LEASE AND CONCESSION AGREEMENT BETWEEN PORT OF SEATTLE AND

PUGET SOUND DISPATCH, L.L.C.

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 <u>paragraphSection</u> 1 below shall be governed by the following terms and conditions:

1. TERM.

This Agreement shall become effective ______, 2010, November 1, 2010 ("Effective Date"), and shall continue for a term of five years, ending on ______, October 31, 2015, unless sooner terminated pursuant to any provision of in this Agreement. Any references to "year" or "years" herein shall mean November 1 through October 31 of each year.

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 other than the Port, 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<u>Agreement</u>. 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 paragraphSection 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").]"Concession"). Except as otherwise provided, the Port shall award no other concession agreements to Concession to operate other On-Demand Taxi services. However, nothing contained hereinin this Agreement prevents the Port from permitting other **Prepre**-arranged **Taxitaxi** 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 <u>Port's</u> Manager, Ground Transportation or designee (hereinafter "MGT") in <u>his/her</u> 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 <u>tenthirty</u> (1030) days' prior written notice to Concessionaire. or sooner upon by mutual consent of the parties. In the event that any of the changes materially and adversely effects the operation of the Concession, Concessionaire shall be entitled to such relief from the requirements of this Agreement as reasonably necessary to account for and/or offset such effect(s).
- C. The Port shall, by separate agreement at no additional expense to Concessionaire, provide Concessionaire use of designated areas at the Airport as may reasonably be required by Concessionaire for the direct administration and support of the Concession, but to be no less than (1) the exclusive office and breakroom space located at the 160th Street holding lot and (2) an on-site manager's office and

dispatch center located within the Airport terminal or parking garage (collectively, the "Dispatch Center"). The Port agrees that the office located in the airport terminal or parking garage shall be available to Concessionaire prior to the Effective Date.

- <u>D.</u> <u>C.</u>Nothing in this Agreement prevents the Port from granting permission to other operators of vehicles rendering a <u>different type of service the use of other than On</u> <u>Demand Taxi services on</u> the Airport's facilities.
- <u>E.</u> D. Nothing in this Agreement shall restrict in any way the Port's rights to deny or control uses of the <u>Drivesdrives</u> 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.
- <u>G.</u> 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.
- <u>H.</u> G. Concessionaire accepts the grant of concession and agrees to perform the services and obligations described in this Agreement, including the attached Operating Instructions.
- I. The Port recognizes that Concessionaire will contract with and utilize the skills and expertise of independent contractor licensed taxicab vehicle owners, operators, and/or lease operators (the "Independent Contractors") in carrying out its rights and responsibilities of the On-Demand Taxi services under this Agreement. The Port recognizes that the Concessionaire does not have direct control over the Independent Contractors. The Concessionaire shall by separate agreement with the Independent Contractors require the Independent Contractors to comply with the terms of this Agreement and the Operating Instructions that may be applicable to them.
- <u>J.</u> <u>H.</u> Concessionaire may at times of <u>a declared</u> emergency be required to provide

<u>emergency</u> transportation services that are not On-Demand Taxi services, such as rapid evacuation of personnel. In such cases, the Port shall use all reasonable efforts to provide as much notice as possible to Concessionaire under the circumstances and shall compensate Concessionaire for its costs, as mutually agreed upon.

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

A. Concessionaire shall <u>contract with the Independent Contractors to</u> operate <u>itstheir</u> vehicles for the public via the most immediate and safest route. Concessionaire shall, <u>[together with the Other Concessionaires]</u> 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 <u>maximum</u> for an On-Demand Taxi; provided, however, Concessionaire shall be excused from meeting this requirement prior to March 1, 2011 if such failure results from Concessionaire not yet having committed 210 taxis to the Concession as contemplated by the Operating Instructions attached hereto and Concessionaire provides the Port reasonable notice of its inability to do so. 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 <u>under various operating conditions</u>, however, a wait time of five minutes shall be presumed to be adequate service at all times.

B. The Port willshall issue permits for two hundred ten (210) total permits for On-Demand Taxis at the Airport. [Specify number () of] these These On-Demand Taxi permits will be issued to Concessionaire pursuant to this Agreement. [The remainder shall be issued to the Other Concessionaires.] Concessionaire may petition the Port to issue additional permits that will have limited access to Airport facilities in order to comply with or improve upon its deadheading reduction plan (as set forth in Section 3.F. below) or to comply with or improve upon its revenue obligations (as set forth in Section 7 below), and the Port agrees not to unreasonably delay, condition or deny its approval of such requests. 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 also, at any time, petition the Port to issue permits for additional "unlimited" permits for 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 permits shall be subject to all of the requirements set forth in the attached operating instructionsOperating 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.]
- <u>C.</u> 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.
- <u>D.</u> <u>E.</u> 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).
- <u>E.</u> 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.
- <u>F.</u> 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<u>will</u> contract with the Independent Contractors to achieve the reduction in deadheading as set forth on Exhibit A hereto. Subject to the consideration set forth in <u>Subsection</u> <u>4.G.</u>, the chart below. The failure to do shall constitutes a material default of this Agreement.

