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Date of Meeting: December 15, 2009

# REQUEST FOR PROPOSALS FOR THE MANAGEMENT AND OPERATION OF ON DEMAND TAXI CAB SERVICES AT SEATTLE-TACOMA INTERNATIONAL AIRPORT RFP # 090061

Port of Seattle
Seattle-Tacoma International Airport
Airport Operations & Business Development Offices
17801 Pacific Highway South
Seattle, WA 98158

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# REQUEST FOR PROPOSALS FOR THE MANAGEMENT AND OPERATION OF ON-DEMAND TAXI CAB SERVICE AT SEATTLE-TACOMA INTERNATIONAL AIRPORT RFP # 090061

# I. OVERVIEW

# INTRODUCTION

Proposals are hereby requested by the Port of Seattle (the "Port") from all qualified and responsible proposers ("Proposer") desiring to manage and operate On-Demand Taxi Cab Services at Seattle-Tacoma International Airport (the "Airport"). The Port, in developing a cohesive concession program, is issuing this Request for Proposals ("RFP") to all taxi associations interested in demonstrating that they possess the industry expertise and financial strength to operate an On-Demand Taxi Service at the Airport. As more fully set forth below, the Port will enter into a Lease and Concession Agreement (Agreement) for a term of five (5) years with one or more successful Proposers for the On-Demand Taxi Service.

Port will grant to the successful Proposer(s) the non-exclusive right to furnish ground transportation from Sea-Tac Airport and the exclusive right to provide On-Demand Taxi Service only; provided the successful Proposer(s) shall use only the loading areas/zones and other areas as designated by the Port. The successful Proposer(s) shall provide management, vehicles and personnel for the On-Demand Taxi Service only.

# **BACKGROUND**

The Port owns and operates the Airport and its passenger terminals consisting of the Main Terminal, Concourses A, B, C, D, and the North and South Satellites. Currently, the Airport has 81 gates and is served by some 39 air-carriers, including cargo operations, operating domestic and international flights. In 2008, approximately 32.2 million passengers passed through the Airport. As part of the overall Airport experience, the Port continues to enter into agreements with service providers to enhance the quality of services provided at the Airport to passengers.

In an attempt to meet the demand of airport customers requesting On-Demand Taxi Service, the Port has maintained an exclusive agreement for existing service for approximately 20 years. The Port would like to continue offering On-Demand Taxi Service through a service provider(s) for a term of five years.

Listed below is a chart showing the total number of On-Demand Taxi trips performed each year during the years 2004 through 2008 and projections for 2009.

	2004	<u>2005</u>	<u>2006</u>	2007	2008	2009
TOTAL TRIPS	578,259	639,751	648,275	732,694	740,867	676,010 (est.)

Also, included below is a forecast of passengers traveling through Sea-Tac Airport for the period 2009 through 2015, produced by Port of Seattle staff.

Note: the figures are projections, and the Port of Seattle does not guarantee, or otherwise ensure, their accuracy.

Passenger Forecast (2009-2015)								
	2008	2009	2010	2011	2012	2013	2014	2015
Annual Passengers (millions)	32.2	30.7	30.7	31.1	31.8	32.7	33.6	34.5
Percentage Change		-4.5%	0.0%	1.0%	2.5%	2.7%	2.7%	2.7%

# **GOALS**

The Port's objective is to enter into an agreement with not more than three experienced, financially sound companies with superior customer service standards to manage and operate On-Demand Taxi services at the Airport that will help the Port meet the following goals:

- Provide convenient, efficient and safe transportation alternatives for the traveling public
- Generate additional non-airline revenue for the Port of Seattle
- Provide opportunities for Disadvantaged Business Enterprise participation
- Maintain superior environmental standards of the taxi fleet
- Minimize deadhead trips
- Further the standardization of taxi rules and regulations in the region

# II. INSTRUCTIONS

# 1. THE CONCESSION

The concession to be awarded pursuant to this RFP is an exclusive right to provide On Demand Taxi Cab Services. The term "On-Demand" indicates that trips for taxi services are made just prior to the time passenger engages driver/vehicle in designated loading area. Proposer will have the authorization to operate in Port designated loading and staging areas. The Concession will include the right to operate two hundred ten (210) taxi cabs in the provision of On Demand Taxi Cab Services.

As set forth in more detail below, the Port is prepared to split the concession rights to be granted under this RFP between up to three (3) proposers, each of whom would be awarded the right to operate no less than seventy (70) of the taxi cabs authorized under this Agreement. As a result, each Proposer need *not* have the ability to supply all two hundred ten (210) taxi cabs to be operated under the concession. Instead, a Proposer must have the ability to supply at least seventy (70) taxi cabs.

In the event that the concession is awarded to more than one Proposer, the successful Proposers must agree to work cooperatively and collaboratively to manage the concession. Regardless of the number of successful Proposers, the Port seeks to have a single point of contact for all issues related to the operation of the concession.

# 2. QUALIFICATIONS

The minimum qualifications for any Proposer responding to this RFP shall be as follows:

- 2.1 Must have the ability to provide at least seventy (70) and up to two hundred ten (210) taxi cabs dedicated to the operation of the concession.
- 2.2 Must demonstrate that at least fifty percent (50%) of the Proposer's proposed fleet (with a minimum fleet size of seventy) will meet, or exceed, the Port's "Green" requirement, as stated in Section 8.B.ii (below), as of the commencement date of the Concession (i.e. September 1, 2010). In addition, Proposer must demonstrate that one-hundred percent (100%) of Proposer's proposed fleet will meet, or exceed, the Port's "Green" requirement by September 1, 2011.
- 2.3 Must demonstrate that Proposer is, or will as of the commencement of the Concession, be registered as a taxi association with all appropriate regulatory bodies.
- 2.4 Must have the financial resources to sustain concession operations for the entire term of the Agreement.
- 2.5 Must be licensed to do business in the State of Washington.

# 3. PORT COMMUNICATIONS

All contacts and communications regarding this RFP must be directed <u>via the Port's</u> <u>electronic bid (E-Bid) system. Respondents must register to the program which can be found at www.ebidexchange.com/portofseattle.</u>

# 4. QUESTIONS

Interested associations are encouraged to present written questions to the Port's e-Bid website by 2:00 p.m., October 16, 2009, in order to allow adequate time for preparation of a response. Questions should be asked under the RFP's Questions tab on our website: <a href="https://www.ebidexchange.com/portofseattle">www.ebidexchange.com/portofseattle</a>. Any questions received after this deadline may not be addressed.

# 5. PRE-PROPOSAL CONFERENCE

All Proposers may attend the pre-proposal conference, which will be conducted at the Port of Seattle, Airport Office Building located at Seattle-Tacoma International Airport, Seoul Conference Room (also depicted in Exhibit 1). The pre-proposal conference will begin at 9 am on October 8, 2009. Port staff will conduct the conference, discuss the RFP process, and provide a general overview of the Port's Ground Transportation programs. If changes are required as a result of this conference, written proposal addenda will be issued (same as in paragraph 4. Written Questions).

# 6. SUBMITTALS

- Proposer must submit a proposal addressing each of the matters outlined in Section III, "Proposal Requirements", a signed "Proposer's Certification" set forth in Section IV, and include a guarantee as outlined in Section V, "Proposer Guarantee." Proposer shall organize its proposal using index tabs corresponding with the sections as outlined in this RFP, including the following:
  - 6.1.1 Proposer Certification (See Section IV)
  - 6.1.2 Proposer Guarantee (See Section V)
  - 6.1.3 Proposal Requirements (See Section III)
    - 6.1.3.1 Executive Summary
    - 6.1.3.2 Proposer's DBE Information
    - 6.1.3.3 Proposer's References
    - 6.1.3.4 Business, Customer Service, and Operational Plan
    - 6.1.3.5 Fleet Requirement
    - 6.1.3.6 Revenue to the Port
    - 6.1.3.7 Deadhead Reduction Proposal
    - 6.1.3.8 Financial Stability
    - 6.1.3.9 Experience, Qualifications, and References
- 6.2 Proposer must, as part of its proposal, make clear exactly how many taxi cabs it is prepared to supply for the operation of the concession. This number must be *at least* seventy (70) and *not more* than two hundred ten (210). As discussed in more detail below, the Port intends to award the concession to not more than three (3) Proposers that, collectively, will supply all two hundred and ten required taxi cabs.
- 6.3 Proposer shall submit one (1) original, hardcopy proposal and one (1) electronic copy (PDF or TIFF) of the proposal, prepared with complete answers, signed by an authorized official, enclosed in a sealed envelope properly addressed, and must be either (a) delivered by hand, (b) mailed by certified or registered mail (and

acknowledged by a receipt), or (c) by overnight courier, AND submitted electronically through the Port's e-Bid website. The hard copy and electronic copy must be received by the Port no later than 2:00 PM, Pacific Time, November 6, 2009, at the following address:

Drop-off (delivery)MailPort of SeattlePort of SeattleRFP 090061RFP 090061Pier 69 Bid Counter/2nd FloorP.O. Box 12092711 Alaskan WaySeattle, WA 98111Seattle, WA 98121

- 6.4 Page Limit All responses are limited to a maximum of fifteen (15) pages double sided. A page is defined as a single piece of paper. The "tab" pages are not included in this limit, nor are any addenda sections. Addenda sections may not, however, exceed five (5) pages.
- 6.5 Waste Reduction The Port is strongly committed to waste reduction, recycling, and the use of recycled materials. All responses must be printed on both sides of 8 ½ x 11 inch sized paper having post-consumer recycled content. Responses should not contain any plastic or metal, except for easily removable staples, binder clamps or similar fasteners.
- 6.6 Oral, telegraphic, facsimile or telephone proposals will not be considered.

# 7. COMPETITIVE INTEGRITY

The Port seeks to maintain a neutral competitive environment for all potential Proposers to protect the integrity of the RFP process. The Port Representative is the only authorized representative of the Port with whom a potential Proposer, or anyone on its behalf, shall have contact with concerning this solicitation from the release date of this RFP until the Port completes its review process and publishes its recommendation for award. Any communication concerning the content of this solicitation by a potential or actual Proposer, or anyone on its behalf, with any Port official or employee other than the Port Representative will result in the rejection of that Proposer's proposal unless, in the reasonable judgment of the Port's General Counsel, the communication could not reasonably be believed to have given the Proposer a competitive advantage or have impaired the neutral competitive environment of this solicitation. The pre-proposal conference is the only contact contemplated by this solicitation between the Port and potential Proposers.

# 8. REJECTION OF PROPOSALS

The Port reserves the right to accept or reject any or all proposals in their entirety or in part, and to waive informalities and minor irregularities. During the evaluation process, if the Port determines that a particular requirement may be modified or waived, then the requirement(s) will be modified or waived for all Proposers and all proposals will be re-evaluated in light of the change. In the event that, in the Port's sole determination, there is not an acceptable response, the Port reserves the right to enter into direct contract negotiations with any party it chooses on such terms and conditions as shall then be acceptable to the Port, notwithstanding any provisions of this RFP.

# 9. WITHDRAWAL OF PROPOSALS

Submitted proposals may be withdrawn prior to the deadline for submission of proposals. After opening of the proposals by the Port and prior to the time the selected candidate is notified, Proposer may withdraw its proposal except on the forfeiture of its Proposal Guarantee to the Port as liquidated damages.

# 10. PUBLIC DISCLOSURE

As a public agency, the Port is subject to the Washington State Public Records Act, Chapter 42.56, Revised Code of Washington (RCW). As such, the Port may be required to disclose information provided in Proposer's proposal. The Port will promptly notify Proposer of any requests for public disclosure of Proposer's documents. Proposer shall be responsible for and bear the costs of taking legal action in an attempt to prevent disclosure of such documents. In no event shall the Port be liable to Proposer for disclosure of Proposer's documents the Port deems disclosable under Chapter 42.56 RCW.

