

OFFICE OF THE CITY COUNCIL

Robin Lumb Council Member, At Large Group 5 PHONE: (904) 630-1387 FAX: (604) 630-2906 E-MAIL:RLUMB@COJ.NET 117 West Duval Street Suite 425 Jacksonville, Florida 32202

MEETING MINUTES UberX

DATE:

June 24, 2014

LOCATION:

117 West Duval St, Suite 425 Conf. Room A

MEETING COMMENCED:

3:05 pm

TOPIC OF MEETING:

To meet at the request of Matt Ford to discuss UberX

PRESENT:

CM Lumb; CM Anderson; Margo Klosterman, Mayor's Office; Cherry Shaw, OGC; Jack Shad, City Parking; Guy Smith, Public Parking VF4; Donna Barrow, ECA; Leeanne Krieg, ECA; Celeste Holland, ECA; Sonia Johnson, ECA; Matt Ford, Jax Elite Charters; Mark Blount, Executive Cab; Brad Braddock, Checker Cab; Michele Riddle, NF Transportation; Joe Mobley, Fiorentiono Group; Steve Patterson, Times Union; See sign-in sheet for additional information

CM Lumb:

Called meeting to order, introduced CM Anderson and asked all present to introduce themselves. Explained the reason for the meeting and asked Matt Ford to express his concerns about UberX.

Mr. Ford:

He said that he is concerned that UberX allows anyone with a license, a car & insurance to turn themselves into a cab making money without being regulated. He said that the Uberx drivers undercut his fees and affect his business. He is concerned that the citizens of Jacksonville are riding in these unregulated cabs.

CM Lumb:

Discussed the original debate in City Council on Uber, as well as

the changes in the ordinance that were made at that time.

Ms. Shaw:

In response to CM Lumb, she reviewed additional changes that

were made in the ordinance.

Ms. Klosterman:

Noted that the fact that UberX is operating in the community came to the Mayor's office's attention because she is an Uber user. She stated that Jack Shad & Cherry Shaw have been investigating how within City laws UberX can be regulated. Also, Mr Shad has been trying to contact the UberX & Lyft which has been operating as well.

Mr. Shad:

Said that he had not gotten a response from UberX and that he has been talking to Lyft. He said they would send direct correspondence to UberX.

Ms. Shaw:

In response to CM Lumb she stated the OGS has not reached a conclusion on the legality of UberX because they need to have a face to face contact with UberX to find out the details of their operation. They did determine they are not authorized to operate here.

Mr. Blount:

Stated that he is concerned that if the City delays in taking action on UberX, someone will be injured in a car that has only personal insurance which will deny the claim because the car was being used for hire. The injured person will then come after the City.

CM Lumb:

Stated that he & CM Anderson need to write a letter to the OGC requesting a legal opinion.

Mr. Mobley:

Stated that he represents UberX and the company believes the service is comparable to carpooling. He said there is a million dollar insurance policy in place from the time the driver turns on the UberX app until the time he turns off his app. In response to CM Lumb he confirmed that unlike Uber that requires the driver to have insurance, UberX provides the insurance.

He agreed to facilitate connecting UberX Corp. management with Mr. Shad & Ms. Shaw.

CM Lumb:

Noted that when Uber was being discussed in City Council that they had been warned that Uber would be the beginning and that there would be operations like UberX and Lyft entering the market. The feeling at the time was that if the problem arose they would deal with it and the problem is here.

Mr. Braddock:

He thanked CM Lumb for giving him the opportunity to say I told you so. He said this is common for Uber to get the regulations changed to open the door for these other services. He expressed concerns about the insurance for UberX not providing 24 hour insurance. He provided a copy of a news release concerning the

National Insurance Association raising alarm on Uber & Lyft.

(see attachment)

CM Lumb: Expressed doubt about the validity of the driver being covered

only when he is logged in to the app, because he may be driving

to where he is most likely to find a fare.

Mr. Smith: In response to CM Anderson, he said he does not regulate UberX

because he has been told it does not exist. He said he is waiting

on the ruling.

Ms Shaw: Stated that because the UberX cars are not marked it is difficult to

observe violations. She said that some cities are doing sting

operations and it may be necessary to work with JSO.

Mr. Ford: In response to CM Lumb, he said that he encouraged the approval

of Uber with the understanding that drivers would be regulated &

insured.

Mr. Blount: Said that UberX charges per minute and per mile which means it

is a vehicle for hire not ride sharing. He said Uber & UberX does

not care about the Jacksonville community.

He said everyone was told that UberX was not coming to town

only Uber Black Car and low & behold UberX is here.

Ms. Riddle: In response to Mr. Mobley, she stated the difference between

UberX and paying your neighbor for a ride is that you know your neighbor. She said that convicted felons apply to be taxi drivers all the time and her company will not hire them. UberX allows

anyone to be a driver.

Mr. Mobley: Insisted that Uber & UberX do extensive background checks on

their drivers.