[Insert Chart Based on Response to RFP]

G. In determining whether an event of default has occurred for failure to meet deadheading goals, the Port agrees to take into consideration Concessionaire's good faith efforts to execute its deadheading goals, whether the Port has issued such other and further permits as Concessionaire has requested to meet the goals, the intractable and difficult nature of the deadheading problem, any changes or lack thereof to the local regulatory approach to the granting of taxicab licenses and all other factors affecting deadheading and shall give these factors due weight and consideration.

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 as set forth in Subsection <u>4.A.</u> Concessionaire *fand the Other Concessionaires, jointly and severally,]* agree agrees to pay to the Port Fifty Dollars (\$50.00) each time the Concessionaires failConcessionaire fails to meet such call within the required time limit not to exceed Five Hundred and <u>No/100 Dollars (\$500.00) per day</u>; 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, <u>security measures</u>, 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. <u>TheAll such agreements shall be provided to</u> Concessionaire <u>agrees to abide by such addition, any oral directions to Concessionaire shall be provided in writing within twenty four (24) hours of issuance.</u>
- 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 shall require the Independent Contractors rendering services at the Airport shallto conform to the dress standards specified in the attached Operating Instructions. Authorized driversConcessionaire agrees that Independent Contractors 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 driverIndependent Contractor's forfeiting the right to conduct business at the Airport until authorized driversuch Independent Contractor 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. The Port agrees to assist Concessionaire in obtaining such information as may be reasonably necessary to ensure compliance with this provision.

7. **REVENUE TO THE PORT.**

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

- A. <u>Minimum Annual GuaranteeGuaranty</u>. Concessionaire shall pay the Port a minimum annual guaranteeguaranty (the "Minimum Annual Guaranty") equal to <u>Three Million Six Hundred Seventy Thousand Seven Hundred Seventy Eight and No/100 Dollars (\$3,670,778) per year</u>. The Minimum Annual GuaranteeGuaranty 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. <u>Unless the parties agree in writing on an alternative schedule for payment of the Minimum Annual Guaranty to take account of the seasonality in the On-Demand Taxi service, the Minimum Annual Guaranty shall be divided into equal monthly payments.</u>
- B. Percentage Fees. Concessionaire shall also pay the Port an annual percentage fee (the "Percentage Fee"), to the extent the Percentage Fee is higher than the monthly payment of the Minimum Annual Guarantee Guaranty paid to the Port. The Percentage Fee will be equal to ——thirteen percent (—13%) of Concessionaire'sthe annual Gross Receipts from the Concession. On or before the fifteenth (15th) day of each month, Concessionaire shall, not later than thirty (30) days following the end of each quarter, submit to the Port a detailed statement showing the extrapolated Gross Receipts generated from the Concession during the preceding monthquarter and shall simultaneously pay to the Port theany Percentage Fee due for that preceding monthquarter less the monthly payment of Minimum Annual GuaranteeGuaranty already paid by the Concessionaire for that monthquarter. 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 vear 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.available to the Concessionaire from the Independent Contractors. The quarterly payments of Percentage Fees shall be reconciled at the end of each year and in no event shall the Percentage Fee be in excess of thirteen percent (13%) of Concessionaire's annual Gross Receipts.
- C. <u>Gross Receipts</u>. 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) taxi drivers' tips and gratuities, (ii) 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 (iii) any discounts actually granted.

The Port and Concessionaire both acknowledge that, as a result of Concessionaires' independent contractor relationship with individual taxi cab owners and operators, that a precise determination of Concessionaire's total Gross Receipts may be difficult or impossible. As a result, where Concessionaire does not have, and cannot reasonably be expected to obtain, detailed records documenting the total Gross Receipts realized by all of the independent contractors that provide On-Demand Taxi service under the Concession, the parties agree to utilize such information as is reasonably available to Concessionaire to determine an average fare for each outbound trip from the Airport. The parties shall use such information as is available to Concessionaire including trip logs to ensure that such average fare is representative of all outbound trips. The parties may use statistically valid samples of the data (rather than the entire data set) in making such determination. The extrapolated average outbound fare shall then be multiplied by the reconciled number of outbound trips from the Airport to determine the total Gross Receipts.

- D. Late Charges. Concessionaire hereby acknowledges that late payment by 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 is 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 eighteentwelve percent (1812%) per annum or the maximum rate provided by law, whichever is less, from the date due until paid.
- E. Independent Contractors. The Port agrees that nothing in this Agreement shall prevent the Concessionaire from collecting, assessing or passing on any fees set forth in this Agreement, from and to the Independent Contractors (which shall include persons leasing a licensed On-Demand Taxi vehicle), for Concessionaire to meet its financial obligations in this Agreement.
- F. Credit for Space Rental. Concessionaire shall be entitled to a credit (the "Rent

Credit") against the Minimum Annual Guaranty and Percentage Fee due to the Port for the amount of Base Rent, including taxes (as defined in the lease agreement) actually paid to the Port each year under that separate lease agreement between the Port and Concessionaire for certain exclusive space located at the Dispatch Center. Concessionaire may apply the Rent Credit against any amount of Minimum Annual Guaranty and/or Percentage Fee owed by Concessionaire to the Port. In the event that Concessionaire applies the Rent Credit against an amount of Minimum Annual Guaranty, the Rent Credit shall automatically operate as a credit against the Percentage Fee otherwise covered by payment of the Minimum Annual Guaranty. (In other words, the Rent Credit shall be treated, under Section 7.B. of this Agreement, as a "payment of the Minimum Annual Guaranty paid to the Port" when determining the amount of Percentage Fee payable by Concessionaire.)