# 11. DISADVANTAGED BUSINESS ENTERPRISE (DBE)

The Port encourages participation of Disadvantaged Business Enterprises (DBE) as defined by the State of Washington Office of Minority and Business Enterprise. DBE participant(s) must be actively engaged in the concession operation. Certification through the State of Washington Office of Minority and Business Enterprises must be in place on the date of RFP submittal.

# 12. PROPOSAL GUARANTEE

The proposal must be accompanied by a CASHIER'S CHECK, MONEY ORDER OR SURETY BID BOND payable to the Port of Seattle in an amount of Three Thousand and No/100 Dollars (\$3,000.00). This security shall serve as guarantee that the Proposer, if awarded the contract under this RFP, will execute the Agreement and provide to the Port a lease security and required evidence of insurance. This security will be returned to the unsuccessful Proposer at the time of contract award and to the successful Proposer(s) upon receipt of a signed Agreement. See Section V, "Proposer Guarantee."

# 13. EVALUATION PROCESS

- The Port will initially evaluate each proposal for responsiveness. A determination of responsiveness will be based upon whether Proposers meet the qualifications in Section 2 and have completed and submitted all documents required in Section 6.1. Non-responsive proposals will not be further evaluated.
- Following the initial evaluation, the responsive proposals will be further evaluated based on the evaluation criteria listed in this RFP.
- 13.3 The Port reserves the right to interview the Proposers, to ask for clarifications or additional information and/or to investigate or conduct on-site visits of their place(s) of business if the Port determines this to be in its best interest.
- 13.4 The Port, in its discretion, may refuse to evaluate a proposal for any number of reasons including, but not limited to:
  - 13.4.1 Evidence of collusion: One or all responses will be rejected if there is reason for believing that collusion exists among Proposers, and no participant in such collusion will be considered in future proposals for

concessions at the Airport. Unless Proposer partners or joint ventures with another company or taxi association (specifically including one that is a Proposer), more than one response submitted by a Proposer under the same or different names will not be considered. A Proposer may, however, partner or joint venture with one or more other companies or taxi associations (specifically including ones that are also individually Proposers) in an attempt to increase the number of taxi cabs supplied and/or to improve its level of service and the Port will *not* consider separate proposals submitted by such partnership or joint venture as multiple bids. Reasonable grounds for believing that the Proposer is submitting more than one response will cause the rejection of the Proposer's response in which the Proposer is involved.

- Unsatisfactory performance of record, judged from the standpoint of conduct, workmanship, or progress, as shown by past or current contracts with the Port or any other entity.
- 13.4.3 Contracts not yet completed by Proposer, whether for the Port or others, which completion might hinder or prevent compliance with the contract to be awarded under this RFP.

# 14. EVALUATION CRITERIA

The Proposal Requirements received will be evaluated according to the following criteria, with details and specific requirements outlined in Section III:

14.1 Business, Customer Service and Operational Plan

**40 Points** 

The Proposer will be rated on its commitment to manage the concessions with experienced staff, and a well defined business and marketing plan. Proposals regarding a transition plan will also be included in this section. The Proposer must show that it is able to manage a taxi operation with superior customer service standards.

# 14.2 Revenue to the Port

30 Points

Revenue to the Port will be evaluated on structure, including guaranteed and variable payments, as well as total amount to the Port.

# 14.3 Deadhead Reduction Proposal

10 Points

Respondent must clearly articulate its plan to reduce deadhead trips and commit to an achievable monthly goal.

# 14.4 Financial Stability

10 Points

The Proposer must demonstrate that it has the financial capacity to meet the requirements of the Agreement.

# 14.5 Experience, Qualifications and References

10 Points

The Proposer must show that it has the experience in managing and operating taxi services at airports or other high traffic public areas.

# **15. AWARD**

The Port will award the concession the Proposer submitting the proposal with the highest score. In the event that the highest scored Proposer has not proposed to supply all two hundred ten (210) of the taxi cabs to be permitted under the concession, the Port will proceed to award the remainder of the concession to the next-highest scored Proposer. In the event that the two highest scored Proposers have not, when their proposals are aggregated, proposed to supply all two hundred ten (210) of the taxi cabs to be permitted under the concession, the Port will proceed to award a portion of the concession to the third-highest scored Proposer. Provided, however, no successful Proposer will be awarded the right operate less than seventy (70) taxi cabs. As a result, the Port specifically reserves the right to limit the number of taxi cabs operated by a higher-scored Proposer in order to ensure that all successful Proposers necessary to supply all two hundred ten (210) taxi cabs will operate at least seventy (70) taxi cabs. If there are three successful Proposers, each will be awarded the right to operate seventy (70) taxi cabs.

Notwithstanding the foregoing, the Port believes that the operation of the concession by multiple concessionaires will impose additional administrative and operational burdens on the Port. As a result, in the event that the difference between the highest-scored Proposer and the second-highest scored Proposer is less than five (5) points and the second-highest scored Proposer can supply *all* of the taxi cabs to be operated under the concession, the Port shall have the right – but not the obligation – to award the entire concession to the second-highest scored Proposer. Similarly, in the event that it would otherwise be necessary to award a portion of the concession to the third-highest scored Proposer in order to supply all two hundred ten (210) taxi cabs to be permitted under the concession, and the difference between the second-highest scored Proposer and the third-highest scored Proposer is less than five (5) points, and the third-highest scored Proposer can supply *all* of the taxi cabs to be operated under the concession that are not supplied by the highest-scored Proposer, the Port shall have the right – but not the obligation – to award the remainder of the concession to the third-highest scored Proposer.

In the event that a single company or taxi association partners or joint ventures with any other company or taxi association to submit multiple proposals as allowed by this RFP, the Port will (subject to its preference for fewer than three concessionaires) award all or a portion of the concession only to the highest scored proposal in which the company or taxi associations is included as a Proposer. As an example, assume taxi association A submits a proposal individually and as a joint venturer with taxi association B. In the event that taxi association A's proposal is scored higher than the joint venture of taxi associations A and B, the Port will not consider an award to the joint venture unless the joint venture's proposal meets the requirements, discussed above, for the Port to "pass over" the individual proposal of taxi association A.

# 16. COST OF PREPARATION OF DOCUMENTS

All costs associated with the preparation of the statement of qualifications and presentation materials shall be the responsibility of Proposer, including but not limited to costs of delivery, express, parcel post, packing, cartage, insurance, license fees, permits, and bonds.

# 17. STANDARD LEASE AND CONCESSION AGREEMENT AND STANDARD OPERATING INSTRUCTIONS

The successful Proposer or Proposers shall enter into an exclusive On-Demand Service Lease and Concession Agreement with the Port, substantially in the form attached as Exhibit 2.

Attached to the Lease and Concession Agreement are the Standard Operating Instructions (Exhibit 3).

# 18. ADDITIONAL INFORMATION

# 17.1 Service Area

Proposer must, at a minimum, service all areas as listed in Exhibit B of the Lease and Operating Agreement.

# 17.2 Rates

Proposer must institute a flat rate fee from Sea-Tac Airport to the downtown Seattle taxi zone. This must be and remain in correlation to the fee charged from the same downtown zone to Sea-Tac Airport. This is a requirement for the term of the agreement. No other locations will require a flat rate fee. Other rates shall be in accordance with the standard or approved meter fees.

# 19. EXHIBITS

The exhibits/attachments are provided for informational purposes only. The Port does not warrant the accuracy of the information contained therein. Proposers are advised to use their own analysis for their submittal.

Exhibit 1: Directions to Pre-Proposal Conference Room

Exhibit 2: Standard Form Lease and Concession Agreement

Exhibit 3: Standard Operating Instructions

Exhibit 3A: Map of Operating Areas

Exhibit 3B: Service Areas

Exhibit 3C: Permit Receipt

Exhibit 3D: Authorized Driver(s) List

Exhibit 3E: Vehicle Condition Checklist

Exhibit 3F: Vehicle Repairs Timetable

Exhibit 3G: Violations and Fines

# 20. SCHEDULE

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Pre-proposal Conference	October 8, 2009
Deadline for submittal of written questions	October 16, 2009
Deadline for submittal of proposals	November 6, 2009
Anticipated award date of Agreement	December 8, 2009

The Port reserves the right to change any of the above dates, as it deems necessary in the Port's best interest.

# III. PROPOSAL REQUIREMENTS

Proposers are to provide complete answers to the outline below. Evaluation will be based on the qualification statements received.

# 1. Executive Summary

Submit a summary of no more than one (1) page highlighting information regarding the Proposer and its responses contained within the proposal.

# 2. **Proposer's DBE Information**

- A. Explain any DBE's involvement in the concession operation.
- B. Provide the name, address, and telephone number of DBE.
- C. Describe the nature of the DBE's primary business.
- D. Explain ownership of DBE. Identify those owning interests of 25% or more.

# 3. Proposer's References

A. Provide two (2) references from customers, suppliers, or business partners that validate the Proposer's business as an on-going concern as stated in proposal.

# 4. Business, Customer Service, and Operational Plan

- A. Explain ownership and/or management that will be involved in the operation of the concession throughout the term of the Agreement.
- B. Outline your plan for management and supervision of the concession. Provide resumes of key staff to be assigned to the Airport including relevant qualifications, job descriptions and levels of responsibility.
- C. Describe your personnel policies and procedures including hiring, training incentives, performance measures, and equal opportunity employment programs. Include company requirements on attire, hygiene and other employee procedures.
- D. Describe in detail your marketing plan. Provide examples of your plan to increase ridership in this concession.
- E. Comment on the suitability of the attached draft Lease Agreement, Exhibit 2.
- F. Provide details of Proposer's service areas. Proposer must, at a minimum, serve those areas listed in Exhibit B of the Lease and Operating Agreement.
- G. Provide examples of how you will guarantee level of service and performance standards with vehicle adjustments for seasonal change in demand.
- H. Describe in detail your plan for ensuring maximum wait times of 5 minutes for customers at the airport.
- I. Describe in detail your customer service standards.
- J. Provide examples of how you capture customer service comments and complaints and what your progressive structure is regarding disciplinary action.
- K. Document your drivers' training program, outlining your expectations for operator conduct.
- L. Submit a plan on how you will work collaboratively with other associations should you be one association selected amongst others.

# 5. Revenue to the Port

- A. Describe, in detail, how much you propose to pay the Port of Seattle.
  - i. The Port will require each Proposer to pay the Port a minimum, annual amount equal to the number of out-bound trips multiplied by the then-current per trip fee calculated by the Port. Each Proposer may, but is not required, pay the Port guaranteed amounts in excess of this sum. If Proposer proposes to pay the Port any additional minimum amount, clearly specify any guaranteed amount. Describe, in detail, how the proposed additional guaranteed amount paid to the Port will escalate on an annual basis.
  - ii. The Port will require each proposer to pay the Port a minimum concession fee equivalent to 10% of gross revenues generated from outbound trips, i.e., trips originating from Sea-Tac Airport. The minimum 10% concession fee will include the minimum annual guaranteed described in i. above. At no time will the amount owed to the Port be below the minimum annual guarantee described in i. above. However, if the minimum concession fee of 10% applied to gross revenues from outbound trips results in an amount that exceeds the minimum annual guarantee, the proposer will be required to pay to the Port the additional amount up to the minimum 10% fee. Each proposer may, but is not required, pay the Port a concession fee higher than 10%. If proposer proposes to pay the Port a concession fee higher than 10%, clearly specify the proposed concession fee.
- B. The Port will require each Proposer to provide details of forecasted, or predicted, ridership over the 5-year contract period beginning 9/1/10, including number of trips, total revenue to Proposer, and total revenue to Port incorporating the proposed minimum annual guarantee and concession fee payable to the Port described in i. and ii. above, and in conjunction with items 7.F and G. below.

# 6. <u>Deadhead Reduction Proposal</u>

A. Proposers must describe in detail what approach they will use to effectively reduce deadhead trips to and from the airport. Please provide a detailed summary and attach a spreadsheet detailing what percentage of deadhead trips will be reduced monthly by your efforts. Use attainable and realistic goals only, as your percentage will become a term of the agreement to which the proposers must adhere or forfeit rights to the agreement.

