

Gloria

STAFF REVIEW SESSION

June 26, 1979

AGENDA

1. Port of Seattle Stevedore Contract (Ford)  
(Memo attached)
2. Airport Cab Deregulation (Ford)
3. Cost of Living (Ford)
4. Repatriation Expenses for Dwight Scarbrough - (Hogan)  
Hong Kong Office  
(Memo attached)
5. Lykes Bros. Steamship Company, Inc. (Hogan, Doherty)
6. Flower Concession Sea-Tac (Killeen)  
(Memo attached)

**MEMORANDUM**STAFF REVIEW SESSION

ITEM NO. \_\_\_\_\_

DATE June 25, 1979

TO Richard D. Ford, Executive Director

FROM Frank Clark, Manager Marine Terminals

SUBJECT Port of Seattle Stevedore Contract

DATE of MEETING 6/26/79

The contracts between the Port and Seattle Crescent Container Service-- Agreement for Containership Stevedoring and Terminal Services Between Vessel Stowage and Inland Carriers, and Agreement for Operation Container Freight Station--are due to expire July 10, 1979.

It is the Marine Department's request that these two contracts be extended until August 31, 1979 to allow sufficient time to prepare bid documents, advertise, receive and evaluate bids, and award the contract.

The new contract would remain in effect until December 28, 1980. It is our intent to combine the present two contracts in one document. Due to the uncertainties of future accounts, the new contract cannot state minimum guarantees as to vessel or container yard volumes. Further, a single sliding scale for vessel stevedoring based upon productivity will be established for all vessel configurations to include only the necessary labor to handle containers. All labor for lashing/unlashing and miscellaneous extra work will be charged at man hours. Presently three different sliding scales exist to accommodate the various vessel stowage designs.

It is the Marine Department's intent to conform to the following schedule:

July 16, 1979	Advertise for bids.
July 19, 1979	Open meeting to answer bid inquiries.
July 30, 1979	Sealed bid submission.
August 10, 1979	Announcement of successful bidder.
September 1, 1979	New contract effective date.

A review board composed of five Port staff members will be convened to analyze the bids and select the most qualified bidder based upon experience and bid rates and conditions submitted.

In 1978 the combined expense to the Port for labor supplied to fulfill the above two contracts was approximately two million dollars.

  
dlh

**MEMORANDUM**STAFF REVIEW SESSION

DATE June 25, 1979

TO Richard D. Ford, Executive Director

FROM James L. Hogan, Senior Director, Finance and Administration

SUBJECT Repatriation Expenses for Dwight Scarbrough - Hong Kong Office

The State Auditor's Division of Municipal Corporations has issued its Report of Examination of the Port of Seattle for the year 1977. One of its findings relate to the repatriation expenses paid by the Port, January 5, 1977, for Mr. Scarbrough, his wife and daughter from Hong Kong to Phoenix, Arizona.

After much discussion with the Auditor's office, the Port indicated that it planned to bring these expenditures before the Port Commission at this time and request retroactive approval of the expenditures. The Auditor's response was to the effect that reimbursement of expenses to Mr. Scarbrough would only be acceptable if there was an agreement between Mr. Scarbrough and the Port of Seattle and the payment for expenses were approved by the Port Commission.

The expenses in question total \$16,695.96 and consist of the following:

Three (3) First Class air tickets, Hong Kong to Phoenix, Arizona .....	\$ 4,321.19
Moving of household goods and personal effects to Sun City, Arizona .....	2,177.23
Physical examination for Mr. Scarbrough and family - Dr. T. H. Quong .....	257.00
Preparation of Tax Returns - I. H. Fredericks ...	271.71
Recalculation of Tax Returns .....	97.83
1976 Tax Impact on Expatriates as agreed to by Port of Seattle, Executive Depart- ment officials .....	<u>9,571.00</u>
Total .....	<u>\$16,695.96</u>

There is no doubt that an agreement was reached between Mr. Scarbrough and the Port in connection with reimbursement of these expenses. However, apparently it was not documented in writing.

At this time if the Port Commission would acknowledge that an agreement did in fact exist and if the Port Commission approves the payment of these expenses, it will now be acceptable to the State Auditor.

We recommend that the Port Commission do so acknowledge and approve the expense payment to Mr. Scarbrough.

# LYKES BROS. STEAMSHIP CO., INC.

OWNERS, OPERATORS AND AGENTS  
CABLE "LYKES"



320 California Street  
San Francisco, California 94104

June 14, 1979

Port of Seattle  
P.O. Box 1209  
Seattle, Washington 98111

Attention: Mr. James L. Hogan, Senior Director, Finance And Administration

Gentlemen:

RE: "PARTIAL ASSIGNMENT" - MARITIME LIENS

We are returning herewith the original "Partial Assignment" suggested by the Port of Seattle and which Lykes Bros. considers unacceptable in its present form.

Among our objections is the fact that it would not extinguish Maritime Lien claims against the vessel, that it is not in accordance with our discussions with the Port Authority and is contrary to the spirit of Lykes' arrangement with States Steamship Company.

In view thereof, and in order that we may conclude a settlement already agreed upon, it is requested that the Port Authority reconsider its position.

We shall look to your further advices.

Very truly yours,

LYKES BROS. STEAMSHIP COMPANY, INC.

  
C. C. CAMP, Jr.  
RISK MANAGEMENT & CLAIMS DEPARTMENT

Encl.

Copy to:  
Mr. N. J. Rizzo - New Orleans

CCC/jcp



**MEMORANDUM**STAFF REVIEW SESSION

DATE June 22, 1979

TO - Richard D. Ford, Executive Director

FROM Lawrence M. Killeen, Director of Real Estate

SUBJECT Tomi's Flower Shop - Month-to-Month Concession Agreement - Operation of Floral Cart Concession - Sea-Tac International Airport

A month-to-month Concession Agreement with Tomi's Flower Shop was recommended by Airport Real Estate and executed December 21st, 1979 with the Director of Real Estate signing the agreement for the Port as it was within his statutory authority.

This agreement calls for the concessionaire to pay \$100.00 per month minimum per floral cart plus \$50.00 per month for overnight storage or 10% of the gross revenue, whichever is greater. There are now three carts in operation at the Airport. Since the inception of this agreement, the monthly gross for the first four months of operation was: December, \$1,733.42; January, \$6,064.14; February, \$7,224.39; March, \$8,966.76. Numerous favorable comments have been received about the colorful displays afforded the public.

Host International held the right to sell flowers at the Airport under its exclusive concession agreement with the Port. This right was recently waived by Host which opened the door for the Port to enter into a direct contract with a minority florist.

The Floral Cart Concession has shown a steady increase in sales and good management for the short time they have been in business at the Airport.



ES/RET/cg