<u>G.</u> Surcharge Allowance. The Port will allow Concessionaire and the Independent Contractors to pass on a portion of its fees to their passengers. The Port will allow a maximum of One Dollar (\$1.00) per outbound trip to be passed onto the passenger and this amount must be reflected on a generated receipt. An alternative procedure may be used with approval by the MGT.

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 (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 contract with and require the Independent Contractors providing On-Demand Taxi services to make their respective 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 shall require, as a contractual condition, that the Independent Contractors be available to be reviewed by the Port, as requested, 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 to third parties taxi 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 <u>mutually</u> determined by the Port<u>and Concessionaire</u>. (See City Rule R-6.310.320.I)

11. SECURITY.

The Within thirty (30) days of execution of this Agreement, the Concessionaire has already deliveredshall deliver 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 irrevocable standby letter of credit or other security in a form approved by the Port, in an amount equal to Fifty Thousand and No/100 Dollars (\$50,000,00) and prior to the Effective Date, the Concessionaire shall deliver to the Port, as additional security for Concessionaire's payment of any fees or fines and full performance of all other obligations hereunder, security in a form approved by the Port, in an amount equal to Eight Hundred Sixty Seven Thousand, Six Hundred Ninety Four and No/100 Dollars (\$867,694.00) (the "Security") (for a total amount of Nine Hundred Seventeen Thousand, Six Hundred Ninety Four and No/100 Dollars (\$917,694.00)). The Port agrees to provide five (5) days prior written notice of its intent to draw upon the Security; provided, however, such notice shall not be required in the event of a bankruptcy filing by Concessionaire and such notice is, or may be deemed to be, a violation of the automatic stay by the Port. The Security shall be released 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 Security to satisfy any obligations under the Agreement, Concessionaire shall restore the security to the full amount specified herein no later than thirty Security to an amount acceptable to the Port within thirty (30) days following the time after receipt of the Port-draws on said security's written request to do so. The Port may, following Concessionaire's failure to restore the securitySecurity deposit in the manner prescribed, suspend Concessionaire's operations or declare Concessionaire to be in default and subject to paragraph 17 herein. Section 17 herein. If the Security is in a form that periodically requires renewal, Lessee must renew the Security not less than 45 days before the Security is scheduled to expire.

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 at the Airport. 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, subConcessionairessub-concessionaires, 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 this Agreement, Concessionaire shall procure and maintain one or more lines of insurance coverage to be kept in force for the lifeterm 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 showsconfirms 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<u>the Concession</u>, 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 <u>Concessionaire</u> shall require anyone performing the On-Demand Taxi services (specifically including the Independent Contractors) to carry automobile insurance coverage in an amount and form no less than that required by the City of Seattle, King County, Washington or the state of Washington, whichever is highest. 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<u>Agreement</u>, 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<u>on behalf of Concessionaire</u>. With respect to any such taxes payable by the Port<u>that</u> the Port may have an obligation to collect and remit on behalf of Concessionaire and 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. <u>Absolutely nothing in this Section 14 shall</u>.

however, obligate Concessionaire to reimburse the Port for any taxes imposed upon and payable by the Port, whether measured on the Port's gross or net income (and specifically including any business and occupation taxes that may be payable by the Port as a result of the operations or receipts under this Agreement).

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 written 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.<u>: and</u>
- 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. EXCEPTIONAL CIRCUMSTANCES.

Notwithstanding anything to the contrary contained in this Agreement, if for any reason Concessionaire shall be delayed in, prevented from, or impeded from performing any of its obligations under this Agreement due to causes that are unforeseeable, beyond its reasonable control, and without its fault or negligence, including but not limited to, acts of God, Force Majeure, acts of the public enemy, fires, floods, epidemics, quarantine restrictions, strikes, earthquake, explosion, mob violence, riot, reduction of Airport activities arising from or related to terrorist threats or actions, airline bankruptcy or consolidation, environmental and health factors, embargo and other similar catastrophes, or any other condition beyond Concessionaire's reasonable control, Concessionaire shall not be considered in breach of or in default with respect to any obligation hereunder or progress in respect thereto.

<u>19.</u> 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.

<u>20.</u> 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, <u>and except in cases of an emergency or any failure to meet the service requirements set forth in Section 4, the Port shall provide Concessionaire with fifteen (15) days prior written notice to perform the required act. Thereafter, the Port may, at its sole option, do such act or thing on behalf of Concessionaire, and upon <u>thirty</u> (30) days written notice to Concessionaire of the cost to the Port, Concessionaire shall promptly pay the Port the amount of that cost.</u>

<u>21.</u> 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.