# 7. Financial Stability

- A. Provide financial statements, including balance sheets, statements of income, and cash flow statements for the last three (3) calendar years or fiscal years. Audited financial statements are strongly preferred. In the event audited financial statements are not available, all financial statements shall be certified by the Proposer's Controller/Director of Finance/Chief Financial Officer, or other senior manager, such as Owner, President, or Chief Executive Officer.
- B. If Proposer operates as a subsidiary of another company or is in a joint venture with another company, provide all financial statements listed in 7.a. for each company.
- C. Provide current Dun & Bradstreet Summary, if available. If a Dun & Bradstreet Summary is unavailable, state why.
- D. Provide the name, address, telephone/fax numbers of the Proposer's bank(s), including a letter of reference from the bank(s).

- E. Provide proof of ability to obtain and retain various insurance policies and bonds required under the Agreement, as described in Section 12 of Exhibit 2, Lease and Concession Agreement.
- F. Provide financial forecasts, or pro-formas, covering the five (5) year term of the concession agreement.
- G. List any amounts that will be invested in the operation of the business over the 5-year concession and detail how the amounts will be financed (equity, line of credit, bank loan, etc.)

# 8. Experience, Qualifications, and References

- A. Company Profile: Provide details of the Proposer including the following:
  - i. If a corporation, furnish the date and state of incorporation, and the names of all persons or entities owning at least 25% of the company's voting stock. If Proposer is a subsidiary, state the name of parent company; however, all information provided herein must be as to Proposer and not as to parent company.
  - ii. If a partnership, list all partners.
  - iii. If a joint venture, provide the information requested within this section for each party.
  - iv. If a sole proprietorship, list all business names under which such individual has done business during the last five (5) years.
  - v. Provide organizational structure of the Proposer, both corporate and local. Attach organizational charts and resumes.
- B. Experience and Qualifications
  - i. Describe the experience of the Proposer in managing and operating taxi and/or other vehicle-related concession agreements in airports or other high traffic public areas.
  - ii. Describe how you will ensure that your fleet of vehicles will minimize air emissions and institute operational practices that help protect impacts to the natural environment. By September 1, 2010, Proposer must demonstrate that at least fifty percent (50%) of its vehicle fleet will utilize alternative fuels or have a highway rating of 45 mpg or greater. By September 1, 2011, Proposer must demonstrate that one hundred percent (100%) of its vehicle fleet will utilize alternative fuels or have a highway rating of 45 mpg or greater. The Department of Energy considers the following vehicle fuels as alternatives to petroleum: Biodiesel, Electricity, Ethanol, Hydrogen, Methanol, Natural Gas, and Propane. For more information about alternative vehicle fuels, consult http://www.afdc.energy.gov/afdc/fuels/index.html
  - iii. Submit a tabulated list where Proposer has operated taxi and/or vehicle related concessions, which list should include location(s), beginning and ending dates of agreements, and gross receipts generated by each contract.
  - iv. State whether Proposer had any leases that terminated prior to expiration of the term within the past ten (10) years. If stated, explain the reason for the termination(s).
  - v. Describe what computerized dispatching experience you have.
- C. Provide two (2) references from customers, suppliers, or business partners that validate the Proposer's business as an on-going concern as stated in proposal.

# IV. PROPOSER'S CERTIFICATION

# By submitting a Proposal, Proposer understands, agrees and warrants that:

Proposer has carefully read and fully understands the information provided in this RFP, including, but not limited to, Part II, Section 7 (Competitive Integrity).

Proposer has the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.

All information in the Proposal is true and correct.

The Port has the right to negotiate fees and other items it deems appropriate for the benefit of the Port and the traveling public.

The Port has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the Port permission to make said inquiries and to provide any and all requested documentation in a timely manner.

Dated this day of	, 2009.
(Proposer)	
By: Title:	

(TO BE ACCEPTED, ALL PROPOSERS MUST SIGN THIS CERTIFICATION)

# V. PROPOSER GUARANTEE

The Proposal must be accompanied by a CASHIER'S CHECK, MONEY ORDER OR SURETY BID BOND payable to the Port of Seattle in an amount of Three Thousand and No/100 Dollars (\$3,000.00). This security shall serve as guarantee that the Proposer, if awarded the contract under this RFP, will execute the Agreement and provide to the Port a lease security and required evidence of insurance. This security will be returned to the unsuccessful Proposer at the time of contract award and to the successful Proposer(s) upon receipt of a signed Agreement.

# **EXHIBIT 1**

# (Directions to Pre-Proposal Conference Room)

- Park in General Parking, Floors 3, 5-8 of the Parking Terminal. (We will only validate in General Parking)
- Park in row S through W
- Take the stairs or elevator to floor #4
- Take skybridge #1 to the main passenger terminal
- The Pre-Proposal Conference will be held in the Seoul conference room on the mezzanine level of the Airport Operations Building located at the south end of the airport terminal
- Please check in with the receptionist on the mezzanine level to get your visitors badge

# **EXHIBIT 2**

# LEASE AND CONCESSION AGREEMENT BETWEEN PORT OF SEATTLE AND

THIS LEASE AND CONCESSION AGREEMENT (hereinafter the "Agreement") is made , 2010, by and between the PORT OF SEATTLE, a Washington municipal as of corporation (hereinafter the "Port"), and corporation (hereinafter the "Concessionaire"). RECITALS: WHEREAS, the Port owns and operates the Seattle-Tacoma International Airport (hereinafter "the Airport"), located in the County of King, State of Washington; and WHEREAS, On-Demand Taxi service is an important element of an efficient ground transportation system at the Airport; and WHEREAS, pursuant to Chapter 14.08 RCW and other applicable statutes, the Port Commission is authorized to regulate and control the use of Port facilities at the Airport and to contract by concession agreement for the use of those facilities; and WHEREAS, the Port Commission has determined that is in the best interest of the public that uses the Airport to enter into this Agreement; NOW, THEREFORE, in consideration of their mutual promises, the parties hereby agree that Concessionaire's activities at the Airport for the period stated in paragraph 1 below shall be governed by the following terms and conditions: 1. TERM. This Agreement shall become effective \_\_\_\_\_\_\_, 2010, and shall continue for a term of five years, ending on \_\_\_\_\_\_, 2015, unless sooner terminated pursuant to any provision of this Agreement. 2. WARRANTY OF ADEQUATE AUTHORITY TO PROVIDE SERVICE.

Concessionaire covenants and warrants that it holds and will maintain any and all authority necessary from any other governmental body (federal, state and/or local) to fully and adequately provide the services covered by this Agreement. In the event this Agreement is terminated because: (a) Concessionaire is held to lack any such authority; (b) Concessionaire loses such authority; or (c) Concessionaire's On-Demand Taxi services under this Agreement are interrupted or restricted, voluntarily or by action or threatened action of any governmental body or private entity, then Concessionaire shall hold harmless and indemnify the Port from any and all expenses, losses and damages the Port may incur, including but not limited to, any and all expenses associated with preparing and negotiating a new On-Demand Taxi agreement

and any and all loss of concession revenues to the Port for the balance of the term of this agreement. These obligations of Concessionaire shall survive any termination of this Agreement and shall be in addition to any and all other rights and remedies provided by law or this Agreement, including but not limited to, liquidated damages for Concessionaire's failure to provide a minimum level of service as described in paragraph 4 below.

# 3. GRANT OF CONCESSION.

- A. The Port grants to Concessionaire the non-exclusive right to provide transportation services from the Airport by way of On-Demand Taxi services. [Concessionaire's right to provide On-Demand Taxi services shall be in common, and shall be jointly provided, with \_\_\_\_\_\_ ("the Other Concessionaires").] Except as otherwise provided, the Port shall award no other concession agreements to other On-Demand Taxi services. However, nothing contained herein prevents the Port from permitting other Pre-arranged Taxi services from picking up passengers on the arrivals/departures levels or using the off-site holding areas when needed. In the event Concessionaire does not maintain the minimum service required herein or provide adequate service during inclement weather conditions, the Port may call in other taxi services to meet such minimum service. Such other taxi service may, during such time, use the areas reserved exclusively for Concessionaire by this Agreement.
- B. The Port also grants to Concessionaire the right to use those areas and loading zones designated in the attached Operating Instructions for its operations under this Agreement. [This right shall be in common with the Other Concessionaires.] The initial locations for said loading area, feeder lines and remote holding/staging lots shall be as shown on attached Exhibits A and B, respectively, and the Manager, Ground Transportation or designee (hereinafter "MGT") in his/her discretion shall have the right from time to time to alter the number, reconfigure, or relocate any or all of the holding/loading zones or feeder lines including the remote holding lot on ten (10) days' prior written notice to Concessionaire.
- C. Nothing in this Agreement prevents the Port from granting permission to other operators of vehicles rendering a different type of service the use of the Airport's facilities.
- D. Nothing in this Agreement shall restrict in any way the Port's rights to deny or control uses of the Drives and adjacent areas at the Airport Passenger Terminal Building.
- E. In the event that federal or state courts or regulatory agencies having judicial or administrative jurisdiction declare or deem the rights and privileges granted by this Agreement to Concessionaire to be invalid, unenforceable, or void, the Port may comply with any resulting judicial orders or administrative directive without being deemed in violation of this Agreement. Further, the Port may, in its discretion, award some or all of Concessionaire's concession rights and privileges to additional taxi operators if the same appears necessary or advisable in order to comply with such judicial orders or administrative directives. In the event of such award by the Port, Concessionaire may at its option, upon not less than sixty (60) day's prior written notice to the Port, terminate this Agreement with the Port and discontinue On-Demand taxi operations at the Airport. Except for the aforesaid option to terminate, the award

of concession rights and privileges to additional operators shall not entitle Concessionaire to any reduction of any fees due and payable hereunder or to any other modifications of this Agreement.

- F. This Agreement does not authorize Concessionaire to perform any services for the account of the Port; all services authorized by this Agreement are to be performed by Concessionaire for the account of itself[, the Other Concessionaires,] or of third parties.
- G. Concessionaire accepts the grant of concession and agrees to perform the services and obligations described in this Agreement, including the attached Operating Instructions.
- H. Concessionaire may at times of emergency be required to provide transportation services. In such cases, the Port shall use all reasonable efforts to provide as much notice as possible to Concessionaire under the circumstances.

# 4. MINIMUM SERVICE REQUIRED OF CONCESSIONAIRE; NUMBER OF VEHICLES REQUIRED.

A. Concessionaire shall operate its vehicles for the public via the most immediate and safest route. Concessionaire shall, [together with the Other Concessionaires] as a minimum service requirement, provide enough On-Demand taxis on a daily basis to ensure that a passenger shall not wait more than five (5) minutes maximum for an On-Demand Taxi. Such On-Demand Taxis and drivers shall be available and ready for service to customers in accordance with the conditions described herein.

The minimum service requirements may be changed, so as to provide additional service from time to time, by the MGT on fifteen (15) day's prior written notice to Concessionaire based upon the MGT's best judgment as to the public demand for On-Demand Taxi transportation and what is adequate to meet such demand. Concessionaire shall, in any event, at all times use its best efforts to render adequate service. The MGT has the discretion to determine what constitutes adequate service.

- B. The Port will issue permits for two hundred ten (210) total On-Demand Taxis at the Airport. [Specify number (\_\_) of] these On-Demand Taxi permits will be issued to Concessionaire pursuant to this Agreement. [The remainder shall be issued to the Other Concessionaires.] The Port shall have the option to issue more permits if, in its sole discretion, additional On-Demand taxis are necessary to provide an acceptable level of customer service at the Airport. The Concessionaire may, at any time, petition the Port to issue permits for additional On-Demand Taxis in the event that the existing number of permitted On-Demand Taxis is not sufficient to adhere to the requirements of Section 4A. Any additional permit shall be subject to all of the requirements set forth in the attached operating instructions.
- C. [In the event that the Port awards this Concession to Concessionaire together with Other Concessionaires, Concessionaire and the Other Concessionaires shall within forty five days of execution of this Agreement organize themselves so as to provide a management structure, and single point of contact for the Port, related to the operation, management, and enforcement of this Concession. The form of

organization, management structure and point of contact shall all be subject to the reasonable approval of the Port.]

