

## RESOLUTION NO. 3542

**A RESOLUTION** of the Port Commission of the Port of Seattle imposing a Customer Facility Charge on customers of rental car companies accessing Seattle-Tacoma International Airport for the purposes of financing, designing, constructing, operating, and maintaining a consolidated Rental Car Facility and common use transportation equipment and facilities which are used to transport customers between the consolidated Rental Car Facility and other Airport facilities.

**WHEREAS**, the Port of Seattle (“the Port”) owns and operates the Seattle-Tacoma International Airport (“the Airport”) pursuant to Title 53 and Chapters 14.07 and 14.08 of the Revised Code of Washington; and

**WHEREAS**, growth at the Airport, including increases in air passengers and rental car customers, has placed a strain on the Airport’s public parking facilities, rental car facilities, roadways and terminal curb space; and

**WHEREAS**, the Port completed a Long Term Rental Car Facility Study in 1998, which study concluded that rental car operations needed to be relocated from the terminal area to a remote consolidated rental car facility and identified a preferred site located at the intersection of International Boulevard (State Route 99) and South 160<sup>th</sup> Street in the City of SeaTac; and

**WHEREAS**, the Port completed a Project Analysis Report in July 2002, which report identified a preferred concept for the structure of the consolidated rental car facility at the preferred site and addressed common use transportation systems for moving rental car customers between the remote consolidated rental car facility and the remainder of the Airport; and

**WHEREAS**, the Port, in 2003, reconfirmed the need to develop the remote consolidated rental car facility as part of the Airport Development Strategy and refined the preferred concept for the consolidated rental car facility with detailed input from the rental car industry; and

**WHEREAS**, the Port Commission, in 2004, authorized the Airport to proceed with full project design of a consolidated rental car facility, with a current estimated total capital cost of \$238,576,000 and scheduled completion date of 2009-2010; and

**WHEREAS**, the Port recently completed National Environmental Policy Act and State Environmental Policy Act review of the proposed consolidated rental car facility and common use transportation equipment and facilities;

**WHEREAS**, the Washington State Legislature, by Chapter 76 of the Laws of 2005, authorized the Port to impose a customer facility charge upon customers of rental car companies accessing the Airport for the purposes of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport customers between consolidated car rental facilities and other Airport facilities; and

**WHEREAS**, the Port Commission has now determined that it is in the best interests of the Port to impose a customer facility charge to provide funding to finance, design, construct, operate and maintain the consolidated rental car facility and common use transportation equipment and facilities;

**NOW, THEREFORE, BE IT RESOLVED** by the Port Commission of the Port of Seattle that:

Section 1. The following terms shall have the meanings specified in this Section, unless otherwise specifically provided. Other terms may be defined in other parts of the Resolution.

“Airport” means the Seattle-Tacoma International Airport.

“Airport Customer” means: (i) any person who comes to the Airport (specifically including the Rental Car Facility) by any means of transportation and enters into a motor vehicle rental agreement with a Rental Car Company at the Airport; (ii) any person who flies into the Airport and within twelve (12) hours thereafter, enters into a motor vehicle rental agreement with a Rental Car Company at any of the Rental Car Company’s rental car operations located within a three (3) mile radius of the Airport’s boundary line, and (iii) any person who flies into the Airport and within twelve (12) hours thereafter, enters into a motor vehicle rental agreement with a Rental Car Company at any of the Rental Car Company’s rental car operations located outside a three (3) mile radius of the Airport’s boundary line, but only if, the Rental Car Company arranged for, coordinated or otherwise provided transportation for the person to the operations located outside the three (3) mile radius.

“Chief Executive Officer” means the Chief Executive Officer of the Port of Seattle, or his or her designee.

“Consolidated Transportation System” means the common use transportation equipment and facilities (such as buses, any bus maintenance facility, luggage transport, and any other associated support facilities) that will be used to transport rental car customers and their luggage between the Rental Car Facility and other Airport facilities.

“Customer Facility Charge” means the fee imposed by this Resolution and used to finance, design, construct, operate and maintain the Rental Car Facility and Consolidated Transportation System.

“Rental Car Company” means a rental car company having executed a lease and concession agreement for the operation of a rental car concession at the Airport, specifically including the Rental Car Facility following its opening. For the period of time prior to the opening of the Rental Car Facility, Rental Car Company specifically includes those rental car companies holding either a Full Service Rental Car Concession or a Limited Service Rental Car Concession (both as defined in the current lease and concession agreement).

“Rental Car Facility” means a consolidated rental car facility located at the northwest corner of South 160<sup>th</sup> Street and International Boulevard that is expected to consist of a multi-level structure together with all associated environmental and infrastructure improvements. The Rental Car Facility will include a centralized customer lobby area, office and employee support space, ready/return spaces, and quick-turn around facilities including washing, cleaning and fueling equipment.

“Transaction Day” means, with respect to any vehicle available for rent by any Rental Car Company, up to a twenty five (25) hour period (or fraction thereof) for the first Transaction Day and successive twenty four (24) hour periods (or fractions thereof) for each successive Transaction Day.