<u>22.</u> <u>21.</u> CAPTIONS.

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

23. 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.

24. 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.

25. 24. DISADVANTAGED BUSINESS ENTERPRISES.

- It is the policy of the Port to support participation of DBEs, as defined in 49 CFR, A. 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 23,23 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.

<u>26.</u> 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.

<u>27.</u> 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 VehicleTo the extent required by applicable law, the taxi cab vehicle lease procedures, as they that may 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).

<u>28.</u> 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, O

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

Frank Dowgwilla, General ManagerPuget Sound Dispatch, L.L.C.74 S Hudson StreetSeattle, WA 98134-2421

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.

29. 28. PORT'S RIGHT TO REPAIR **SEA-TACAIRPORT** 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.

<u>30.</u> 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.

<u>31.</u> GOVERNING LAW.

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

<u>32.</u> <u>31.</u> 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<u>Concession</u>, the resulting concession<u>Concession</u> shall, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. During such month-to-month concession<u>Concession</u>, 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 taxiDemand 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.

33. 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.

34. COUNTERPARTS; FACSIMILE TRANSMISSION.

This Agreement may be executed in one or more counterparts, each of which will be an original, but all of which together will be deemed one and the same original. Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of any party, all parties hereto will confirm facsimile transmitted signatures by signing and/or transmitting an original document.

[Signatures appear on the following page]

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	<u>PUGET SOUND DISPATCH, L.L.C.</u>
Ву:	By:
Printed Name:	Printed Name:
Manager, Ground Transportation (check on signature authority!)	

STATE OF WASI	IINGTON)	
) ss.	
COUNTY OF KIN	NG	
ON THIS	day of	, 2009, before me personally appeared
		to me known to be the

a municipal corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

WITNESS my hand and official seal hereto the day and year in this certificate first above written. Notary Public in and for the State of Washington, residing at ______. My Commission expires:

STATE OF WASHINGTON)

	-) SS .	Ŧ	
COUNTY OF	KING)		
ON THIS	<u>day of</u>	, 2009, before n	ne personally appeared
		, to	me known to be the
		ident and the	Secretary, respectively, of
		, the corporation that ex	ecuted the within and foregoing

instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for t	he State of Washington residing at	Mx
Rotary Fublic In and for t	he state of washington, restang at	wiy
Commission expires		
commission expires.	<u> </u>	
Title:	Title:	

EXHIBIT A

Deadheading Reduction Plan

Deadheading Calculations	Ba	ise Outbound	Trip Estimate	s: Port of Sea	ttle										
Month		1	2	3	4	5	6	7	8	9	10	11	12		
Year	2010														
Outbound-Airport	705,919														
Inbound Passenger Trips	17,315	1,732	1,991	2,290	2,404	2,525	2,651	2,783	2,923	3,069	3,222	3,383	3,552	32,525 Total	Airport Inbound Return Passenger Trips
Monthly Rate of Change		0.2	0.15	0.15	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	15,210 (A) Ar	nnual Reduction in Deadhead Trips
% of Average Monthly Trips	2.45%	2.9%	3.4%	3.9%	4.1%	4.3%	4.5%	4.7%	5.0%	5.2%	5.5%	5.8%	6.0%	87.8% (B) Ar	nnual Increase in Passenger Inbound Trips as Perc
Year	2011														
Outbound	736,619														Overall
Inbound Passenger Rate	32,525	34,151	35,859	37,652	39,534	41,511	43,587	45,766	47,597	49,500	50,985	52,005	53,045	2.9%	
Monthly Rate of Change		0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.04	0.04	0.03	0.02	0.02	63.1%	7.2%
% of Average Monthly Trips	4.42%	4.6%	4.9%	5.1%	5.4%	5.6%	5.9%	6.2%	6.5%	6.7%	6.9%	7.1%	7.2%		
Year	2012														
Outbound	746,216														
Inbound Passenger Rate	53,045	54,106	55,188	56,292	57,418	58,566	59,737	60,932	62,151	63,394	64,662	65,955	67,274	2.1%	
Monthly Rate of Change		0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	26.8%	9.0%
% of Average Monthly Trips	7.11%	7.3%	7.4%	7.5%	7.7%	7.8%	8.0%	8.2%	8.3%	8.5%	8.7%	8.8%	9.0%		
Year	2013														
Outbound	794,812														
Inbound Passenger Rate	67,274	68,620	69,992	71,392	72,820	74,276	75,762	77,277	78,822	80,399	81,203	82,015	82,835	2.1%	
Monthly Rate of Change		0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01	0.01	23.1%	10.4%
% of Average Monthly Trips	8.46%	8.6%	8.8%	9.0%	9.2%	9.3%	9.5%	9.7%	9.9%	10.1%	10.2%	10.3%	10.4%		
Year	2014														
Outbound	850,007														
Inbound Passenger Rate	82,835	83,663	84,500	85,345	86,198	87,060	87,931	88,810	89,698	90,595	91,501	92,416	93,341	1.4%	
Monthly Rate of Change	2010 Charles 10	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	12.7%	11.0%
% of Average Monthly Trips	9.75%	9.8%	9.9%	10.0%	10.1%	10.2%	10.3%	10.4%	10.6%	10.7%	10.8%	10.9%	11.0%		

Concessionaire's performance relative to these goals shall be measured on an annual - not a monthly basis.