- D. The ground transportation information offices shall be staffed and operated solely by Port personnel. Hours of operation, business procedures and operational decisions shall be at the discretion of Port Management.
- E. Concessionaire agrees that it will affix Automatic Vehicle Identification (AVI) tags to its vehicles in a manner and location approved by the Port and to pay the sum of \$100.00 per tag for any loss or damage that may occur to the tag(s).
- F. Concessionaire shall maintain monthly records setting forth the trips of all On-Demand Taxis from and to the Airport and shall make such records and/or summary reports available to the Port upon request.
- G. In the operation of the Concession, Concessionaire shall specifically use all reasonable efforts to minimize "deadheading" (i.e. passengerless return trips to the Airport to obtain additional, outbound fares). Concessionaire shall specifically achieve the reduction in deadheading set forth in the chart below. The failure to do shall constitute a material default of this Agreement.

[Insert Chart Based on Response to RFP]

# 5. LIQUIDATED DAMAGES FOR FAILURE TO PROVIDE MINIMUM SERVICE REQUIRED BY CONCESSIONAIRE.

The Port, as operator of the Airport, has a responsibility to provide adequate ground transportation services at the Airport. A failure to have adequate On-Demand Taxi service reflects adversely on the reputation of the Airport and the long range desirability and use of the Airport. The costs and damages which may be incurred by the Port and by members of the public as a result of inadequate service by Concessionaire on a particular day are difficult to estimate and prove after service is determined to be inadequate. The parties therefore agree to substitute an amount of liquidated damages as a measure of the costs and damages, direct and indirect, suffered by the Port for failure to meet a call for service within five (5) minutes from the feeder lines and loading zones. Concessionaire [and the Other Concessionaires, jointly and severally, agree to pay to the Port Fifty Dollars (\$50.00) each time the Concessionaires fail to meet such call within the required time limit; provided, however, that failure to meet such requirement may be excused if it is solely due to inclement weather that results in declaration of an airport emergency, acts of God, or extraordinary traffic conditions that were not foreseeable or could not be anticipated, and not due to the fault or negligence of Concessionaire; or where the service requirement is excused in writing by the MGT as being unnecessary for a period of time.

# 6. COMPLIANCE WITH LAWS.

A. Concessionaire shall comply with all Federal, State, King County, City of Seattle and other local laws, ordinances and regulations, and all Port rules, regulations, and tariffs including without limitation, regulations and written and oral directions issued by the MGT and by representatives of the Federal Aviation Administration. The

Concessionaire recognizes that the Port has entered into certain FAA grant agreements for the purpose of accepting federal aid to airports and may, in the future, enter into other such agreements with public agencies. The Concessionaire agrees to abide by such agreements to the extent that they may affect Concessionaire.

- B. Concessionaire [and the Other Concessionaires] shall furnish, at its[/their] own expense, supervisors and such other management personnel as may be necessary for the efficient operation of the Concession activities pursuant to this Agreement. Concessionaire shall notify the Port's Ground Transportation Office of the persons who are authorized to act as supervisors.
- C. Concessionaire's drivers rendering services at the Airport shall conform to the dress standards specified in the attached Operating Instructions. Authorized drivers not adhering to the uniform dress code will not be allowed in feeder lines or holding areas and will be asked to leave the Airport's premises without taking a fare. Failure to comply will result in the driver forfeiting the right to conduct business at the Airport until authorized driver is in compliance with the dress code as approved by Concessionaire and the Port.
- D. Concessionaire shall obtain, maintain and comply with all permits, franchises, licenses, certificates, insurance and authorizations necessary to operate ground transportation for passengers and patrons of the airlines provided for in this Agreement.

# 7. REVENUE TO THE PORT.

Concessionaire shall pay to the Port, for the concession rights and privileges granted herein, the following:

- A. <u>Minimum Annual Guarantee</u>. Concessionaire shall pay the Port a minimum annual guarantee (the "Minimum Annual Guaranty") equal to \_\_\_\_\_\_. The Minimum Annual Guarantee amount shall be divided into equal monthly payments and shall be payable in advance, on or before the first day of each and every month during the term hereof, without notice from the Port and without setoff or deduction.
- В. Percentage Fees. Concessionaire shall also pay the Port a percentage fee (the "Percentage Fee"), to the extent the Percentage Fee is higher than the monthly payment of the Minimum Annual Guarantee paid to the Port equal to percent (%) of Concessionaire's Gross Receipts from the Concession. On or before the fifteenth (15<sup>th</sup>) day of each month, Concessionaire shall submit to the Port a detailed statement showing the Gross Receipts generated from the Concession during the preceding month and shall simultaneously pay to the Port the Percentage Fee due for that preceding month less the monthly payment of Minimum Annual Guarantee already paid by the Concessionaire for that month. The reports shall show such reasonable detail and breakdown as may be required by the Port. In no event, however, shall the total annual Percentage Fee be less than the total per-trip fee that Concessionaire otherwise would pay the Port under a cost-recovery methodology. At the conclusion of each year of this Agreement, the Port will calculate the total number of outbound trips made by Concessionaire and multiply that number by the then-current per trip fee otherwise charged by the Port for ground transportation services at the Airport. In the event that the Concessionaire has not otherwise paid the amounts indicated by this

calculation, Concessionaire shall – within ten (10) days following invoice by the Port – pay such additional amounts as necessary to meet this minimum Percentage Fee amount.

- C. Gross Receipts. As used in this Agreement, the term "Gross Receipts" shall mean and refer to the aggregate gross amount of revenue derived from the Concession, whether cash, credit or in kind. No deduction shall be permitted for credit card discounts or thefts, and for uncollected or uncollectible credit or charge accounts. "Gross Receipts shall also include any promotional or advertising income received by or credited to Concessionaire on account of displays, promotions, advertising or other activities in connection with the Concession. Any deposit not refunded shall be included in Gross Receipts. "Gross Receipts" shall not include the following when properly recorded and accounted for: (i) refunds allowed by Concessionaire to customers because of unacceptable or unsatisfactory services to the extent such refund was actually granted and adjustment actually made and (ii) any discounts actually granted.
- D. Concessionaire hereby acknowledges that late payment by Late Charges. Concessionaire to the Port of the Minimum Annual Guaranty or Percentage Fees, or any other sums due hereunder will cause the Port to incur costs not otherwise contemplated by this Agreement. Accordingly, if any sum due from Concessionaire shall not be received by the Port within ten (10) days after such amount shall be due, then, without any requirement for notice to Concessionaire, Concessionaire shall pay the Port a late charge equal to five percent (5%) of such overdue amount. The parties agree that such late charge represents a fair and reasonable estimate of the costs the Port will incur by reason of late payment by Concessionaire. Acceptance of such late charge by the Port shall in no event constitute a waiver of Concessionaire's default with respect to such overdue amount, nor prevent the Port from exercising any of the other rights and remedies granted hereunder. In addition to the late charges provided for in this Section, interest shall accrue on Minimum Annual Guaranty, Percentage Fees, or any other sums due hereunder, at the rate of eighteen percent (18%) per annum or the maximum rate provided by law, whichever is less, from the date due until paid.

# 8. RECORDS OF CONCESSIONAIRE.

- A. Concessionaire covenants and agrees that it will establish and maintain current and detailed records of all services provided under this Concession together with an accounting system (specifically including all books of account and records customarily used in the type of operation permitted by this Agreement) in full and complete accordance with generally accepted accounting principles and otherwise reasonably satisfactory to the Port for the determination of any Percentage Fees or other computations, or both, which may be necessary or essential in carrying out the terms of this Agreement. Concessionaire shall maintain its records relating to the operation permitted by this Agreement for a period of at least three (3) years after the end of each year of this Agreement (or until the close of any ongoing audit thereof being conducted by, or on behalf of, the Port); provided, however, that the Port may request that any such records be retained for a longer period of time, in which case Concessionaire, at its option, may deliver such records into the custody of the Port.
- B. A representative designated by the Port shall be allowed to inspect and audit

Concessionaire's books of accounts and records with reference to the determination of any matters relevant to this Agreement at all reasonable times. The cost of such audit shall be borne by the Port unless the results of such audit reveal a discrepancy of more than two percent (2%) reported in accordance with Section 7.B. above for any twelve (12) month period. In the event of such discrepancy, the full cost of the audit shall be borne by the Concessionaire, and Concessionaire shall promptly pay all additional fees owing to the Port.

C. In the event that Concessionaire's books of accounts are not maintained in the Puget Sound region, they shall be made available for audit locally within five (5) business days of a request by the Port, or Concessionaire shall pay in full, any travel and related expenses of Port representative(s) to travel the location outside the Puget Sound region. In addition, The Port shall have the right to conduct a "surprise" audit not more frequently than twice every twenty four months, and, in the event that Concessionaire's books and records are not maintained locally, Concessionaire shall further pay in full, any travel and related expenses of the Port representative(s) to travel the location outside the Puget Sound region for such "surprise" audit.

# 9. INSPECTION.

Concessionaire shall make its vehicles available for inspection and review by representatives of the Port, King County, City of Seattle or any other regulatory body at any time while on Port property. On-Demand Taxis shall be inspected for cleanliness, proper equipment, good appearance, safe operating condition and violations of any laws, ordinances, the terms of this Agreement (including the Operating Instructions), or Port Rules and Regulations. Concessionaire's employees shall be reviewed for cleanliness, good appearance, and violations of any laws, ordinances, the terms of this Agreement (including the Operating Instructions), or Port Rules and Regulations.

# 10. RATES AND FARES.

In the event the rates for Concessionaire's services are subject to the control of any governmental authority, Concessionaire will charge rates consistent with the authority's regulations. If rates are not established and controlled by any governmental authority, the rates charged shall be reasonable and fair as determined by the Port. (See City Rule R-6.310.320.I)

# 11. SECURITY.

The Concessionaire has already delivered to the Port, as security for Concessionaire's payment of any fees or fines and full performance of all other obligations hereunder, an amount of one quarter of the Minimum Annual Guarantee. This sum shall be refunded upon termination of this Agreement except to the extent any amounts are drawn upon by the Port to satisfy any obligation of Concessionaire which is overdue at the time of termination. If at any other time the Port draws upon the security to satisfy any obligations under the Agreement, Concessionaire shall restore the security to the full amount specified herein no later than thirty (30) days following the time the Port draws on said security. The Port may, following Concessionaire's failure to restore the security deposit in the manner prescribed, suspend Concessionaire's operations or declare Concessionaire to be in default and subject to

paragraph 17 herein.

# 12. INDEMNITY

The Port, its Commissioners, officers, agents and employees (collectively, the "Port"), shall not be liable for any injury (including death) to any persons or for damage to any property sustained, or alleged to have been sustained, as a result of or in connection with any present or future conditions at the Airport and/or any occurrence whatsoever related in any way to Concessionaire's activities. Concessionaire shall defend, indemnify, and save the Port harmless from all liability and expense (including attorney's fees) in connection with all claims, suits, and actions, of every name, kind and description brought against the Port by any person or entity as a result of or on account of actual or alleged injuries (including death), or damages to any persons (including but not limited to all persons directly or indirectly employed by Concessionaire, its Concessionaires, subConcessionaires, or suppliers) entities and/or property received or sustained, or alleged to have been received or sustained, in connection with or as a result of any present or future conditions at the Airport and/or any of Concessionaire's activities, whether or not caused by the Port's negligence, except where such injuries, death, or damages are caused by the sole negligence of the Port. Concessionaire expressly agrees that its duty to defend and indemnify the Port includes negligent acts that are concurrent, contributory, or both, by the party resulting in said damage or injury. Concessionaire shall be liable to the Port for any loss, injury, or damage to the Port caused by Concessionaire or related to its activities, and promptly reimburses the Port when requested.

