

Darwinder Singh

## ESFH NOTICE OF VOLUNTARY REDUCTION IN AIRPORT FLEET

**ISSUES REPORTED BY ESFH OWNER/OPERATORS:** TOO MANY TAXI AND FOR-HIRE VEHICLES COMPETE FOR LESS BUSINESS • PER TRIP FEES ARE TOO HIGH • INTRODUCTION OF TNC BY THE AIRPORT REDUCED OVERALL TAXI/FOR-HIRE ON-DEMAND TRIPS • OWNER/DRIVERS MAY WORK LONG, SINGLE SHIFTS • VEHICLES LIMITED TO TWO DAYS IN. ONE DAY OUT • NET INCOME IS LIMITED •

### TO ADDRESS TAXI/FOR-HIRE OWNER/OPERATOR ISSUES, ESFH AGREES TO:

- 1. REDUCE FLEET SIZE:** A voluntary buy-out of up to 85 vehicles. Any vehicle owner who chooses to leave the airport fleet will be paid \$20,000. (These vehicles may still be 'called in' as back-up when warranted by demand.) ESFH airport fleet will be downsized from 405 vehicles to a 'Remaining Airport Fleet' of 320 vehicles (including 20 WAT/WAV).
- 2. Implement fleet-size reduction if voluntary buy-out does not result in 85 vehicles leaving.**
- 3. Eliminate 'fleet rotation'.** All 'Remaining Airport Fleet' vehicles may operate all days, without limit.
- 4. Require remaining vehicle owners to each pay up to \$9,000.00 as their proportionate share of the buyout cost and other ESFH airport fleet charges.** Initial deposit of \$1,000.00 and three additional monthly payments of the balance due.
- 5. Request that the Port of Seattle reduce the per-trip fee and pass more than one dollar to customers.**
- 6. Find ways to reduce curb coordinator, dispatch and other related fees.**

**Why?** ESFH has faced issues that were not anticipated during the RFP process, including requirements imposed on ESFH by the Port that were not part of the original RFP. Third party activities have caused higher operating expenses; carrying these higher expenses has limited the ability of ESFH to respond to extremely competitive market conditions. By contract with the Port of Seattle, ESFH has the exclusive responsibility to provide vehicles and drivers to operate on-demand taxi/for-hire at the airport. ESFH may adjust the number of its vehicles according to demand for on-demand passenger services. **Individual ESFH airport Fleet operators have demanded that the Port and ESFH improve their individual incomes. In response, ESFH has determined that rebalancing taxi/for-hire fleet size with demand may result in a fleet whose members feel they are adequate.**

This voluntary buy-out offer is made to owner/members of the Eastside For Hire, Inc. Airport Fleet who are current with trip, dispatch and curb coordinator fee payments, and payments due directly to the Port of Seattle, as of April 11, 2018. Vehicle owners must acknowledge receipt of this notice by completing and returning it to ESFH no later than 5:00 PM, APRIL 17, 2018. Owners who do not COMPLETE AND RETURN THIS FORM may be considered by ESFH to have chosen to remove themselves from the ESFH fleet and may not be granted any buy-out compensation. BUY-OUT IS BY SEPARATE, FORMAL AGREEMENT BETWEEN ESFH AND EACH VEHICLE OWNER, AND WILL INCLUDE A MUTUAL RELEASE OF CLAIM. THAT SEPARATE, FORMAL AGREEMENT WILL BE FORWARDED TO YOU FOR REVIEW, CONSENT, AND SIGNATURE, BASED ON YOUR INDICATION OF INTEREST BELOW:

       **I WANT TO VOLUNTARILY REMOVE MY VEHICLE FROM THE AIRPORT FLEET FOR \$20,000 (LIMITED TO 85 VEHICLES)**  
       **I WANT TO REMAIN IN THE ESFH AIRPORT FLEET FOR THE DURATION OF THE ESFH CONTRACT WITH THE PORT OF SEATTLE, INCLUDING THE TWO OPTIONAL YEARS IF GRANTED, SUBJECT TO THE TERMS AND CONDITIONS NOTED ABOVE, INCLUDING SPECIFICALLY A REDUCTION IN AIRPORT FLEET SIZE. I UNDERSTAND THAT I WILL BE ASSESSED AND REQUIRED TO PAY A PROPORTIONATE SHARE OF THE COST OF THE FLEET SIZE REDUCTION AND ANY OTHER ESFH FLEET CHARGES.**