<u>Concession Agreement - 23</u>

ON-DEMAND OPERATING INSTRUCTIONS BETWEEN PORT OF SEATTLE AND

PUGET SOUND DISPATCH, L.L.C.

The Port of Seattle and Puget Sound Dispatch, L.L.C. have entered into a Concession Agreement dated August , 2010 (the "Agreement"). The terms and conditions of the Agreement are incorporated herein by this reference. Terms not otherwise defined in this Operating Instructions shall have the meanings attributed to such terms in the Agreement, as amended from time to time.

The following Operating Instructions apply to <u>Puget Sound Dispatch</u>, <u>L.L.C.</u> ("Concessionaire(s)") and its employees, <u>subcontractors and Independent Contractors</u> 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 permitpermits allowing Concessionaire(s)'s Independent <u>Contractors</u> 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(<u>s)</u> and the Independent Contractors when operating at the Airport. As used in these Operating Instructions, the term "Driver" shall mean any On-Demand taxi driver who is the owner or leasor of the Concessionaire and has a fully-licensed taxiowner, operator, lessee or driver operating a Taxi under the Concession. "Taxi" shall mean any fully-licensed On-Demand Taxitaxicab vehicle that is associated and authorized withby the Concessionaire(s) to provide On-Demand Taxi service at the Airport pursuant to the Agreement.

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 <u>at the Airport by passengers as they depart from the terminal.</u>
- B. The On-Demand Taxi permit ("Permit") allows <u>driverDriver</u> access to and from the Airport to provide taxi passenger pick-up on an on-demand basis at the Airport. The <u>permitsPermits</u> are solely associated with the privilege to operate at <u>Seattle-Tacoma</u> <u>Internationalthe</u> 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 <u>A Driver</u> shall sign a Permit Receipt (Exhibit C) and agrees to surrender the <u>permitPermit</u> upon breach of the operating instructions, expiration of such <u>permitPermit</u> or at the termination of this agreement. <u>The Port may issue such other and further permits as set forth in Section 4.B. of the Agreement.</u>
- D. The permit shallis not be transferable to any other vehicle.
- E. <u>A Driver of a Taxi</u> may request that MGT transfer a <u>permit Permit</u> to a replacement vehicle or onto a replacement windshield.
- F. The original <u>permitPermit</u> must be returned to Ground Transportation Office before another <u>permitPermit</u> 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 <u>permitPermit</u> issued during the term of the <u>operating_agreementAgreement</u>. Each such <u>permitPermit</u> must be surrendered by <u>driverDriver</u> on demand <u>ofby</u> 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 <u>permitsPermits</u> 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. <u>Upon written request by MGT</u>. Concessionaire(s) shall provide to MGT a current written list of the names and numbers of each Driver authorized to operate <u>the taxiTaxi(s)</u>, in the form attached hereto as Exhibit D. Each Driver shall comply with and be bound by these Operating Instructions.
- J. The Concessionaire shall provide not less than one hundred seventy (170) vehicles to the operation of the Concession. After March 1, 2011, the total number of vehicles shall not go below two hundred and ten (210). Concessionaire(s) may deactivate any of its vehicles the Taxis by giving MGT written notice of intent to deactivate. An on-demand taxiOn-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<u>Drivers</u> 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 & 160th Street Taxi Holding Lot
 - i) On-demand taxi<u>Demand Taxi</u> staging is available in the 3rd Floor Staging Area at the north end of the floor. <u>ConcessionaireIndependent Contractor</u>'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<u>Taxi</u> pick-up areas and two holding/staging areas. The two pick-up areas are provided in the north and south ends of the 3rd floor of the parking garage. Both areas are curbside. The holding/feeder areas are located at the north end of the 3rd floor of the parking garage and off-site at 160th 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 3rd floor of the parking garage, however, at times in which a special accommodation is required for a passenger a taxiTaxi 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 taxiTaxi 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. <u>A.</u> While stationed in the feeder line, <u>driversDrivers</u> must notify the Ground Transportation Office if he/she becomes necessary to leave his/her post.
- D. B. On-Demand Taxis left unattended for more than ten (10) minutes may be moved to a holding lot at Concessionaire'Driver's expense.
- E. <u>C.</u> 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 <u>Agreementagreement</u> 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 <u>Agreementagreement</u> and/or these Operating Instructions.
- C. Parking for business related activities of the Concessionaire(s) will be conducted at <u>onan</u> off-site lot. <u>EmployeesIndependent Contractors and employees</u> 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 <u>taxiTaxi</u> by passengers not traveling to the same destination is not allowed, unless the <u>airportAirport</u> 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 driverDriver is actively loading/unloading passengers.
- H. Other than taxi drivers<u>Drivers</u> engaged in loading/unloading of passengers and a taxi coordinator position, the Independent Contractors and 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.