# 13. INSURANCE

- A. Prior to commencement of Agreement, Concessionaire shall procure and maintain one or more lines of insurance coverage to be kept in force for the life of this Agreement. Insurance shall be procured from insurance carriers with a current A.M. Best's rating of no less than "A Minus VI". Concessionaire shall submit to the Port a Certificate of Insurance which shows that it has obtained the required coverage(s). Coverage shall not lapse or be terminated without the Concessionaire's or Concessionaire's insurance agent or broker written notification to the Port, no less than forty-five (45) days prior to any such lapse or termination. Concessionaire additionally agrees to notify the Port upon any material change of insurance coverage or reduction in limits. Concessionaire shall submit endorsements or other supporting insurance documents, including binders along with the Certificate of Insurance. Concessionaire shall provide evidence of insurance annually or upon request by the Port for the duration of the Agreement.
- B. Concessionaire shall procure and maintain insurance in the following minimum form and limits. The limits shall not be construed as to relieve the Concessionaire from liability in excess of the limits. The minimum limits indicated below do not indicate that the Port has assessed the risks that may be applicable to the Concessionaire under this Agreement. All deductibles or self-insurance retentions are the responsibility of the Concessionaire. Concessionaire may meet required insurance limits through a combination of primary and umbrella or excess insurance. Excess and coverage insurance must include the specific components of the underlying required coverage identified below. Any insurance the Port may carry will apply strictly on an excess basis over any applicable insurance the Concessionaire may carry. The Concessionaire shall provide to the Port, if requested, a copy of any insurance policy required under

this Agreement, including a copy of the policy declarations, binder, all endorsements, and any policy amendments.

- i. Commercial General Liability insurance on ISO Form CG 00 01 10 01 (or equivalent) for third party property damage, bodily injury, personal and advertising injury, and medical payments in an amount which is not less than \$2,000,000 per occurrence and \$2,000,000 annual aggregate. The insurance shall cover liability arising from premises, operations, independent Concessionaires, products completed operations, personal and advertising injury, and liability assumed under an insured contract. The Concessionaire's insurance shall be primary and non-contributory with respect to any insurance the Port carries and apply separately to each insured. The Port shall be named as an additional insured for all work arising out of Concessionaires Work, including "on-going" and "completed operations" using ISO Endorsement Form CG 20 26 11 85 or an equivalent endorsement approved by the PORT. The policy shall not contain a deductible greater than \$25,000 without prior approval of the Port.
- ii. Automobile Liability Insurance. Automobile insurance of not less than \$1,000,000 per occurrence, combined single limit for bodily injury and property damage using ISO Form CA 00 01 (or equivalent Coverage shall extend to all owned, non-owned, hired, leased, rented, or borrowed vehicles. The policy shall not contain a deductible of greater than \$25,000 without prior approval of the Port.
- iii. Employers Liability Insurance (Washington Stop Gap Liability). The Concessionaire shall provide Washington State Stop Gap employers' liability insurance. This shall be in an amount of \$ 1 million per accident and \$1 million per disease using ISO CG 04 42 11 03 or equivalent. This coverage may be provided by endorsing the primary commercial general liability policy.
- C. Concessionaire is fully responsible for complying with the industrial insurance laws apply to this Agreement per the Revised Code of Washington, Title 51 Industrial Insurance for Concessionaire and its employees. Concessionaire shall submit a current employer liability certificate as issued by the Washington Department of Labor and Industries that shows the status of Concessionaire's worker compensation account prior to commencing any portion of the Work.
- D. Other Insurance. The insurance required within this Agreement may not fully cover the Concessionaire for any indemnity obligations the Concessionaire may have to the Port or others. It is Concessionaire's obligation to review the scope of this Agreement with Concessionaire's insurance agent or broker to address coverage needs for Concessionaire. The Port reserves the right to modify and add insurance requirements if the scope of work changes during the course of this Agreement and/or if this Agreement is amended or extended beyond original agreed upon termination date.

# 14. TAXES.

Concessionaire shall be liable for, and shall pay throughout the term of this agreement, all license fees and all taxes payable for, on account of, or related to its activities conducted at the Airport, City of Seattle or greater King County, whether imposed on Concessionaire or on the

Port. Concessionaire shall reimburse the Port for all such taxes paid or payable by the Port. With respect to any such taxes payable by the Port which are on or measured by the fees in this Agreement, Concessionaire shall pay to the Port with each fee payment an amount equal to the tax on, or measured by that particular payment. All other tax amounts for which the Port is or will be entitled to reimbursement from Concessionaire shall be payable by Concessionaire to the Port at least fifteen (15) days prior to the due dates of the respective tax amounts involved; provided, that Concessionaire shall be entitled to a minimum of ten (10) days' written notice of the amounts payable by it.

# 15. DEFAULT.

Time is of the essence of this Agreement, and in the event of the failure of Concessionaire to keep any of the covenants or agreements, the Port may elect to terminate this Agreement; provided however, that Concessionaire shall be given thirty (30) day's notice in writing stating the nature of the default in order to permit such default to be remedied by Concessionaire within said thirty (30) day period. In addition to all other cancellation rights described herein, the Port shall have the right immediately, or upon notice to Concessionaire, at the Port's discretion, to terminate this Agreement upon the happening of any of the following:

- A. The occurrence of any act which operates to deprive Concessionaire of the rights, powers, and authorization necessary in connection with the furnishing of ground transportation service at the Airport contemplated hereunder;
- B. Promulgation of a court order voiding this Agreement or requiring competitive procurement of the services herein required of Concessionaire
- C. The abandonment or discontinuance of the operation of ground transportation services by Concessionaire for any period of time.
- D. Failure to provide vehicles that meet Port fleet standards.

# 16. SIGNS.

All signs or other advertising matter at the Airport proposed by Concessionaire in connection with Concessionaire's activities shall require the prior written approval of the Port.

# 17. NONWAIVER.

The Port's acceptance of payments for any period or periods after default by Concessionaire hereunder shall not be deemed a waiver of such default unless the Port intends and so advises Concessionaire in writing. No waiver by the Port or any default by Concessionaire shall be construed to be or act as a waiver of any subsequent default by Concessionaire.

# 18. ATTORNEYS' FEES.

In the event either party is required to bring any action to enforce any of the provisions of this Agreement or to defend any action brought by the other party with respect to this Agreement, and in the further event that one party substantially prevails in such action, the losing party shall, in addition to all other payments required, pay all of the prevailing party's actual costs in

connection with any such action, including such sums as the court or courts may adjudge reasonable as attorney's fees in the trial court and in any appellate courts. In the event government attorneys provide services, such attorneys' fees shall be computed on the basis of the fees of a private attorney of comparable experience.

# 19. ADVANCES BY PORT FOR CONCESSIONAIRE.

If Concessionaire fails to do anything required to be done by it under the terms of this Agreement, except payment of fees, the Port may, at its sole option, do such act or thing on behalf of Concessionaire, and upon 30 days written notice to Concessionaire of the cost to the Port, Concessionaire shall promptly pay the Port the amount of that cost.

# 20. JOINT AND SEVERAL LIABILITY.

Each and every person who signs this Agreement, other than in a representative capacity, as Concessionaire, shall be jointly and severally liable hereunder. The Port is not a partner or joint venturer with Concessionaire.

# 21. CAPTIONS.

The captions in this Agreement are for convenience only and do not in any way limit or amplify the provisions of this Agreement.

# 22. INVALIDITY OF PARTICULAR PROVISIONS.

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to person or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

# 23. NO ASSIGNMENT.

Concessionaire shall not assign or transfer this Agreement or any interest therein, nor shall this Agreement or any interest there under be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise without the advance written consent of the Port.

# 24. DISADVANTAGED BUSINESS ENTERPRISES.

A. It is the policy of the Port to support participation of DBEs, as defined in 49 CFR, Part 23, in concession activities at the Airport. To the extent Concessionaire is required to operate the Concession as a DBE, Concessionaire agrees to submit to the Port, upon execution of this Agreement, certification from the State of Washington that Concessionaire is a certified DBE. At all times during the term of this Agreement, Concessionaire shall be and remain certified as a DBE in accordance with all applicable federal, state and local laws, rules and regulations and shall timely file any and all applications, together with all supporting documentation, necessary to maintain such certification. In the event that Concessionaire is certified as a DBE and that

certification is necessary to satisfy the requirements of this Section, prior to any change in ownership, control or organization of Concessionaire, Concessionaire shall (in addition to any requirements that may be imposed by Section 24) similarly obtain DBE certification for Concessionaire as so changed and provide the Port with proof of the same. If Concessionaire shall at any time cease to be so certified, the Port may, at its sole option, terminate this Agreement on not less than ninety (90) days advance written notice to Concessionaire.

- B. It is the policy of the Port to ensure that Disadvantaged Business Enterprises (DBEs) as defined in the Department of Transportation (DOT), 49 CFR Part 23, and other small businesses have an equal opportunity to receive and participate in DOT-assisted contracts. The Port encourages Concessionaire to make every reasonable effort to maximize the contracting opportunities for DBEs and other small businesses in the operation of the concession at this Airport.
- C. Concessionaire shall submit quarterly DBE participation reports to the Port starting on the first day of the second month after the commencement of this Agreement. Concessionaire shall submit such reports as may be required by the Port, for the purpose of demonstrating compliance with 49 CFR Part 23.

# 25. NONDISCRIMINATION.

- A. Concessionaire for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the Airport for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Concessionaire shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulation may be amended.
- B. Concessionaire for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree: (a) that no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (b) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied benefits of, or otherwise be subjected to discrimination, (c) that Concessionaire shall use any premises provided in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.
- C. Concessionaire assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This Provision obligates Concessionaire or its transferee for the period during which Federal

assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates Concessionaire or any transferee for the longer of the following periods: (a) the period during which the property is used by the Port or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the Port or any transferee retains ownership or possession of the property. In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract.

- D. In addition, Concessionaire agrees that, whether or not this Agreement is conducted with, or benefits from, Federal assistance, it shall in all matters pertaining to the performance of this Agreement conduct its business in a manner which assures fair, equal and nondiscriminatory treatment of all persons without respect to race, sex, age, color, creed, sexual preference, marital status, national origin, or the presence of any sensory, mental or physical handicap.
- E. Concessionaire will maintain open hiring and employment practices and will welcome applications for employment in all positions from all qualified individuals.
- F. It is the policy of the Department of Transportation that disadvantaged business enterprises as defined in the Airport and Airway Improvement Act, as amended, and as implemented by Federal regulations shall have the maximum opportunity to participate in the performance of services as defined in 49 CFR 23.5. Consequently, this Agreement is subject to 49 CFR Part 23 as applicable.
- G. Concessionaire will, at the timely request of the Port, provide any information needed in preparation of necessary reports, forms, documents, and other data relative to equal employment.
- H. Concessionaire hereby assures that it will include the above clauses in any subcontract(s) approved by the Port and cause subcontractor(s) to similarly include clauses in further subcontracts.
- I. It is agreed that Concessionaire's noncompliance with the provisions of this clause shall constitute a material breach of this Agreement. In the event of noncompliance with this section, the Port may take appropriate action to enforce compliance, may terminate this Agreement, or may pursue such other remedies as may be available.

# **26.** NON-DISCRIMINATION - EMPLOYMENT.

- A. Concessionaire covenants and agrees that in all matters pertaining to the performance of this Agreement, Concessionaire shall at all times conduct its business in a manner which assures fair, equal and nondiscriminatory treatment of all persons without respect to race, sex, age, color, creed, sexual preference, physical disability, or national origin and, in particular:
- B. Concessionaire will maintain open hiring and employment practices and will welcome

applications for employment in all positions from qualified individuals who are members of racial or other minorities, and

- C. Concessionaire will comply strictly with all requirements of applicable federal, state and local laws or regulations issued relating to the establishment of nondiscriminatory requirements in hiring and employment practices and assuring the services of all patrons or customers without discrimination as to any person's race, sex, age, color, creed, physical disability, or national origin.
- D. Taxi Cab Vehicle lease procedures, as they apply to the owner and driver relationship, shall be strictly adhered to per the City of Seattle Rules. (See City Rule R-6.310.315)

# 27. NOTICES AND PAYMENTS.

All notices and payments hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

To Port:

Manager, Ground Transportation Port of Seattle Sea-Tac International Airport P. O. Box 68727 Seattle, WA 98168-0727

To Con	cessionaire:

or to such other respective addresses as either party hereto may from time to time designate in writing. Notices and payments sent by first class, certified or registered mail shall be deemed to have been given when actually received, or three days after proper mailing, whichever occurs first. The postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing.