**ESFH HAS THE RIGHT TO CHANGE ANY OF THE ABOVE TERMS AT ANY TIME PRIOR TO REACHING FORMAL AGREEMENT WITH YOU. THIS 'ESFH NOTICE OF REDUCTION IN AIRPORT FLEET SIZE' CONSTITUTES 30-DAY NOTICE OF FLEET AGREEMENT TERMINATION TO ESFH AIRPORT FLEET AFFILIATED VEHICLE OWNERS. VEHICLE OWNERS WHO DO NOT RESPOND WILL BE TERMINATED FROM AIRPORT FLEET OPERATION, WITHOUT COMPENSATION, EFFECTIVE 11:59 PM, FRIDAY, MAY 17, 2018.**

**RETURN COMPLETED CHOICE TO ESFH ON OR BEFORE 5:00 PM 04/17/2018**

Name (Print) \_\_\_\_\_ Signature \_\_\_\_\_

Telephone Number \_\_\_\_\_ e-Mail \_\_\_\_\_ Vehicle No. \_\_\_\_\_

# EASTSIDE FOR HIRE, INC.

14120 Tukwila International Blvd, Tukwila, Washington 98168

April 21, 2018

TO: ESFH AIRPORT FLEET VEHICLE OWNERS

RE: RESULTS, ESFH NOTICE OF VOLUNTARY REDUCTION IN AIRPORT FLEET

Distributed broadly to the ESFH Airport Fleet, the above referenced document included the following notice:

**"THIS 'ESFH NOTICE OF REDUCTION IN AIRPORT FLEET SIZE' CONSTITUTES 30-DAY NOTICE OF FLEET AGREEMENT TERMINATION TO ESFH AIRPORT FLEET AFFILIATED VEHICLE OWNERS. VEHICLE OWNERS WHO DO NOT RESPOND WILL BE TERMINATED FROM AIRPORT FLEET OPERATION, WITHOUT COMPENSATION, EFFECTIVE 11:59 PM, FRIDAY, MAY 17, 2018"**

Vehicle owners responded by accepting \$20,000 per vehicle for voluntarily removing 22 vehicles (20 For Hires and 2 Taxis) from the ESFH airport fleet, reducing fleet size and improving per-vehicle income proportionately for the remaining fleet. Improved per-vehicle income has been demanded by certain owners, and certain third parties such as Teamsters 117 with concurrence from majority of Port Commissioners. The voluntary program was developed as a fair and reasonable way to meet this goal. Since ESFH contract with the port is based on 61:39 ratio between taxis and For Hires, the fleet will be reduced by an additional 29 taxicab vehicles, for a total reduction of 51 vehicles.

*The 29 additional taxicab vehicles removed from the fleet will be selected from those owners who did not respond timely to the notice of voluntary reduction. By not responding, vehicle owners forfeited both their choice to remain in the airport fleet, and compensation for leaving voluntarily; should they be selected for removal from the fleet, and they believe they are damaged in any way by this action, they may wish to speak with or even bring claim against those individuals or organizations who advised them to not timely respond.*

*The cost of the reduction, including repayment of certain sunk costs and other ongoing losses incurred by ESFH due to the reduction in fleet size, will be borne by the remaining fleet members who directly benefit from it. This is reasonable, and fair. That cost will be \$4,142 per vehicle. Initial payment of \$1,317 will be required upon final agreement signing, with the balance divided over three monthly payments of \$942.00 each. Vehicle owners who responded timely will, obviously, be included in the remaining ESFH airport fleet; all remaining fleet owners will be notified shortly, with a contract for review.*

ESFH will review the vehicle and operator performance of those owners who did not respond, including satisfaction with income and inclusion in the airport fleet, to determine those owners who will be invited to remain, and as provided by contract with ESFH, in the sole discretion of ESFH, 29 vehicle owners will be notified individually that their participation in the ESFH Airport Fleet, will be terminated, without compensation, effective 11:59pm May 24, 2018. Certain vehicles chosen to leave the airport fleet may be asked to remain with ESFH and may be called upon, from time to time, as back-up to the remaining Eastside For Hire Airport Fleet.

