

APPENDIX E

Marilyn Brenneman

From: Freedman, Nicole
Sent: Monday, June 08, 2015 4:52 PM
To: Kubly, Scott
Cc: Nunes-Ueno, Paulo
Subject: COI
Attachments: COI - Scott Kubly.docx; COI- Scott Kubly, Mayor letter.docx

Hi Scott,

Paulo asked me to draft conflict of interest forms on your behalf that can be filed with the Ethics Commission relating to your prior work at Motivate. Please see attached drafts. Since you are a Director, we would fill out the standard Disclosure form, and as well a letter from the Mayor must be submitted.

I highlighted some sections for you to review.

If you approve, I will follow up with David Mendoza and Gary Keese to move this forward and get filed on your behalf.

Thanks so much.



Nicole Freedman
Chief of Active Transportation and Partnerships
City of Seattle [Department of Transportation](#)
O: 206.684.4690 M: 206.552.4085
Nicole.Freedman@seattle.gov





City of Seattle

Ethics & Elections Commission

DISCLOSURE of Appearance of Conflict or Impaired Judgment SMC 4.16.070.1.c

Name (please print):	Scott Kubly
Title:	Director, Seattle Department of Transportation
Description of the Official Action:	This note is to disclose the appearance of a conflict only. I will plan continue work on the project unless the Ethics and Elections Commission suggests otherwise.
I publicly disclose the following facts, which a reasonable person could believe would impair my independence of judgment on the Action described above:	<p>SDOT is currently working on terms for an agreement with Puget Sound Bike Share, a 501c3 based in Seattle that contracts with Motivate to operate the Pronto bike share system. Details of the agreement between SDOT and Puget Sound Bike Share includes transitioning Puget Sound Bike Share's existing contract with the operator, Motivate Inc., to the City of Seattle. If successful, the City of Seattle would contract directly with Motivate, Inc for operations services. Once entering an agreement directly with Motivate, my staff will work with Motivate to improve the terms of the agreement, to the benefit of the City of Seattle.</p> <p>Between xx and xx dates, I was a paid full time CEO for Motivate, Inc, previously known as Alta Bicycle Share. I currently do not receive reimbursement from Motivate nor do I have any business or financial ties to Motivate.</p>
Signature:	
Date:	5/27/15

Please call the Seattle Ethics and Elections Commission at 684-8500 with any questions you have about completing this form.

Attach additional pages if necessary.



City of Seattle
Mayor Edward B. Murray

Date: May 27, 2015
To: Wayne Barnett, Seattle Ethics and Elections Commission
From: xx
Subject: Request for Approval of Waiver: Scott Kubly, Director, SDOT. Waiver Period xx to xx

Background

Mayor Edward B. Murray appointed Scott Kubly Director of the Seattle Department of Transportation on DATE. Prior to his work with the City of Seattle, Mr. Kubly was employed at Alta Bicycle Share as the interim President. His last compensation period at Alta Bicycle Share was through DATE.

While at Alta Bicycle Share, Mr. Kubly was responsible for overseeing all aspects of Alta Bicycle Share including contracting with cities across the United States. During his tenure at Alta Bicycle Share, Mr. Kubly was not involved with negotiations or any aspects of Seattle's bike share system, Pronto. Pronto did not launch until xx date at which time Scott was no longer employed by Alta Bicycle Share.

Mr. Kubly has no current financial or business ties to Motivate as a result of his prior employment. Alta Bicycle Share has since been acquired by Motivate, Inc. This memo will refer to the company for the remainder of the document as Motivate, Inc.

Rationale for Request for Approval of Waiver

SMC 4.16.070(1)(b) states, in relevant part:

A City employee may not "participate in a matter in which a person that employed the Covered Individual in the preceding 12 months...has a financial interest; provided, however, that the Executive Director shall waive this section when:

(ii) the Covered Individual's appointing authority or the authority's designee makes a written determination that there is a compelling City need for the Covered Individual to participate in a matter involving a prior employer or client, and submits that determination with a written plan showing how the authority will safeguard the City's interests, and

(ii) the Executive Director determines that the authority's plan is satisfactory.

The Mayor has determined that there is a compelling need for Mr. Kubly to participate in business matters with Motivate, Inc. including contracting and project oversight for Seattle's bike share project. Mr. Kubly is in the process of having SDOT assume responsibility for a third party's contract with Motivate, Inc, after which SDOT will:

1. Contract directly with Motivate, Inc to operate the bike share system in the City of Seattle
2. Negotiate enhanced contract terms with Motivate, Inc to the benefit of the City of Seattle.

The original contract between the third party and Motivate, Inc was competitively procured consistent with City requirements.

In particular, Mayor Murray would like to request approval for Mr. Kubly to act in his assigned role which may include contracting and overseeing work being performed by his former employer, Motivate, Inc.

Why is it in the best interest of the City for Scott Kubly to be involved in these issues identified as potential areas of conflict of interest?

Mr. Kubly, as the Director of SDOT provides oversight on citywide transportation issues, including roads, transit and active transportation. Bike Share is a signature active transportation initiative. Mr. Kubly is a foremost expert in bike share in the country. Prior to working for Alta Bicycle Share, Mr. Kubly led the development and launch of two of the largest bike share systems in the country: Washington D.C and Chicago. Bike share is a new and emerging industry in the United States making Scott's expertise ever more unique. His specific background, technical expertise and experience with the issues surrounding all aspects of bike share bring unique benefits to the City that in the short- and long-term will provide a great benefit to the City and its employees.

What measures will the Mayor's Office and SDOT implement to protect the City's interest in this case?

The following measure will be taken to address the above-identified, potential conflicts of interest, which will also be utilized in other contexts when similar potential conflicts arise:

1. Any final decisions on existing or future contracts with Motivate, Inc., including changes in scope of work, budget/financial, or service levels will be performed by City staff other than Mr. Kubly.

Provided that due to his very important and critical role at SDOT, Mr. Kubly will continue to be involved in discussions with Motivate, Inc. other than as described above.

This plan will remain in effect until the required 12-month time period since his employment with Motivate, Inc expires, which is Date.
cc: Scott Kubly (via email)

Sincerely,

Edward B. Murray
Mayor, City of Seattle