# 28. PORT'S RIGHT TO REPAIR SEA-TAC FACILITIES.

- A. Any portion of this Agreement to the contrary notwithstanding, the Port shall have the absolute right to make any repairs, alterations and additions to the Airport terminal buildings or any other the Airport facilities, free from any and all liability to Concessionaire herein, for loss of business or damage of any nature whatsoever sustained by Concessionaire during the making of such repairs, alterations and additions. The Port will directly bill the Concessionaire for any repairs that are due to the negligence of the Concessionaire.
- B. Port shall provide janitorial services for any facility at the Airport designated by the Port for use by Concessionaire. Such service shall be provided at least one time in each twenty-four hour period. Concessionaire shall be responsible for keeping the facilities clean at all other times.

# 29. RIGHT TO DEVELOP AIRPORT.

The Port reserves the right to further develop or improve the Airport and all landing areas, taxiways, terminal areas, and Landside areas and facilities. Lots and feeder line locations, and any other part of the Ground Transportation operations at the Airport may be altered or relocated at the discretion of the Port. BOTH THE PORT AND CONCESSIONAIRES ACKNOWLEDGE THAT DURING THE TERM OF THIS AGREEMENT THERE WILL BE SIGNIFICANT CONSTRUCTION ACTIVITY AT THE AIRPORT, WHICH MAY REQUIRE ALTERATION OR RELOCATION OF FACILITIES AFFECTING CONCESSIONAIRE.

# 30. GOVERNING LAW.

The laws of the State of Washingon and, as they relate to the operation of taxicabs, the laws of the City of Seattle and King County shall govern this agreement. Venue for any Action between the Port and the Concessionaire arising out of or in connection with this Agreement shall be in King County.

# 31. CONTINUATION OF SERVICE.

- A. If the Concessionaire shall, with the written request or consent of the MGT, continue to render services after the expiration or sooner termination of the term of this concession, the resulting concession shall, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. During such month-to-month concession, the Concessionaire shall be bound by all of the existing provisions of this Agreement insofar as they may be pertinent, subject to any conditions imposed by the terms of the Port's written request or consent. If the Concessionaire does not continue services after the expiration of the term of this Agreement, Concessionaire shall promptly remove all personal property installed by it from the Airport. If the parties do not execute a new agreement prior to the expiration of this Agreement, this Agreement shall remain in full force and effect on a month-to-month basis.
- B. In the event of the termination of this Agreement and/or the failure of the Port to enter into a renewal or extension of this Agreement with Concessionaire upon the expiration of its term, Concessionaire agrees not to interfere with, and to use its best efforts to cooperate in, the smooth transition and transfer of the performance of such On-demand taxi services to any new or replacement concessionaire or operator. Concessionaire agrees to provide its existing level of On-Demand Taxi service until any new company is in place, so that no break in On-Demand Taxi service occurs.

# 32. ENTIRE AGREEMENT--AMENDMENT.

This constitutes the entire agreement between the Port and Concessionaire, superseding all prior negotiations and documents. There are no terms, obligations, covenants or conditions other than those contained in this Agreement and attachments and such rights as may arise from the attached exhibits. No modifications or amendments of either this Agreement or attached exhibits will be binding unless evidenced by a document subsequent to the date of this Agreement signed by authorized representatives of every party to the particular

instrument. The attached Operating Instructions may be amended at the Port's option upon ten (10) day's written notice to Concessionaire, or as otherwise provided therein.

# IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the day and year first above written.

PORT OF SEATTLE A Municipal Corporation

By:	By:
Printed Name:	Printed Name:
Manager, Ground Transportation (check on signature authority!)	

STATE OF WA	ASHINGTON)	
	) ss.	
COUNTY OF I	KING )	
ON THIS	day of	, 2009, before me personally appeared
		, to me known to be the
		, of the <b>PORT OF SEATTLE</b> , a
said instrument t	to be the free and volunt	nat executed the within and foregoing instrument, and acknowledged ary act and deed of said corporation, for the uses and purposes therein he was) (they were) authorized to execute said instrument.
WITNESS my l	nand and official seal he	reto the day and year in this certificate first above written.
Notary Public in	and for the State of Wa	shington, residing at My
Commission exp	oires:	<u></u> .
COUNTY OF H	day of	, 2009, before me personally appeared, to me known to be the
		nt and the, to the known to be the Secretary, respectively, of
and acknowledge	ed said instrument to be	, the corporation that executed the within and foregoing instrument, the free and voluntary act and deed of said corporation, for the uses oath stated that they were authorized to execute said instrument.
IN WITNESS V above written.	WHEREOF, I have here	ounto set my hand and affixed my official seal the day and year first
-	and for the State of Wa	shington, residing at My

# **EXHIBIT 3**

# ON-DEMAND OPERATING INSTRUCTIONS BETWEEN PORT OF SEATTLE AND

The following Operating Instructions apply to \_\_\_\_\_\_ ("Concessionaire(s)") and its employees when operating at Seattle-Tacoma International Airport ("the Airport"), which is owned and operated by the Port of Seattle (the "Port"). The Port Representative shall be the Manager of Ground Transportation (MGT) or designee. For purposes of these Operating Instructions, Concessionaire(s) shall also include any employees, supervisors, managers, taxi owners and drivers.

Concessionaire(s) is granted a vehicle permit allowing Concessionaire(s) to operate vehicles to pick-up and deliver passengers at the Airport in accordance with these Operating Instructions, applicable Port tariffs, Port Rules and Regulations, and Port Procedures and Directives pertaining to operation of vehicles; City of Seattle, King County or other applicable regulatory agency statutes, ordinances, and regulations and any or all amendments to the foregoing. Current applicable Port Rules and Regulations, Port Procedures and Directives, and Port Tariffs may be obtained by Concessionaire(s) from the Port's Ground Transportation Office located at the Airport.

The following Operating Instructions apply to Concessionaire(s) when operating at the Airport. As used in these Operating Instructions, the <u>term "Driver" shall mean</u> any On-Demand taxi driver who is the owner or leasor of the Concessionaire and has a fully-licensed taxi. <u>"Taxi" shall mean</u> any fully-licensed On-Demand Taxi that is associated and authorized with the Concessionaire(s).

# 1. AREAS OF OPERATION.

See Exhibits A and B.

# 2. PERMITS AND LEASE.

- A. On-Demand Taxi service is defined as transportation service in a taxi cab that is available and waiting at the Airport to be called to specific Port designated areas by passengers as they depart from the terminal.
- B. The On-Demand Taxi permit ("Permit") allows driver access to and from the Airport to provide taxi passenger pick-up on an on-demand basis at the Airport. The permits are solely associated with the privilege to operate at Seattle-Tacoma International Airport and shall not be transferred outside of the operation upon termination of the agreement.
- C. A minimum of two hundred and ten (210) taxi permits will be issued. Permits must be displayed while operating at the Airport. Permits are valid for one year and must be renewed each year. Owner shall sign a Permit Receipt (Exhibit C) and agrees to surrender the permit upon breach of the operating instructions, expiration of such permit or at the termination of this agreement.
- D. The permit shall not be transferable to any other vehicle.

- E. Driver may request that MGT transfer a permit to a replacement vehicle or onto a replacement windshield.
- F. The original permit must be returned to Ground Transportation Office before another permit will be issued. The Ground Transportation Office must be notified of any vehicle replacements within five (5) business days of the change.
- G. Driver shall sign a permit receipt for each permit issued during the term of the operating agreement. Each such permit must be surrendered by driver on demand of MGT. Please see Exhibit C for a copy of the permit receipt.
- H. A charge of \$10.00 a day will be assessed for temporary permits. Temporary permits are available for substitute vehicles and can be obtained in the Ground Transportation Office. Said permits shall be effective for a term as indicated by MGT. The temporary permit is to be returned to MGT before the original permit-assigned vehicle shall be returned to operation at the Airport. A charge of thirty dollars (\$30) will be assessed for a temporary permit that is not returned upon its expiration.
- I. Concessionaire(s) shall provide to MGT a current written list of the names and numbers of each Driver authorized to operate the taxi(s) in the form attached hereto as Exhibit D. Each Driver shall comply with and be bound by these Operating Instructions.
- J. The total number of vehicles shall not go below two hundred and ten (210). Concessionaire(s) may deactivate any of its vehicles by giving MGT written notice of intent to deactivate. An on-demand taxi may not remain deactivated for more than sixty (60) calendar days without prior written consent of MGT.
- **K.** Owners, it's Taxis and authorized drivers shall at all times comply with and be bound by all applicable federal, state and local laws, ordinances (including but not limited to King County ordinances) and regulations (including but not limited to Port of Seattle Schedules of Rules and Regulations and Tariffs) and any amendments foregoing.

# 3. PROCEDURES FOR PICKING UP PASSENGERS.

- A. The Concessionaire(s) activities at the Airport, including but not limited to, loading/unloading passengers and baggage, will be conducted within designated areas only.
- B. Ground Transportation Plaza, 3rd Floor- Parking Garage & 160<sup>th</sup> Street Taxi Holding Lot
  - i) On-demand taxi staging is available in the 3rd Floor Staging Area at the north end of the floor. Concessionaire's vehicles, when at the Airport, shall only wait within the designated holding areas approved by MGT.
  - ii) MGT has established two On-Demand taxi pick-up areas and two holding/staging areas. The two pick-up areas are provided in the north and south ends of the 3<sup>rd</sup> floor of the parking garage. Both areas are curbside. The holding/feeder areas are

located at the north end of the  $3^{rd}$  floor of the parking garage and off-site at  $160^{th}$  Street.

iii) The On-Demand Taxi services must be covered 24 hours a day.

### C. Arrivals/Departure Drives

- i) Taxi operations will be on the 3<sup>rd</sup> floor of the parking garage, however, at times in which a special accommodation is required for a passenger a taxi may, with the approval of the Ground Transportation office, pick up on the arrivals/departures level.
- ii) Passengers shall not have the right to select any taxi available.
- D. MGT will designate and identify feeder lines, holding lot areas, load/unload areas/zones and reserves the right to change, designate, locate or abolish these areas at any time.

#### 4. UNATTENDED TAXIS

- C. While stationed in the feeder line, drivers must notify the Ground Transportation Office if he/she becomes necessary to leave his/her post.
- D. On-Demand Taxis left unattended for more than ten (10) minutes may be moved to a holding lot at Concessionaire's expense.
- E. Drivers are not to loiter or solicit inside the terminal baggage claim areas or around the Ground Transportation Office.

#### 5. USE OF AIRPORT PREMISES.

- A. Concessionaire(s), and Authorized Drivers of Taxis may use the remote holding lot, feeder lines, taxi areas and airport drives only at the times and for the purposes set forth in this agreement.
- B. No personal or other business (other than in connection with this Agreement and/or these Operating Instructions) shall be conducted in these areas. No persons other than Concessionaire(s) or its Drivers shall be permitted in the above mentioned areas except as provided in this Agreement and/or these Operating Instructions.
- C. Parking for business related activities of the Concessionaire(s) will be conducted at on off-site lot. Employees working in the remote lot will be monitored by Concessionaire(s).
- D. Vehicles shall not restrict, block, or impede the movement of any vehicular or pedestrian traffic at the Airport.
- E. Overflow holding will be coordinated with MGT. Designated loading areas/zones, holding areas and feeder line are to be used for On-Demand Taxi activity only.