The ESFH management will answer any questions that you may have about this process. Again, the reduction in fleet size by ESFH was pushed upon ESFH. ESFH would have preferred to 'leave things as they are' and continue its constructive work, serving public passengers safely and well at Sea-Tac, with the very capable teamwork of our affiliated vehicle owners, operators, and employees. Thanking all of you for your service in the Eastside For Hire, Inc. Airport Fleet, I am,

Sincerely yours,

Samatar Guled  
General Manager

**FROM: SP+ Sea-Tac Curbside Operations**

**DATE: April 20, 2018**

**SUBJECT: Short Trip Program Ending at Sea-Tac Airport**

in accordance with the direction of Eastside For Hire in regard to the Curbside Operation at Sea-Tac International Airport, effective Monday April 23, 2018 at 09:00am the current Short Trip Program and Policy will be discontinued.

Due to the presence and increase of negative issues resulting from the use/misuse of the Short Trip program, the practice of claiming short and returning in a priority position ahead of the main staging lines will no longer be allowed. The following negative issues have been observed, reported, and submitted by customers/operators/employees as a result of the Short Trip Program:

- Customer service complaints regarding poor Operator service and attitude, direct/indirect refusal of service, and attempts to sway customers into other forms of transportation (light rail, shuttles, etc.)
- Taxi/For Hire Operator complaints of alleged/confirmed fraudulent use of the Short Trip program
- Customer Complaints of excessive speeding and aggressive vehicle maneuvers that have been perceived as a safety issue to the general public as well as the public vehicle Operator

The expectation of the traveling public using On-Demand Taxi/For Hire services at Sea-Tac Airport is that they will travel to their destination in a safe manner, on the best possible route, and with a pleasant public vehicle Operator that displays good customer service. This perception by the customer does not change when the destination is long or short, customers want good service in safe conditions and every Taxi/For Hire Operator working within the On-Demand system at Sea-Tac is expected to follow through accordingly.

In an effort to ensure that every Operator is aware of the standing Refusal of Service policy, the following is a detailed explanation of the current Refusal of Service parameters and consequences if any Operator is observed and proven to refuse service:

#### **REFUSAL OF SERVICE:**

**Definition:** Condition where an On-Demand Taxi/For Hire Operator refuses to provide service to a customer for a non-authorized reason

**Policy:** No Taxi/For Hire Operator servicing the Public at Sea-Tac Airport shall refuse a passenger based on the passenger's destination nor ask the passenger their destination prior to the passenger being seated in the vehicle. Additionally, no Operator will provide information regarding alternative transportation methods and any requests should be directed towards the curbside SP+ employee.

#### **Authorized Refusal Conditions:**

- Currently servicing a different customer or responding to a specialized call for service (ADA, Van, etc.)
- Passenger is acting in a disorderly or threatening manner (must be confirmed and documented by SP+ staff or Port of Seattle agent)
- Passenger is otherwise acting in a way that would cause a reasonable person to be concerned for health and safety of the driver or others (must be confirmed and documented by SP+ staff or Port of Seattle agent)
- Passenger cannot, upon request, show ability to pay the fare (discrimination will not be tolerated)
- Passenger refuses to state a specific destination while seated in the vehicle

#### **Disciplinary Action (Vehicle):**

- **Immediate Action:** Removal from current position (empty) and re-start at the absolute end of the line
- **1<sup>st</sup> Offense:** Immediate action will be the final penalty applied upon first offense
- **2<sup>nd</sup> Offense:** 24-Hour Suspension from operating at Sea-Tac Airport
- **3<sup>rd</sup> Offense:** 48-Hour Suspension from operating at Sea-Tac Airport
- **Additional Offenses:** Suspension until further notice and immediate review/meeting with ESFH; SP+ will await a final disciplinary recommendation by ESFH and enforce as required

#### **Appeals:**

- Every Operator will have the right to an appeal after completing a written incident report, detailing their recollection of the incident and their scheduled, mutually agreed-upon time/date with an SP+ Manager