<u>A.</u> B. It is the Port's intent that the fleet of <u>taxis_Taxis</u> operating at <u>Sea_Tacthe</u> 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)

- <u>B.</u> <u>C. Vehicles under this Concession AgreementIndependent Contractors</u> shall be mademake their vehicles 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)
- <u>C.</u> D. Concessionaire(s) shall act to ensure that <u>its members the Independent Contractors</u> 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 <u>Sea Tacthe</u> Airport.
 - (i) By March 1, 2011, Concessionaire shall ensure that at least fifty percent (50%) of the Independent Contractors vehicle fleet it uses for On-Demand Taxi service utilizes alternative fuels, as defined by the U.S. Energy Policy Act, or is designated by the United States Environmental Protection Agency as having a highway rating of 45 mpg or greater. Evidence of minimum mpg or alternative fuel status will be submitted electronically to the MGT every November 1st. Concessionaire 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: Biodiesel, Electricity, Ethanol, Hydrogen, Methanol, Natural Gas, and Propane. For more vehicle <u>consult</u> information about alternative fuels, http://www.afdc.energy.gov/afdc/fuels/index.html.
 - ii) i) By SeptemberMarch 1, 2010, 2012, Concessionaire(s) shall ensure that at least fifty_shall ensure that one hundred percent (50100%) of itsthe Independent Contractors vehicle fleet it uses for On-Demand Taxi service 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 the MGT the MGT electronically to every **September**November 1^{st} . 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: Biodiesel, Electricity, Ethanol, Hydrogen, Methanol, Natural Gas, and Propane. For more about alternative vehicle fuels, consult information http://www.afdc.energy.gov/afdc/fuels/index.html
- 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 1st. Concessionaire(s) will provide vehicle registrations or other documentation as approved by the MGT as verification of compliance.

- iii) Notwithstanding subsections (i) and (ii) above, the Port acknowledges that wheelchair accessible vehicles meeting the requirements of subsections (i) and (ii) are not currently generally available at a commercially reasonable price. In addition, as a result of recent revisions in the City of Seattle taxi regulations, the Independent Contractors providing wheelchair accessible taxi service recently procured new vehicles consistent with City regulations. Therefore, the requirements set forth in subsection (i) and (ii) shall not be applicable to wheelchair accessible taxi vehicles until such time as the parties agree that they are generally available and conversion is appropriate.
- iv) iii) By SeptemberNovember 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.
- <u>v</u>) iv) The Airport encourages Concessionaire(<u>'s</u>) participation in the Evergreen Fleet Initiative (www.evergreenfleets.org). 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.
- vi) 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 Tacthe 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.
- <u>vii)</u>vi) By March 1st of each year of this contract, Concessionaire(s) shall electronically submit to the MGT information regarding shall reasonably cooperate with the Port with any efforts to calculate greenhouse gas emissions associated with taxi operations from<u>under</u> 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. Concession.
- <u>viii)</u> vii) In the event that Concessionaire(s) fails to comply with the requirements set forth in this <u>ParagraphSection</u>, the Port specifically reserves the right to issue a notice of default under, and terminate, this Agreement.
- <u>D.</u> 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) comply with City of Seattle rules regarding the size and age of the vehicle and Concessionaire will provide a total of three (3) ADA accessible vans or minivans for every 70 vehicles within the fleet.
- <u>E.</u> <u>F.</u> Drivers shall comply promptly with instructions regarding vehicle use from MGT.
- <u>F.</u> <u>G.</u> Drivers shall be reviewed for cleanliness, good appearance, and violations of King County, City of Seattle laws, ordinances or Port Rules and Regulations.
- <u>G.</u> <u>H.</u> Digital Security Cameras must be installed in all <u>taxis</u> per City of Seattle rules. (See City Rule R-6.310.320.S)
- <u>H.</u> I. Silent alarms must be installed and monitored for each <u>taxiTaxi</u> per City of Seattle rules (See City Rule R-6.310.320.T)
- **I**. 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.
- <u>J.</u> <u>K.</u> No On-Demand Taxi shall display bumper stickers or unnecessary markings <u>except</u> <u>as allowed by City of Seattle rules</u>. Concessionaire(s) logo and phone number is permitted and must have "Airport Taxi" markings with MGT approval.
- <u>K.</u> <u>L.</u> All <u>taxis Taxis</u> shall be repaired within the times described on attached Exhibit F.
- L. Minor vehicle body damage or appearance defects shall be repaired within a time frame set by MGT to repair such damage.
- <u>M.</u> N.-There will be no repairs made to <u>taxisTaxis</u> on <u>PortAirport</u> property.
- <u>N.</u> 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's shall be inspected in accordance with City of Seattle rules. 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<u>for</u> City of Seattle Inspectors.

- <u>O.</u> <u>P. Concessionaire(s) vehicles Taxis</u> shall have the necessary equipment (such as winter tires or chains) to operate safely in snow and inclement weather conditions.
- P. Q. Concessionaire(s) shall furnish, at theirits expense, identification badges for all its drivers and ownersDrivers to display on the exterior of the their uniform, above the waist. The badges shall include a photo of the driver/ownerDriver, full name and taxiTaxi vehicle number.

