



Exhibit	<u>A</u>
Port Commission	<u>Regular</u>
Meeting of	<u>July 9, 2013</u>

May 28, 2013

Port of Seattle Commission
2711 Alaskan Way
Seattle, WA 98121

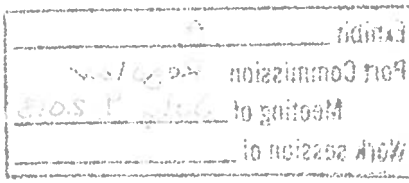


Dear Port of Seattle Commissioners:

At the Port Commission meeting on March 12, Roger McCracken of MasterPark made statements in opposition to the Doug Fox lease that are factually incorrect. MasterPark protests that Doug Fox should incur and charge back to its customers an airport trip fee notwithstanding the substantial concession rent paid to the Port by Doug Fox. MasterPark further states that Doug Fox is seeking to gain a competitive advantage by exposing the opaque or deceptive practices of some parking operators to "recoup" the airport trip fee. It is difficult to conclude that these and other statements by MasterPark were made in support of the public interest.

The Port of Seattle charges commercial operators a fee for accessing the airport. In January 2009 the Port moved to a cost-recovery model and the fee for parking operators increased from \$1.25 to \$3.13. It was at this time that MasterPark pioneered the practice of charging a Trip Fee to their customers and most parking operators followed their lead. What began as a means to pass through this airport fee to the customer has since expanded into a significant source of revenue for parking operators. By one analysis, this practice generated nearly \$2.8 million in revenue and over \$1.5 million in profits to parking operators in 2012.

Many parking operators attempt to misrepresent this fee to the customer as a tax. They employ various methods such as grouping the trip fee with the SeaTac Parking Tax or including it in the receipt Tax Subtotal as MasterPark does with at least one of its parking facilities. It is practices such as these that prompted State Representative Sam Hunt to sponsor a bill, EHB 1483 - Concerning Public and Private Airport Parking Facilities, which was introduced during the 2013 state legislative session. The original bill was amended with language provided by MasterPark that lessened the parking operator's duty to notify the public of rates, discounts, and fees. Doug Fox sought to make the legislature aware of deceptive marketing and rating practices by some parking operators when considering further amendments to the bill.



Mr. McCracken testified that Doug Fox Parking currently charges its customers a trip fee as a means of passing through the airport's trip fee and should be required to continue to do so. Doug Fox Parking has never charged a trip fee in its public rates contrary to Mr. McCracken's testimony. Furthermore, Mr. McCracken's logic for maintaining the airport's trip fee on Doug Fox Parking in the new lease is flawed. Doug Fox operates under a concession lease with the Port paid as a percentage of gross revenue and there is no exemption for passing trip fees through to the customer. As a result, Doug Fox has been operating at a disadvantage to its competitors since 2009. The new lease merely levels the competitive playing field by removing this disadvantage.

Sincerely,

**Darin Lang
President
ATZ, Inc.
dba, Doug Fox Parking**