Section 2. Effective August 1, 2005, a Customer Facility Charge shall be charged to and assessed on each Airport Customer. The initial amount of the Customer Facility Charge shall be four dollars and no cents (\$4.00) per Transaction Day. The Chief Executive Officer

may, however, adjust the amount of the Customer Facility Charge from time to time on not less than thirty (30) days notice to the Port Commission and the Rental Car Companies to pay the costs and expenses of financing, designing, constructing, operating and maintaining the Rental Car Facility and the Consolidated Transportation System; *provided, however*, the Customer Facility Charge shall not, without further Port Commission action, exceed the lesser of: (i) the highest customer facility charge (expressed per Transaction Day) levied at any other major airport in the United States, or (ii) the amount of five dollars and no cents (\$5.00) per Transaction Day, with such maximum amount to be adjusted annually based on the change in the Consumer Price Index (All Urban Consumers, All Items) for the Seattle-Tacoma-Bremerton area; and *provided, further*, the aggregate amount to be collected by way of the Customer Facility Charge shall not exceed the costs to finance, design, construct, operate and maintain the Rental Car Facility and Consolidated Transportation System.

Section 3. Customer Facility Charge receipts will be excluded from concession Gross Revenues as defined in, and pledged to the repayment of, the Port of Seattle's outstanding revenue bonds. The Port may determine to use Customer Facility Charge receipts solely to pay debt service on special revenue bonds issued for the Rental Car Facility or Consolidated Transportation System or may, in the future, determine to use Customer Facility Charge receipts or net Customer Facility Charge receipts as debt service offsets or to include Customer Facility Charge receipts, or net Customer Facility Charge receipts, as Gross Revenues or Gross Revenues pledged to a particular lien of revenue bonds, subject to conditions and terms that would be approved by the Port Commission at that time.

Section 4. Pursuant to either agreement with the Port or rules and regulations promulgated by the Chief Executive Officer under this Resolution, the Rental Car Companies shall collect the Customer Facility Charge from each Airport Customer at the time payment is first made under any agreement with an Airport Customer. Each Rental Car Company shall further remit the full amount of the Customer Facility Charge to the Port or to an agent appointed by the Port not less frequently than monthly, regardless of whether or not the full amount of such Customer Facility Charge was actually collected from the Airport Customer.

Section 5. All Customer Facility Charges collected by any Rental Car Company on behalf of the Port shall be held in trust for the beneficial interest of the Port of Seattle until they are remitted. The Rental Car Companies shall have no legal or equitable interest in the Customer Facility Charges they collect and shall segregate, separately account for and characterize any Customer Facility Charges in their possession as trust funds in financial statements. Pursuant to either agreement between the Port and Rental Car Companies or rules and regulations promulgated by the Chief Executive Officer under this Resolution, the Rental Car Companies shall maintain adequate records, in full conformance with generally accepted accounting principles, that account for all Customer Facility Charges charged, collected and remitted, and these records shall be available to the Port for review, inspection and audit. The Rental Car Companies shall be entitled to no compensation for collection of the Customer Facility Charge, but they may retain any interest earned on the Customer Facility Charge between the time of collection and remittance.


Section 6. The Customer Facility Charge shall be separately identified by the Rental Car Companies on any rental agreement with an Airport Customer. In addition, the Chief


Executive Officer shall, pursuant to either agreement with the Rental Car Companies or rules and regulations promulgated under this Resolution, require the Rental Car Companies to clearly and conspicuously disclose the existence and amount of the Customer Facility Charge in: (i) any advertisement intended to generate customers at the Airport (or in any advertisement intended to generate customers at multiple airports, the existence of and range of customer facility charges), and (ii) any quotation (regardless of form) to a potential Airport Customer.

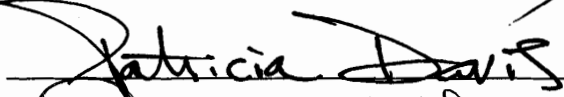
Section 7. The Port Commission specifically authorizes the Chief Executive Officer to make, amend, and rescind such tariffs and/or rules and regulations as may from time-to-time be necessary to carry out the provisions of this Resolution. Any previous actions or agreements implementing any provision of this Resolution are, to the extent consistent with the terms of the Resolution, expressly ratified.

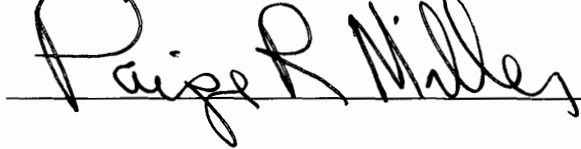
Section 8. If any provision of this Resolution is held to be invalid or unenforceable by any court of competent jurisdiction, then such provision shall be severed from this Resolution and the remainder of this Resolution shall not be affected thereby. Nothing in this Resolution shall be construed as a limitation on the Port Commission to amend this Resolution at any time in the future or otherwise revise the Customer Facility Charge in any manner consistent within the authority granted to it by the Washington State Legislature.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof, held this  
14<sup>th</sup> day of June, 2005 and duly authenticated in open session by  
the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

  
\_\_\_\_\_  
BOB EDWARDS

  
\_\_\_\_\_  
ALEC FISKEN

  
\_\_\_\_\_  
PATRICIA DAVIS

  
\_\_\_\_\_  
PAIGE MILLER

\_\_\_\_\_

COPY  
Port Commission