7. CONDUCT OF DRIVER.

A. Only Drivers registered and on file in the Ground Transportation Office may transport passengers at the Airport (see Exhibit D). Drivers must be successful recipients of the King County<u>for</u> 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.
- 6.310.410. 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.
- 6.310.440. 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.
- 6.310.465. For-hire driver- Passenger relations standards.
- 6.310.470. For-hire driver soliciting and cruising standards.
- 6.310.475. For-hire driver taxi zone standards.
- 6.310.480. For-hire driver- Wearing costume.
- B. 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. <u>DriverDrivers</u> shall discharge <u>itstheir</u> 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. Airport.

Should gross misconduct occur, MGT may require removal without 3 previous violations.

E. Drivers are not to drive the <u>taxi_Taxi</u> for longer than ten (10) hours in any twenty-four (24) hour period.

8. ENFORCEMENT PROCEDURES.

- A. Violations may result in a monetary fine against <u>driverthe Driver</u> and/or a suspension of the vehicle or its <u>driverDriver</u> (see Exhibit G).
- B. **Port**<u>Airport</u> 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 <u>driverDriver</u> 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 <u>driversDrivers</u> 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 <u>a</u> fine is not paid within ten (10) business days, <u>the vehicle permit or all company permits</u> will be revoked.
- E. If MGT chooses to suspend a driver<u>Driver</u> of a vehicle, such suspensions will be carried out pursuant to the following procedures:

Two violation notices	1 day suspension
Three violation notices	2 - 7 day suspension
Four violation notices	8 - 90 days suspension
Five violation notices	91 - 365 days suspension

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

- F. <u>A</u>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 <u>driver, drivera Driver</u>, <u>the Driver</u> 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 <u>driverDriver</u> 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, <u>driverthe Driver</u> 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 the Agreement or these Operating Instructions.
- K. If <u>driverthe Driver</u> does not appeal within the ten (10) business day period, the <u>driverDriver</u> 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 <u>on-demand-taxiTaxi</u> and/or <u>driverDriver</u> leave the Airport immediately. In order for the <u>on-demand-taxiTaxi</u> to return to the Airport, the condition must be corrected and the vehicle is re-inspected and approved by MGT or King County/<u>or</u> City of Seattle Inspector.
- N. If, upon inspection, it is determined that the condition of any <u>on-demand taxiTaxi</u> or <u>driverDriver</u> needs correction, the Concessionaire(s) or <u>driverDriver</u> 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. <u>A</u>Driver shall not utilize any Ground Transportation Office personnel for any purposes involving <u>driverDriver</u>'s business other than dispensing general information to the public on <u>this the On-Demand Taxi</u> service.
- B. No Concessionaire(s) or authorized <u>driverDriver</u> is allowed at the Ground Transportation Offices at any time except to conduct ground transportation business. Concessionaire(s) and authorized <u>driversDrivers</u> 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 <u>written</u> notice to the Concessionaire(s). Emergency instructions may be issued by MGT <u>in writing</u> and shall take effect immediately.

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EXHIBIT B SERVICE AREAS

Aberdeen <u>Algona</u> **Anacortes** Arboretum U.W. Arlington <u>Auburn</u> Aurora Village Ballard **Bainbridge** Bangor Belfair **Bellevue** Bellevue (Downtown) Bell. Cross Road Bell. Eastgate **Bellingham Bitter Lake** Black Diamond Blaine Blue Ridae Bonney Lake **Bothell** Brier Bridal Trails **Bremerton** Brown's Pt. Tac. **Bucklev Burlinaton** Capital Hill Carnation Centralia **Chehalis** Clyde Hill Coal Creek Cougar Mountain Covinaton **Crystal Mountain Dash Point Discovery Bay** Dupont **Duvall** Edmonds Edmonds (North) Emerald Downs

Enumclaw Everett (Downtown) Everett (North) Everett (South) Evergreen St. Coll. Fairwood **Fall City** Fauntleroy Ferry Federal Way **Ferndale** <u>Fife</u> **Fircrest** Fort Lewis Fox Island Fremont **Gig Harbor** Gorst <u>Graham</u> Green Lake Greenwood Hoquiam Index Inglewood **Issaguah** Issaguah (Downtown) Issaguah Plateau Juanita **Kenmore** Kent **Kirkland Klahanie** Lacev Lake Chelan Lake Citv Lake Forest Park Lake Stevens Lake Tapps Lake Union Lake View Lakewood Laurelhurst Leschi Lonaview Lynnwood

Madigan Madison Park Madrona Magnolia Maple Valley Maplewood Marysville **McChord** Medina Mercer Island Microsoft Campus Mill Creek Milton Monroe Montlake Mountlake Terrace Mt. Rainier Mt. Vernon Muckelshoot Casino Mukilteo Naval Air Station New Castle Newport Hills North Beach North Bend Northqate Oak Harbor Olvmpia Orting P.L.U. Pug. Snd. Nav. Stn. Pacific Paine Field Parkland Pasco Point Defiance Zoo Port Angeles Port Ludlow Port Orchard Port Townsend Portage Bay Portland Poulsbo Preston

