to investigate the possibility of developing an ordinance that would criminalize “rogue” driver activity in either taxis or TNC vehicles. The Council Research Division was asked to research efforts in other jurisdictions to regulate rogue drivers.

With regard to driver background checks, the committee was in general agreement that the rules for those checks should be the same for both the taxi and TNC industries and that the companies should be permitted to perform the checks to a specified standard with City review rights at any time. Council Member Anderson advocated for regular audits of the background checks. Council Member Crescimbeni suggested that TNC drivers be required to sign an agreement to allow the City to perform a separate background check on the driver if circumstances warrant to double-check the company’s results. The Uber and Lyft representatives were opposed to adding the requirement to allow a separate City background check as being duplicative and unnecessary. Mr. Braddock felt that allowing the TNC companies to do their own background checks is problematic and not as secure as the City doing the checks itself. Council Member Gulliford questioned what standards the TNC companies are using in their driver hiring and what findings do or do not disqualify a person from being hired.

The committee discussed the expiration of the moratorium on the late fee on vehicle for hire medallion renewals on March 31<sup>st</sup> and what options exist for extending the moratorium. Council President Anderson agreed to allow introduction of a moratorium extension at tonight’s Council meeting on an addendum to the agenda for one-cycle consideration.

Regarding vehicle inspections, the Uber and Lyft representatives agreed with allowing inspections by an ASE-certified private mechanic. Mr. Braddock expressed a preference for the City to continue doing the

taxi inspections itself to maintain independence quality control. The TNC company representatives expressed reluctance to provide copies of all vehicle inspections to the City, preferring to allow City audits of selected inspections as necessary.

**Meeting Adjourned:** 12:31 p.m.

Minutes: Jeff Clements, Council Research Division

3.22.16 Posted 3:30 p.m.

Tapes: Special Committee on Vehicles for Hire – LSD

3.22.16