Mr. Ford: Said there is a website called illegalcab.org that he has contacted

asking them what a city can do to stop UberX & Lyft. He was told that they recommend that a letter be written to Apple & Google to tell them UberX & Lyft apps are being used for illegal purposes. The terms & conditions of the apps do not allow them to be used

for illegal purposes.

CM Lumb: Stated the OGC needs to make a definitive decision that UberX &

Lyft are illegal operations. He said this needs to happen sooner

rather than later.

Mr. Shad: Explained that the City currently has an online pdf with the list of

licensed drivers of vehicles for hire. He has requested that ITD create a searchable online database, but it has not yet been

created.

CM Lumb: Recapped the problem and the need to have the OGS make a

decision about the legality of UberX & Lyft. He said we will send an email to those present who listed their emails on the sign-in sheet letting them know when the decision has been made by the

OGC.

Meeting Adjourned: 3:44 pm

Documents forwarded to

Legislative Services: Notice, Minutes, Sign-In Sheets, Copy News Release & Audio CD

The written minutes for this meeting are only an overview of what was discussed.

Council Members/Staff

cc: Cheryl Brown, Director/Council Secretary

Dana Farris, Director, Legislative Services Division

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Media File Copy

Planning and Development Department

Supervisor of Elections

ROBIN LUMB

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117 West Duval Street City Hall, Suite 425 Jacksonville, FL 32202

TDD: (904) 630-1580

June 18, 2014

9:00 a.m. **Meeting Notice**

Notice is hereby given that Council Members Lumb & Anderson will meet on **Tuesday**, **June 24**, **2014 at 3:00 pm** in Conference Room A, located at 117 West Duval Street, Suite 425 (4th Floor), City Hall St. James Building. The purpose of the meeting will be to meet with Matt Ford of Jax Elite Charters to discuss UberX.

All interested persons are invited to attend.

Please contact Donna Barrow, ECA At-Large Group 5, at (904) 630-7144, for additional information or email DLBarrow@coj.net.

RL/dlb

CC: Council Members/Staff
Cheryl Brown, Director/Council Secretary
Jeff Clements, Chief, Research Division
Dana Farris, Chief, legislative Services Division
Carol Owens, Assistant Chief of Legislative Services
Kristi Sikes, Chief, Administrative Services Division
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Media Box

CM Lumb and CM Anderson UberX June 24, 2014

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FOR IMMEDIATE RELEASE June 17, 2014

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National Insurance Association Raises Alarm on Uber and Lyft

ROCKVILLE, Md.—One of the largest property casualty insurance organizations in the country issued a statement today calling attention to serious insurance gaps with transportation companies such as Uber and Lyft.

In the statement to the city council in Buffalo, New York, Kristina Baldwin of the Property Casualty Insurers Association of America (PCI) highlighted "a number of insurance issues that need to be addressed to protect the interests of Transportation Network Services drivers, passengers, other drivers on the roads, and Transportation Network Services companies, as well as automobile insurers." Concerns included:

- Personal automobile policies contain exclusions that forbid people from turning their cars into
 commercial taxis. "As a result, there would likely be no coverage on the driver's personal auto
 policy for injuries or damages occurring out of an accident that happened while involved in
 'ridesharing' activities," Baldwin said.
- Companies such as Uber and Lyft claim to offer an "excess" or "umbrella" policy, rather than
 "primary" coverage. These companies also offer different amounts of coverage at different
 times, depending on whether a driver has the app on or has a passenger in the car. This, Baldwin
 said, is "a source of confusion for drivers and passengers, who either erroneously believe that
 the personal automobile policy will provide coverage, or realize that it does not and are
 simply hoping for the best. This confusion is likely to result in costly coverage disputes and
 delayed compensation to accident victims."
- Baldwin concluded that drivers for companies such as Uber and Lyft "should have coverage that
 is primary and ideally applies on a 24/7 basis." She also called for TNCs to tell their drivers
 "that their personal automobile policy will not provide coverage for injuries or damage
 resulting from commercial activity" and that any drivers' personal auto insurer be made aware
 that he or she is driving commercially.

In New York alone, members of PCI write more than 50% of the automobile insurance in the state.

"Any city official across the country who misses the warning signs from PCI's statement today simply isn't paying attention," said Dave Sutton, spokesperson for 'Who's Driving You?', a public safety initiative of the Taxicab, Limousine & Paratransit Association. "Any drivers who think they are protected by their personal auto insurance when they get in an accident while working for Uber and Lyft simply won't be. These massive insurance gaps need to be closed."

ABOUT US:

'Who's Driving You?' is a public safety campaign designed to educate the public about the dangers of unlicensed transportation companies. It is an initiative of the Taxicab, Limousine & Paratransit Association, an international non-profit trade association whose membership consists of 1,100 licensed transportation companies. For more information, visit www.WhosDrivingYou.org, follow us on Twitter (@WhosDrivingYou) and follow us on Facebook (facebook.com/WhosDrivingYou).