Pullman Purdy **Puyallup** Puv. South Hill Queen Anne **Ravenna** Redmond (Downtown) Redmond (North) Redmond (South) Renton **Richmond Highland Richmond Beach** Sahalee Salish Lodge Saltwater Park **Sandpoint** Sammamish Sammamish Pl. Seattle (Downtown) Seattle (North) Seattle Pac. Univ. Seattle Univ. Sequim Seward Park Shelton Shilshole Bay **Shoreline** Silverdale **Snohomish** Snoqualmie City **Snoqualmie Pass** South Bend Spanaway Space Needle Spokane Stanwood Steilacoom Somerset Summet (4 Cnrs) Sumner. Tacoma (Downtown) <u>Tacoma</u> **Tiger Mountain** Totem Lake

Tulalip **Tumwater** Twin Lakes U. District Univ. Place (Tac) U.P.S. <u>Vanc. BC Airport</u> <u>Vanc. BC</u> (Downtown) Vancouver, WA View Ridge Walla Walla Wallingford Wenatchee West Seattle **Windermere** Woodinville Woodland Park <u>Yakima</u> Yelm

		EXHIBIT B		
		SERVICE ARE	S	
Aberdeen	Enumclaw Everett	Madigan	Pullman	Tulalip
Algona	(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 Redmond	U.P.S.
Aurora Village	Fall City	Marysville	(Downtown)	Vanc. BC Airport
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 Bellevue	Fircrest	Mill-Creek	Richmond Beach	Wallingford
(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	Mountiake renace	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)	
Bonney Lake	Hoquiam	Naval Air Station	Seattle Pac. Univ.	
Bothell	Index	New Castle	Seattle Univ.	
Brier	Inglewood	Newport Hills	Sequim	
Bridal Trails	Issaguah	North Beach	Seward Park	
Britan Hallo	Issaquan Issaguah	Horth Beach	OCWAIL FAIR	
Bremerton	(Downtown)	North Bend	Shelton	
Brown's Pt. Tac.	Issaguah Plateau	Northgate	Shilshole Bay	
Buckley	Juanita	Oak Harbor	Shoreline	
Burlington	Kenmore	Olympia	Silverdale	
Capital Hill	Kent	Orting	Snohomish	
Carnation	Kirkland	P.L.U.	Snogualmie City	
Centralia	Klahanie	Pug. Snd. Nav. Stn.	Snogualmie 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 Tacoma	
Duvall	Laurelhurst	Portage Bay	(Downtown)	
Edmonds	Leshi	Portland	Tacoma	
Edmonds (North)	Longview	Poulsbo	Tiger Mountain	

Emerald Downs	Lynnwo	od Prest)n	Totem Lake	9	
POS PERMIT #:						
CONCESSIONAIR	RE					
MAILING ADDRE	ESS:					
PHONE #:						
FAX #:						
KING COUNTY L	ICENSE	#:				
CITY OF SEATTL	E LIC #:					
VEHICLE LICENS	SE #:					
YEAR:						
MAKE AND MOE	DEL:					
INITIAL ISSUE		REPLACEMEN	т 🗖	RENEWAL		
OWNER CHANG	Ξ	NAME CHANC	ΈE 🗖			
PAID (cash/check)		DATE:				
INSURANCE EXP	PIRATIO					
SIGNATURES:		CONCE	SSIONAI	RE		

PORT REPRESENTATIVE

	(S) LIST	

CONCESSIONAIRE:

DATE:

DRIVER NAME

CELL PHONE NUMBER_____

NUMBER _____ EXPIRATION DATE _____

TAXI IDENTIFICATION

DRIVER NAME_____

CELL PHONE NUMBER

EXPIRATION DATE

DRIVER NAME		
-NUMBER	EXPIRATION DATE	
DRIVER NAME		
CELL PHONE NUMBER		=
-NUMBER	_EXPIRATION DATE	

Please use additional forms if necessary.

		1
DATE:	 	
CONCESSIONAIRE:	 	
VIN #:		
VEHICLE LICENSE #:		
YEAR, MAKE, & MODEL:		
MILEAGE:		

ENGINE (Electronic Scope Test)	Rate*	MISC	Rate*	<u>MISC – CONT.</u>	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		OTHER	
Fuel Filter		Tail Pipe			
Engine Oil		Muffler			
Power Steering Pump		Engine Leaks			
		Transmission Leaks			

*Rate: 1 = Satisfactory / 2 = Caution / 3 = Urgent

MECHANIC SIGNATURE & DATE: _____

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.

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 <u>against the Driver</u>. MGT reserves the right for the final say on all violations and fines/suspensions.

112955.0002/1795369.22

Document comparison by Workshare Professional on Tuesday, August 10, 2010 4:55:53

Input:	
Document 1 ID	file://C:/Documents and Settings/pqb/My Documents/Taxi Concession Agreement (RFP).docx
Description	Taxi Concession Agreement (RFP)
Document 2 ID	file://C:/Documents and Settings/pqb/My Documents/Taxi Concession Agreement (final).docx
Description	Taxi Concession Agreement (final)
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	505
Deletions	560
Moved from	8
Moved to	8
Style change	0
Format changed	0
Total changes	1081