



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6h

**ACTION ITEM**

**Date of Meeting** March 26, 2019

**DATE:** March 19, 2019

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Michael Ehl, Director, Aviation Operations  
Jeff Wolf, Manager, Aviation Commercial Management

**SUBJECT:** Airport On-Demand Taxi/Flat-Rate For-Hire Curb Management (Short Form)

**Amount of contract authorization:** \$12,500,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute contract documents for curb management associated with On-Demand Taxi/Flat-Rate For-Hire (On-Demand) services at Seattle-Tacoma International Airport for a total cost of \$12,500,000 for a term of two years with three, one-year extension options.

**SUMMARY**

A new Airport On-Demand Taxi system is set to begin on October 1, 2019. The Commission is considering a motion related to the new system on March 26, 2019.

Included in the new system is a support function referred to as curb management. This function is primarily comprised of labor-related activities associated with proper running of the On-Demand system at the Airport and includes:

- Management of passenger loading into vehicles
- Staging and dispatching of vehicles based on supply and demand to the active pick-up area
- Management of a vehicle holding lot and vehicle queuing in operating areas
- Monitoring of vehicles and drivers to ensure compliance with rules and requirements

Staff will begin a procurement for curb management services directed by the Port's Central Procurement Office (CPO). Staff anticipates selecting a curb management provider and completing contract negotiations for an October 1, 2019, start date.

The Port assumed the current curb management agreement set to expire on September 30, 2019, as part of a settlement agreement with the current concessionaire in July 2018 at an annual cost of approximately \$1,900,000. As part of the new On-Demand system, set to begin

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October 1, 2019, there may be additional costs associated with an increased scope of work. The costs, which include on-going expense reimbursables as well as a management fee, will be finalized through the procurement process and associated negotiations with the selected provider. Due to the uncertainty of total costs, staff is requesting authorization of \$2,500,000 per contract year. The estimated cost for a two-year pilot program with three additional one-year extension options totals \$12,500,000. These costs will be included as part of the budget for Airport Landside Operations.

There are no attachments to this memo.