

**REQUEST FOR PROPOSALS  
FOR THE MANAGEMENT AND OPERATION OF  
ON-DEMAND TAXICAB AND FOR-HIRE  
VEHICLE SERVICES  
AT  
SEATTLE-TACOMA INTERNATIONAL AIRPORT  
RFP # 2016-ABD-1**

**ADDENDUM #2**

Port of Seattle  
Seattle-Tacoma International Airport  
Airport Operations  
17801 Pacific Highway South  
Seattle, WA 98158

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February 10, 2016

To All Prospective Proposers:

Answers to submitted questions as of 2/9/16:

1. I would like to ask a few questions to get clarification about the on-demand transportation RFP released on January 29. The RFP states that the taxi fleet and for-hire contract bidders should provide dual license vehicles. 1. I want to know the law passed by the commission to override the county law which allows the King County License For-Hire and Taxi to work anywhere in King County including the airport? For the record, if the intent was to address the deadheading it's already in the evaluation process which gives ten points to the company that addresses it the best way. This dual license exclusivity disqualifies 60% of the King County taxi and for-hire. As a matter of fact, Stita Taxi which had the contract 23 years out of 28 years is disqualified because of this dual license issue. I believe it discriminates the county licensee including Stita and for-hire and gives an advantage to the current group that works at the airport. For the record, Port of Seattle has many facilities that's been operated by taxi and for hire companies. For instance per 69, 66 and 91. They are not restricted to dual license. So this is technically against the county licensee and will give an advantage to a specific group who are currently working under Yellow under this contract. It's also against the commission recommendation to the ground transportation staff. If you look back at the criteria set by the commission for the staff to follow it emphasizes more than ten times to enforce level plane field which everybody who is legally authorized by county and state and plays by the rules to have a fair shot. It also contradicts the chief operation officer when he was addressing the commission on 25th meeting and the 12th, when justifying the Uber Non-Commercial Insurance he said "We do not make the laws the state, county, and the city makes the laws. We implement them." Therefore if Uber has insurance that is permitted by the state and they are okay with the city and county we cannot override. So the King County has issued a license to the King County fleet to legally work in King County area including airport like they did the last 30 years. So Port of Seattle should not have any authority to override that and disqualify county licensees from working at the SeaTac airport which is located in King County. Just like the city cars work in a county facility located in the city of Seattle. I believe it must be an error and should be released immediately and county licensee including dual license. Otherwise it will be unfair to King County licensee and taxi and for-hire who are mainly minorities from East Africa. In case you wonder the so-

called deadheading I believe the county cars serve 38 out of 39 King County cities. So it's unjust to accuse them and take their rights away by lobbying by interest groups who are working the current taxi fleet at the airport. Finally, this dual license favor the current fleet at the airport which lack diversity and I believe it's a threat to the customer service in the future. Look back at what happened a year ago. They went on strike for three days and shut down the airport. Stacey Matson has that record. I want to know what happened to the level playing field promised by the commission? I want to know what happened to the protection of small business directed by the commission to the staff? I also want to know who gave the board the authority to dismiss 65% of the county fleet from not serving the airport which will be the first time in history? I want to know where did the commission directed to the staff to pre-disqualify small business owners to participate their livelihood chance? I would like to mention that this RFP contain almost everything the commission has promised and directed to the staff except the dual license condition which I believe is a tumor that must be removed in order for the RFP to move forward. I look forward to hearing from you. Thank you.

Port response:

*The Port declines to revise this requirement. Under Section 14.08.120 of the Revised Code of Washington, the Port specifically has the authority to adopt rules and grant concessions “under such terms and conditions that seem just and proper.” The Port likewise has independent jurisdiction over taxicabs and for-hire vehicles under Sections 46.72.170 and 81.72.210 of the Revised Code of Washington.*

*Admittedly, this requirement compelled the Port to choose between two important values: either fostering a “level playing field” or “maintaining excellent environmental standards.” In the end, the Port believes that the latter is more important here. Dual licensed vehicles directly advance “deadhead” reduction efforts. Recent trip data from the current taxi operation indicates that approximately one-half of all taxi trips departing the airport go to the City of Seattle. Without also holding a City of Seattle license, these vehicles would be prohibited from picking up a passenger from the City of Seattle for the return trip back to Sea-Tac Airport, unnecessarily eliminating the opportunity for deadhead reduction. While the Port intends to further assess each Proposer’s plans to further advance deadhead reductions as part of the RFP process, the Port believes that dual licensed vehicles are, at a minimum, required to maintain our current, excellent environmental standards on this issue.*