- F. Sharing of a taxi by passengers not traveling to the same destination is not allowed, unless the airport is operating under an elevated operational or security level. Serious weather situations may be applicable.
- G. Taxis shall not wait or park at the curbside on the drives unless the driver is actively loading/unloading passengers.
- H. Other than taxi drivers engaged in loading/unloading of passengers and a taxi coordinator position, Concessionaire's employees shall not be on the Airport's drives unless authorized by MGT.
- I. Drivers shall not be able to transport passengers who have solicited or requested their service while they are loading other passengers.
- J. Drivers shall not solicit or engage in any activities at the Airport intended to persuade members of the public to utilize Concessionaire(s) vehicles and/or services except as specifically approved by MGT. Drivers shall not wave down passengers or loiter in walkways. Drivers shall remain in close proximity to their vehicles and stand in a professional and orderly manner.

## 6. EQUIPMENT OF CONCESSIONAIRE(S) AND INSPECTION.

- A. "Taxi" means a category of for hire vehicle approved to operate within an association.
- B. It is the Port's intent that the fleet of taxis operating at Sea-Tac Airport be industry leaders. All vehicles operated or offered for public service at the Airport pursuant to this Agreement shall be in good operating order, free from mechanical defects, and in clean, neat, safe, washed and waxed regularly, and attractive condition both inside and outside. Such vehicles will have proper seating luggage capacity and other amenities necessary for passenger comfort and convenience. Any minor repairs must be fixed within the time frame displayed in Exhibit F. (See City Rule R-6.310.320.G)
- C. Vehicles under this Concession Agreement shall be made available for inspection and review by MGT or King County/City of Seattle Inspector at any time while on Port property. Vehicles shall be inspected for cleanliness, proper equipment, good appearance, safe operating condition, urethane paint, and violations of any laws, ordinances or Port Rules and Regulations or City of Seattle Vehicle Rules (See City Rule R-6.310.320.G)
- D. Concessionaire(s) shall act to ensure that its members operate a fleet of vehicles that minimize air emissions and institute operational practices that help protect impacts to the natural environment. Concessionaire(s) shall also institute practices that promote the efficient movement of people to and from Sea-Tac Airport.
- i) By September 1, 2010, Concessionaire(s) shall ensure that at least fifty percent (50%) of its vehicle fleet utilizes alternative fuels, as defined by the U.S. Energy Policy Act, or is designated by the United States Environmental Protection Agency as having an highway rating of 45 mpg or greater. Evidence of minimum mpg, or alternative fuel status will be submitted electronically to the MGT every September 1<sup>st</sup>. Concessionaire(s) will provide vehicle registrations or other documentation as approved by the MGT as verification of

- compliance. The Department of Energy considers the following vehicle fuels as alternatives to petroleum: <u>Biodiesel</u>, <u>Electricity</u>, <u>Ethanol</u>, <u>Hydrogen</u>, <u>Methanol</u>, <u>Natural Gas</u>, and <u>Propane</u>. For more information about alternative vehicle fuels, consult <a href="http://www.afdc.energy.gov/afdc/fuels/index.html">http://www.afdc.energy.gov/afdc/fuels/index.html</a>
- ii) By September 1, 2011, Concessionaire(s) shall ensure that one hundred percent (100%) of its vehicle fleet utilizes alternative fuels, as defined by the U.S. Energy Policy Act, or is designated by the United States Environmental Protection Agency as having an highway rating of 45 mpg or greater. Evidence of minimum mpg, or alternative fuel status will be submitted electronically to the MGT every September 1<sup>st</sup>. Concessionaire(s) will provide vehicle registrations or other documentation as approved by the MGT as verification of compliance.
- iii) By September 1, 2010, Concessionaire(s) shall develop, implement, and submit to the MGT a fleet-wide anti-idling policy. The Concessionaire(s) anti-idling policy shall include the requirement that vehicle engines shall be turned off when vehicles are not occupied. The Airport encourages the Concessionaire(s) to evaluate opportunities to procure and install anti-idling equipment.
- iv) The Airport encourages Concessionaire(s) participation in the Evergreen Fleet Initiative (<a href="www.evergreenfleets.org">www.evergreenfleets.org</a>). Evergreen Fleets is a collaborative effort between local fleet managers, the Puget Sound Clean Air Agency and the Puget Sound Clean Cities Coalition to help develop innovative fleet standards for the betterment of our environment.
- v) Concessionaire(s) shall coordinate a semi-annual meeting with Airport environmental staff to discuss achievements and obstacles pertaining to improving the efficient and effective movement of people to and from Sea-Tac Airport via taxi service. In conjunction with the semi-annual meetings, Concessionaire(s) will provide information regarding non-revenue mileage and its course of action to reduce non-revenue vehicle trips.
- vi) By March 1<sup>st</sup> of each year of this contract, Concessionaire(s) shall electronically submit to the MGT information regarding greenhouse gas emissions associated with taxi operations from the previous calendar year. Data shall include, at a minimum, carbon dioxide (CO2) emissions from vehicle fuel consumption and energy used for office and taxi business. Data can be provided in tons of CO2 emitted, or raw fuel and energy use.
- vii) In the event that Concessionaire(s) fails to comply with the requirements set forth in this Paragraph, the Port specifically reserves the right to issue a notice of default under, and terminate, this Agreement.
  - E. Vehicles shall be at least a four door full-size and shall not be older than six years, commencing on the date of this agreement, with the following exceptions:
    - (i) Concessionaire(s) agrees that at all times during the term of this Concession Agreement, no vehicle shall be of a model more than six year prior to the current calendar year. For example, 2004 model year vehicles will be permitted in 2010, but not 2011.

- (ii) To encourage Concessionaire(s)' members to provide larger vehicles for special needs patrons of the airport, the Port shall allow taxis that are vans or minivans with appropriate features to support wheelchairs to operate for an additional one year period, but shall not exceed seven years of age.
- (iii) Concessionaire(s) will provide a total of 3 ADA accessible vans or minivans for every 70 vehicles within the fleet.
- F. Drivers shall comply promptly with instructions regarding vehicle use from MGT.
- G. Drivers shall be reviewed for cleanliness, good appearance, and violations of King County, City of Seattle laws, ordinances or Port Rules and Regulations.
- H. Digital Security Cameras must be installed in all taxis per City of Seattle rules. (See City Rule R-6.310.320.S)
- I. Silent alarms must be installed and monitored for each taxi per City of Seattle rules (See City Rule R-6.310.320.T)
- J. An On-Demand Taxi may be pulled out of line to be washed while in the remote holding lot and returned to its original place in line as long as the On-Demand Taxi immediately preceding it when it was taken out of line to be washed has not been dispatched, in which case, the On-Demand Taxi being washed must go to the end of the line in the remote holding lot.
- K. No On-Demand Taxi shall display bumper stickers or unnecessary markings. Concessionaire(s) logo and phone number is permitted and must have "Airport Taxi" markings with MGT approval.
- L. All taxis shall be repaired within the times described on attached Exhibit F.
- M. Minor vehicle body damage or appearance defects shall be repaired within a time frame set by MGT to repair such damage.
- N. There will be no repairs made to taxis on Port property.
- O. Vehicle mileage should not exceed 100,000 miles unless the vehicle satisfactorily passes a vehicle condition safety inspection at 100,000 miles and then every additional 25,000 miles. The safety inspection must be performed by a King County/City of Seattle approved certified manufacturer's auto mechanic at a specified location, and a garage that has an Automotive Certificate of Excellence covering the items more fully described in Exhibit E. Drivers will adhere to any safety inspection calendar required by King County/City of Seattle Inspectors.
- P. Concessionaire(s) vehicles shall have the necessary equipment (such as winter tires or chains) to operate safely in snow and inclement weather conditions.
- Q. Concessionaire(s) shall furnish, at their expense, identification badges for all its drivers and owners to display on the exterior of the uniform, above the waist. The badges shall include a photo of the driver/owner, full name and taxi vehicle number.

#### 7. CONDUCT OF DRIVER.

Only Drivers registered and on file in the Ground Transportation Office may transport A. passengers at the Airport (see Exhibit D). Drivers must be successful recipients of the King County/City of Seattle For Hire Licensing Program. Please see City Rules:

For-hire Driver Licensing and Requirements 6.310.400. For-hire driver's license application. 6.310.405. Criminal background check. <u>6.310.410</u>. For-hire driver physician's certification. 6.310.415. For-hire driver training program. 6.310.420. For-hire driver written and oral examination. 6.310.425. For-hire driver temporary permit. 6.310.430. For-hire driver- Standards for license denial. <u>6.310.440</u>. For-hire driver license expiration and renewal. 6.310.450. For-hire driver operating standards. 6.310.455. For-hire driver conduct standards. 6.310.460. For-hire driver taxicab meter/rates standards. <u>6.310.465</u>. For-hire driver– Passenger relations standards. <u>6.310.470</u>. For-hire driver soliciting and cruising standards.

- 6.310.475. For-hire driver taxi zone standards.
- 6.310.480. For-hire driver— Wearing costume.
- В. Drivers shall, at all times when on duty, be in proper uniform, be neatly and cleanly dressed, conduct themselves in an exemplary manner, be courteous and polite to the public and all Airport employees, and not engage in any questionable, obnoxious or offensive conduct. In addition to providing exemplary service to the traveling public, drivers shall also treat other airport employees and ground transportation operators with the same courteous and polite behavior.
- C. Driver shall discharge its duties in an efficient manner in order to maintain a high standard of service to the public. Driver's performance will be judged by MGT.
- D. MGT may, in addition to any other remedies described in the Agreement, request require that particular Drivers be removed from activities at the Airport if said Drivers are involved in more than three (3) violations during their tenure at the airport. Should gross misconduct occur, MGT may require removal without 3 previous violations.
- Drivers are not to drive the taxi for longer than ten (10) hours in any twenty-four (24) E. hour period.

#### 8. ENFORCEMENT PROCEDURES.

- Violations may result in a monetary fine against driver and/or a suspension of the Α. vehicle or its driver (see Exhibit G).
- B. Port personnel who observe a violation or investigate a reported violation shall issue violations of operating instructions.
- C. MGT may impose a fine or a temporary suspension of a driver and/or vehicle. The company will remain liable for all violations incurred by its drivers and vehicles.

- D. The schedule of monetary fines shall be published in the Port's tariff, and drivers shall comply with such schedule. Until such tariff is published, a one hundred dollar and fifty (\$150.00) monetary fine for each violation shall be in force. If fine is not paid within ten (10) business days, vehicle permit or all company permits will be revoked.
- E. If MGT chooses to suspend a driver of a vehicle, such suspensions will be carried out pursuant to the following procedures:

Two violation notices1 day suspensionThree violation notices2 - 7 day suspensionFour violation notices8 - 90 days suspensionFive violation notices91 - 365 days suspension

Violation compilations for purposes of suspensions shall be for a rolling 12-month period starting at the agreement commencement date.

- F. Driver has the right to appeal any fine assessed by MGT or any suspension of two days or longer.
- G. Following mailing of the notice and fine or suspension by MGT to driver, driver shall have ten (10) business days to deliver to MGT a notice of appeal of the fine or suspension.
- H. A hearing will be held before a panel comprising of MGT, or designee, and other Port Management staff, or their respective designees. The driver will be allowed to present evidence or testimony to counter the facts upon which the fine(s) or suspension is based. Following the hearing, the panel will issue a written notice.
- I. If the panel decides to uphold the fine, driver shall pay the fine within four (4) business days following mailing of the panel's decision, or begin the suspension pursuant to the direction of MGT.
- J. This provision is not intended to limit or bar any other remedies available to MGT under this agreement.
- K. If driver does not appeal within the ten (10) business day period, the driver shall pay the fine within the following four (4) business day period or begin the suspension pursuant to the direction of MGT.
- L. Failure to pay or comply within the time periods prescribed above shall constitute an additional violation and be subject to the provisions herein.
- M. Failure to correct mechanical defects within prescribed time frame will result in monetary fines of \$100.00 per day, until the repairs are completed and verified by MGT. MGT may order that the on-demand taxi and/or driver leave the Airport immediately. In order for the on-demand taxi to return to the Airport, the condition must be corrected and the vehicle is re-inspected and approved by MGT or King County/City of Seattle Inspector.

