

Agenda Date: September 27, 2018
Item Number: B2 - (F13)

Docket: TC-180796
Company Name: Bremerton Kitsap Airporter, Inc.

Staff: Mike Young, Section Manager, Water and Transportation

Recommendation

Issue an order suspending Time Schedule #24 and Time Schedule #24 Original Page 1 filed September 10, 2018, and revised on September 19, 2018, and September 24, 2018, and set for hearing, and;

Allow the tariff revisions titled Fourth Revised Title Page, Eighth Revised Page 1, Tenth Revised Page 2, Seventh Revised Page 3, Eighth Revised Page 4, and Ninth Revised Page 5, filed by Bremerton Kitsap Airporter, Inc. on September 19, 2018, to become effective on October 1, 2018.

Discussion

On September 10, 2018, Bremerton Kitsap Airporter, Inc. (BKA or company), filed Time Schedule #24, replacing Time Schedule #23 adding a stop at the Holiday Inn Express at 11751 Pacific Highway SW, in Lakewood Washington. On September 19, 2018, the company filed additional tariff revisions with the Utilities and Transportation Commission (commission) implementing administrative changes to the tariff rules. The company provides scheduled route service from Joint Base Lewis McChord (JBLM) to SeaTac International Airport (SeaTac) and scheduled route service from Poulsbo to SeaTac and door-to-door auto transportation service from points in Kitsap County to SeaTac.

The company's current certificate authorizes it to provide service between "Fort Lewis or McChord Air Force Base and Seattle-Tacoma International Airport via I-5 and SR 99, including connecting streets and roads." There is a limitation which reads: "1. No local service is authorized." The company's Tariff, on Eighth Revised Page 5, lists rates for JBLM-McChord and JBLM-Lewis/Madigan Hospital, and Time Schedule #23 lists as stops "Lewis Rainier Lodge" and "McChord Evergreen Lodge." It appears these facilities are administered by IHG Army Hotels, which was awarded a contract by the United States Army to construct, improve, and operate on-base lodging facilities.

The company is seeking to add an additional stop at the Holiday Inn Express located outside the main gate of McChord Field, on Pacific Highway, also known as SR-99 in Lakewood. The company represents that the Holiday Inn Express serves as an overflow facility for on-base lodging and as such is a natural extension of its route serving JBLM. Staff's research found that IHG, which stands for Intercontinental Hotels Group, owns the Holiday Inn Express chain of hotels. IHG Army Hotels is a partnership between IHG and Lend Lease Group (US) Public Partnerships. It appears that the hotel outside the base shares common ownership with the

facilities located on base. It also appears that the Holiday Inn Express on SR 99 also serves the general public, and its relationship to the military is not clear to staff.

Staff was contacted by Pacific Northwest Transportation Services, Inc. d/b/a Capital Aeroporter Tours and Charters, (Capital Aeroporter) who stated that the Holiday Inn Express on SR 99 falls within its territory. Indeed, certificate C-862, for Capital Aeroporter states:

2. SEATTLE-TACOMA INTERNATIONAL AIRPORT PASSENGER SERVICE
B. BETWEEN: Seattle-Tacoma International Airport and the cities of Kent, Tukwila, Auburn, Algona, Pacific, Sumner, Puyallup, Parkland, **Lakewood**, and Steilacoom, and Pacific Lutheran University. (Emphasis added)

Customer Comments

There have been no customer comments received on this filing.

Conclusion

Because it is unclear with the information provided whether the hotel in question falls clearly in one territory or the other, or if there is an overlap of authority, staff recommends the commission:

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Allow the tariff revisions titled Fourth Revised Title Page, Eighth Revised Page 1, Tenth Revised Page 2, Seventh Revised Page 3, Eighth Revised Page 4, and Ninth Revised Page 5, filed by Bremerton Kitsap Airporter, Inc. on September 19, 2018, to become effective on October 1, 2018.