2. Will there be a new trip fee collecting system or will the contractor use what is currently at the airport?

Port response:

*The Port does not understand the question. The current concessionaire pays a minimum annual guarantee and a percentage of revenue. The RFP allows for, but does not require, a minimum annual guarantee. In addition, the RFP contemplates a per-trip fee. As a result, the method by which the current concessionaire pays its fee will likely have little*

*relation to how the fee will be paid under the future contract. With respect to how that fee will be paid, if the selected Proposer proposes a minimum annual guarantee, Section, 4.1 of the draft Concession Agreement discusses how the MAG will be paid. The selected Proposer must pay a per-trip fee, and this per-trip fee will be based on the total number of Revenue Trips. Section 4.2 of the draft Concession Agreement discusses how the per-trip fee will be paid. The number of Revenue Trips will be determined, in significant part, from the Port's Automated Vehicle Identification (AVI) system. Section 1.18 of the draft Concession Agreement addresses this. Finally, the selected proposer will be expected to report detailed information about each trip. With respect to these requirements, please see Section 6.7 of the draft Concession Agreement as well as the RFP, Part II, Section 2, Qualification 5.*

3. Regarding Section 7.1 in the draft agreement entitled "Taxes" (p18, RFP p. 38), please clarify what taxes this section has in mind. Does the port expect the concessionaire to pay the port's taxes on the concession fees revenue, e.g. state B&O taxes?

Port response:

*The Port does not expect the selected Proposer to reimburse the Port for any taxes payable by the Port based on the Port's gross/net income from the concession. The provision is concerned with taxes that are payable by virtue of the selected Proposer's activities on, or the use and occupation of, Port property. Other than leasehold excise taxes that will be payable under the separate lease agreement for the 160th Street holding lot, the Port is not currently aware of any such taxes.*

4. Regarding draft concession agreement clause 8.2.1.2.2 (p 20, RFP p40) under section entitled "Automobile Liability Insurance", is this \$1 million dollar coverage supposed to apply outside the borders of port property? Also it is unclear what the sentence "This coverage shall also drop down and provide primary coverage for any drivers" is getting at. Taxi/FHV commercial insurance provides primary coverage. This sounds more like TNC insurance which has to provide primary coverage because the TNC driver's private policy does not cover accidents when the policyholder's automobile is being used in a for hire capacity. Please clarify.

Port response:

*The Port is asking that the Concessionaire ensure that each Driver carries minimum of statutory requirements for liability insurance. The Port also asks that in addition, the Concessionaire has an auto liability policy that will provide excess limits of liability insurance above the statutory limit that each Driver carries on their vehicle up to \$1,000,000. The Port does not specify whether this excess coverage is limited to being on Port property as from the insurance company's standpoint, they will be providing \$1,000,000 of excess coverage, for the vehicle that will protect the Driver and Concessionaire if they get sued regardless of where an accident occurs. If available, the Port could accept an insurance policy that only provides the excess limits for when the Driver is on Port property.*

5. On 2016-ABD-1, Management of On-demand taxi & for-hire services, proposers "...must also submit a "deadhead" reduction and trip efficiency plan with any proposal..." To state a 'reduction', presumably a proposer must work from baseline data---does the Port have and intend to provide baseline deadheading data, that are reliable, to all proposers? If the deadheading data that the Port deems reliable are from the current outbound contract services provider, have the data been deemed reliable by the contractor, or audited and deemed reliable by the Port itself or by a third party vendor?

Port response:

*The Port advises that any deadhead reduction plan associated with a proposal shall assume a baseline deadhead trip rate of 100%.*

N.B. In order to assist Proposers in identifying the changes made to the various provisions of the Request for Proposals and Concession Agreement, the Port has highlighted the most significant changes. However, these highlights are *not* intended to be redlines that reflect all of the changes to the pertinent language. Each Proposer is responsible to familiarize itself and comply with the RFP and Concession Agreement language, as fully revised.