N. If, upon inspection, it is determined that the condition of any on-demand taxi or driver needs correction, the Concessionaire(s) or driver may be issued a written notice, specifying the conditions to be remedied, and the time within which they must be remedied.

#### 9. GROUND TRANSPORTATION OFFICE.

- A. Driver shall not utilize any Ground Transportation Office personnel for any purposes involving driver's business other than dispensing general information to the public on this service.
- B. No Concessionaire(s) or authorized driver is allowed at the Ground Transportation Offices at any time except to conduct ground transportation business. Concessionaire(s) and authorized drivers shall not loiter around the Ground Transportation Offices.

#### 10. NO SOLICITATION.

The Concessionaire(s) shall not solicit or engage in any activities at the Airport intended to persuade members of the public to utilize Concessionaire(s) vehicles and/or services except as specifically approved by MGT.

#### 11. AMENDMENT

The terms and conditions of these Operating Instructions may be amended by MGT upon thirty (30) day's prior notice to the Concessionaire(s). Emergency instructions may be issued by MGT and shall take effect immediately.

# EXHIBIT A MAP OF OPERATING AREA

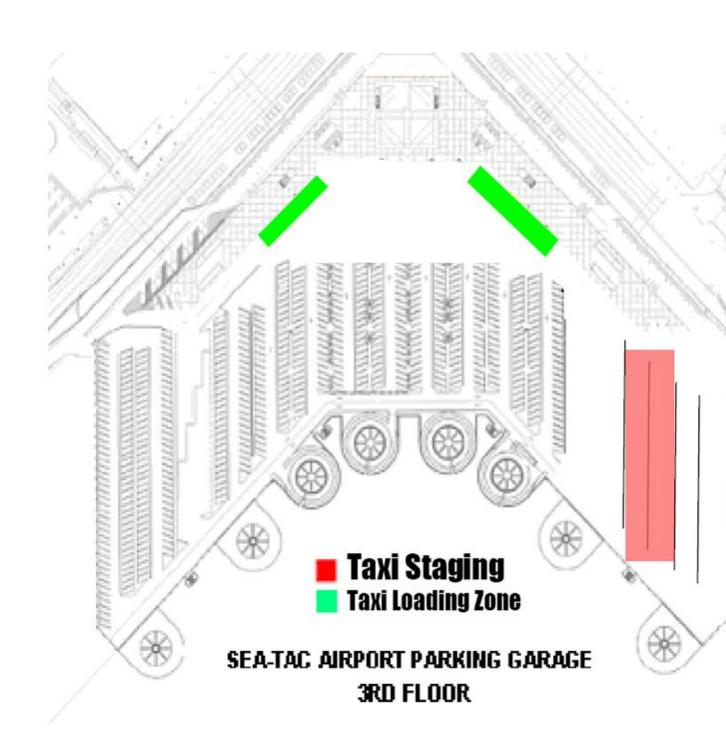


		EXHIBIT B		
		SERVICE AREAS		
Aberdeen	Enumclaw	Madigan	Pullman	Tulalip
Algona	Everett (Downtown)	Madison Park	Purdy	Tumwater
Anacortes	Everett (North)	Madrona	Puyallup	Twin Lakes
Arboretum U.W.	Everett (South)	Magnolia	Puy. South Hill	U. District
Arlington	Evergreen St. Coll.	Maple Valley	Queen Anne	Univ. Place (Tac)
Auburn	Fairwood	Maplewood	Ravenna	U.P.S.
		•	Redmond	
Aurora Village	Fall City	Marysville	(Downtown)	Vanc. BC Airport
D 11 1		M Cl 1	D 1 1 (N 1)	Vanc. BC
Ballard	Fauntleroy Ferry	McChord	Redmond (North)	(Downtown)
Bainbridge	Federal Way	Medina	Redmond (South)	Vancouver, WA
Bangor	Ferndale	Mercer Island	Renton	View Ridge
Belfair	Fife	Microsoft Campus	Richmond Highland	Walla Walla
Bellevue	Fircrest	Mill Creek	Richmond Beach	Wallingford
Bellevue (Downtown)	Fort Lewis	Milton	Sahalee	Wenatchee
Bell. Cross Road	Fox Island	Monroe	Salish Lodge	West Seattle
Bell. Eastgate	Fremont	Montlake	Saltwater Park	Windermere
Bellingham	Gig Harbor	Mountlake Terrace	Sandpoint	Woodinville
Bitter Lake	Gorst	Mt. Rainier	Sammamish	Woodland Park
Black Diamond	Graham	Mt. Vernon	Sammamish Pl.	Yakima
Blaine	Green Lake	Muckelshoot Casino	Seattle (Downtown)	Yelm
Blue Ridge	Greenwood	Mukilteo	Seattle (North)	TCIIII
Bonney Lake	Hoquiam	Naval Air Station	Seattle Pac. Univ.	
Bothell	Index	New Castle	Seattle Univ.	
Brier	Inglewood	Newport Hills	Sequim	
Bridal Trails	Issaquah	North Beach	Seward Park	
Diraci Trans	Issaquah	Ttorur Beach	Seward Lark	
Bremerton	(Downtown)	North Bend	Shelton	
Brown's Pt. Tac.	Issaquah Plateau	Northgate	Shilshole Bay	
Buckley	Juanita	Oak Harbor	Shoreline	
Burlington	Kenmore	Olympia	Silverdale	
Capital Hill	Kent	Orting	Snohomish	
Carnation	Kirkland	P.L.U.	Snoqualmie City	
Centralia	Klahanie	Pug. Snd. Nav. Stn.	Snoqualmie Pass	
Chehalis	Lacey	Pacific	South Bend	
Clyde Hill	Lake Chelan	Paine Field	Spanaway	
Coal Creek	Lake City	Parkland	Space Needle	
Cougar Mountain	Lake Forest Park	Pasco	Spokane	
Covington	Lake Stevens	Point Defiance Zoo	Stanwood	
Crystal Mountain	Lake Tapps	Port Angeles	Steilacoom	
Dash Point	Lake Union	Port Ludlow	Somerset	
Discovery Bay	Lake View	Port Orchard	Summet (4 Cnrs)	
Dupont	Lakewood	Port Townsend	Sumner	
Duvall	Laurelhurst	Portage Bay	Tacoma (Downtown)	
Edmonds	Leshi	Portland	Tacoma	
Edmonds (North)	Longview	Poulsbo	Tiger Mountain	
Emerald Downs	Lynnwood	Preston	Totem Lake	

I	EXHIBIT C PERMIT RECEIPT
POS PERMIT #:	
CONCESSIONAIRE	
MAILING ADDRESS:	_
_	
PHONE #:	
FAX #:	
KING COUNTY LICENSE #:	
CITY OF SEATTLE LIC #:	
VEHICLE LICENSE #:	
YEAR:	
MAKE AND MODEL:	
INITIAL ISSUE   REPLA	CEMENT    RENEWAL
OWNER CHANGE   NAME	CHANGE
PAID (cash/check)	DATE:
INSURANCE EXPIRATION DATE:	
SIGNATURES:	CONCESSIONAIRE
	PORT REPRESENTATIVE

## EXHIBIT D AUTHORIZED DRIVER(S) LIST

CONCESSIONAIRE:		
DRIVER NAME		
CELL PHONE NUMBER		
NUMBER	EXPIRATION DATE	
DRIVER NAME		
CELL PHONE NUMBER		NUMBER
EXPIRA	TION DATE	-
	EVIDID ATTION DATE	
NUMBER	EXPIRATION DATE	<del></del>
DRIVER NAME		
CELL PHONE NUMBER		
NUMBER	EXPIRATION DATE	

Please use additional forms if necessary.

# EXHIBIT E VEHICLE CONDITION CHECKLIST

DATE:	
CONCESSIONAIRE:	
VIN #:	
VEHICLE LICENSE #:	
YEAR, MAKE, & MODEL:	
MILEAGE:	

ENGINE (Electronic Scope Test)	Rate*	MISC	Rate*	MISC – CONT.	Rate*
Carburetion		Lights		Rear Axle Leaks	
Spark Plugs		Horn		Tie Rod Ends	
Spark Plug Cables		Windshield Wipers		Idler Arms	
Distributor		Windshield Washer		Shock Absorbers	
		Sheet Metal		Springs	
UNDER HOOD		Paint			
Battery		Heating/Air Conditioning		FRONT SUSPEN.	
Battery Cables		Windows		(Visual Inspection)	
Drive Belts		Tires		Castor	
Radiator Hoses		Brake Lining		Camber	
Heater Hoses		Brake Fluid		Toe-in	
Coolant		Wheel Bearings			
Carburetor Air Filter		Exhaust Pipe		<u>OTHER</u>	
Fuel Filter		Tail Pipe			
Engine Oil		Muffler			
Power Steering Pump		Engine Leaks			
		Transmission Leaks			

*Rate: 1 = Satisfactory / 2 = Caution / 3 = Urgent	
MECHANIC SIGNATURE & DATE:	

## EXHIBIT F VEHICLE/DRIVER REPAIRS TIMETABLE

AREA OF CONCERN	TIME ALLOWED FOR REPAIRS	AREA OF CONCERN	TIME ALLOWED FOR REPAIRS
Seats	5 days if broken or ripped; before next trip if springs are exposed	Windshield Wipers	5 business days; immediately if problem renders vehicle unsafe to drive or is blocking driver's vision.
Seat Belts	Immediately	Driver's License	Immediately
Windshield/ Windows/ Mirrors	5 business days; immediately if problem renders vehicle unsafe to drive	Operating Instructions	3 business days
Window Handles Button	3 business days	For Hire License	Immediately
Door Handles	Immediately	Clothing	Before next trip
Heater	10 business days (or before next trip, during periods of cold weather)	Exhaust System (leak, muffler loose)	Immediately
Floor Mats/Carpet	5 business days	Speedometer	Immediately
Trunk (dirty, clutter)	Before next trip	Odometer	3 business days; immediately, if odometer is connected to meter
Taximeter	Immediately	Hygiene	Before next trip
Body	7 days for minor damage; immediately for exposed sharp metal	Tires	Immediately if worn down to safety ridge or cords/threads visible
Hubcaps	7 business days	Paint	7 days
Spare Tire	Immediately	Brake Lights	Immediately
Headlights	Before next trip daytime; immediately if at night	Turn Signals	Immediately

This is not an exhaustive list of possible defects. Additional reasonable requirements and reasonable penalties may be added to this list upon 10 days written notice to Concessionaire. The term, "business days," shall not include Saturdays, Sundays or national holidays.

## EXHIBIT G VIOLATIONS AND FINES

VIOLATION	FINE
Unattended Taxi/staging lot	\$150.00
Hauling unauthorized, non-paying passengers	\$150.00
Picking up wrong passenger	\$150.00
Unattended Taxi/feeder line	\$150.00
Self dispatching without proper authorization	\$150.00
Current permit not displayed	\$150.00
Operating Taxi on Port property after deadline for completing required repairs	\$150.00
Not in uniform	\$150.00
Sleeping in vehicle/feeder line	\$150.00
Refusal to pay per-trip fee	\$150.00
Refusal of fare	\$150.00
Discourteous behavior to passenger/POS employee	\$150.00
Littering/ in feeder line or staging lot	\$150.00
Littering (debris/mechanical parts) remote lot	\$150.00
Soliciting	\$150.00
Overcharging passenger	\$150.00
Feeding birds on airport premises	\$150.00

Additional reasonable requirements and reasonable penalties may be added to this list upon ten (10) days written notice to Concessionaire(s). Any physical altercations can lead to immediate suspensions/terminations, no trespass orders or criminal charges. MGT reserves the right for the final say on all violations and fines/suspensions.