



Approved Minutes
Thursday, June 18, 2015 - 5:00 P.M.
Regular Meeting of the Hartford Parking Authority Board
155 Morgan Street, Hartford, CT 06103

Commissioners Present

Paddi LeShane, Chair
Ken Lerman, Vice Chair
Mat Jasinski, Commissioner
Bill Breetz, Commissioner

Also Present for HPA:

Eric M. Boone, CEO/Executive Director
Carey E. Redd, II, Associate Director
Michael DesRoches, Director of Finance and Administration
Gina Varano, Assistant Corporation Counsel, City of Hartford

Guests:

Kyle Nichols, General Manager, Republic Parking

1. **Call to Order** - Ms. LeShane called the June 18, 2015 Regular Board Meeting of the Hartford Parking Authority (“Authority” or “HPA”) to order at 5:11P.M.
2. **Roll Call of Commissioners** - Mr. Redd conducted roll call and announced there was a quorum present.
3. **Approval of Minutes of the Regular Board Meeting of May 21st, 2015** - Ms. LeShane polled Commissioners for corrections to the minutes, then called for a motion, a motion was made by Mr. Breetz, seconded by Mr. Lerman. Mr. Redd explained May 21st, 2015 Regular Board Meeting minutes distributed in the Board package electronically were replaced with the minutes in Commissioners’ folders. After the ensuing discussion Commissioners’ amended the minutes with a variety of technical edits. Ms. LeShane called for a vote that -

VOTED: Approved the May 21st, 2015 Regular Board Meeting Minutes as amended.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

4. **Chair’s Comments** - Ms. LeShane raised the issue of the time it takes staff to meet the request of Commissioners to provide details in the minutes. She reported that it has come to her attention that the minutes have become verbose, substantial in length and take considerable time to review and edit. She added after speaking with Atty. Varano and Mr. Boone their conclusion was to solicit guidance from Commissioners on the minutes’ content in an effort to reduce them. Commissioners agreed to look for more summary information regarding discussions but to keep details on action items in order to allow for a historical review of the intent of actions in the future.

Ms. LeShane raised the issue that it has come to the attention of the chair and corporation counsel that resolutions have not been prepared by HPA for actions taken by the Board

particularly those related to city actions and authorizations for contractual actions. The Chair has requested that the CEO/Executive Director schedule a joint meeting with the chair and corporation counsel be briefed on this important protocol and that resolutions be drafted to be ratified by the board at its July meeting. Ms. LeShane asked and Mr. Lerman agreed to join them to provide input on the protocol for a Resolution. Ms. LeShane stated for the purposes of the minutes Commissioners would meet in Executive Session on personnel matters and there will be no action taken therein.

REPORTS AND ACTION ITEMS

1. **Personnel Committee** - Mr. Lerman stated the Personnel Committee (PC) has not completed its review of staff's evaluations but would discuss aspects of personnel in Executive Session. He then asked Mr. Boone to present the recommendation on staff's two (2) Healthcare Plan Options which require Board approval.

Mr. Boone stated in March 2015, he recommended and received approval to maintain staff's Anthem BlueCare (BC) and eliminate staff's Anthem PPO Healthcare Plan (PPO) based on information provided at the time by City of Hartford's (City) Human Resources Benefits Division (HRB) He stated Mr. DesRoches and he recently met with HRB to verify their understanding of both plan features and review/finalized the FY15-16 benefit plan components. During the meeting what was originally understood to be a BC employee deductible limit was actually a benefits limit and was instructed to plan for a 10% increase in FY15-16 healthcare premiums. However, due to various changes in how the plans are administered the BC premiums decreased and PPO premiums increased only 2% over FY14-15 thus Healthcare Plan premium adjustments compared to HPA's FY15-16 budgeted funding provides a similar expense savings that was sought by eliminating the PPO plan therefore the PC recommends repealing the Board's action in March 2015 regarding staff healthcare benefits and allow staff to maintain both Anthem PPO and BlueCare plans.

After the Commissioners' brief discussion, Ms. LeShane called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Breetz, passing unanimously to -

VOTED: Repeal the Board's action in the March 19, 2015 Regular Board Meeting to eliminate Anthem PPO from HPA's healthcare plan choices and allow staff the option of either Anthem PPO or BlueCare Healthcare Plans.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

2. **Property Management Committee** - *Please see the Property Management Report for details.*

Mr. Breetz stated the Property Management (PM) Committee met Thursday, June 11th, 2015.

- a. Republic Update - Mr. Breetz stated Republic Parking Systems' (Republic) results were consistent with the past months' collection amounts and rates and their sub-contractor, CCS, will not perform collection services on HPA's aged A/R citation fines/penalties in the future. Mr. Boone stated CCS's contract termination will be detailed in the Finance Committee's (FC) Report.
- b. Sheldon Street Lots - Mr. Breetz stated the 141 and 166 Sheldon Street Lots lighting projects were completed and fencing removed from a City owned lot in the stadium

construction zone will be reused at the 141 Sheldon Street Lot resulting in a savings for HPA.

- c. Sale of Church Street Garage - Mr. Breetz stated HPA's Church Street Garage (CSG) sale/purchase agreement with Capital Region Development Authority (CRDA) was scheduled to close June 23, 2015; various HPA contracts will be assigned to CRDA with the exception of the Hartford Guides contract.

Mr. Boone reported that CRDA is interested in HPA Assistance in the following areas:

- Transitioning day-to-day management oversight of CSG from HPA and Republic to CRDA and Republic.
- Planning capital improvement/repair projects based on CRDA's vision for the garage. HPA will act as an "owner's representative" during the projects to monitor progress and coordinate contractor performance.
- Developing and implementing a strategic vision for CSG. HPA will support CRDA in gaining pertinent operational knowledge, as well as fostering a strategic understanding of the localized parking market. He added CRDA will rename CSG to the "XL Center Garage." Ms. LeShane with Atty. Varano's concurrence stated after consultation with Mr. Breetz marketing aspects of the strategic vision will flow through either the PM Committee or Marketing Committee (MC). She noted CRDA's management agreement with HPA is new territory and the Authority will preserve oversight over all initiatives under the contract. The commissioners were in concurrence.

Mr. Boone stated HPA would act as a consultant providing CRDA guidance and support services as the parking professional. He stated the original HPA/CRDA offer was a fixed price of \$50k. However after discussing the offer with them, CRDA stated they would prefer to contract on a time and materials basis capped at \$50k which allows both parties additional flexibility/versatility. He stated he aggregated staff's hourly expense along with office support and incorporated those expenses in the \$50k fix rate that was discussed and approved by the Board.

Ms. LeShane pointed out the offer letter (offer) does not state when CRDA will reimburse HPA for payments to the Hartford Guides (HG) for six (6) months of security services ending December 2015. Mr. Boone added the HG's payment amount was roughly \$174k. After a short discussion Commissioners agreed the offer shall include a time table and or statement HPA will be reimbursed for its payments to the HG by the end of HPA's fiscal year. She stated the offer should include language allowing HPA to be reimbursed for expenses when the \$50k cap has been exceeded and Mr. Boone is to be identified as Chief Executive Officer/Executive Director as that is his formal title.

Mr. Boone stated materials in the offer were incidentals such as collateral materials, signage, etc. Mr. Breetz suggested that we add a 20% markup which is a usual and customary charge when managing materials. The Commissioners agreed with this change. Additionally it was noted that the contract for HPA with CRDA would be for a single year and there was no apparent conflict of interest responding to Commissioners' comments/inquiries. Mr. Boone added that a draft offer outlining the scope of work was sent to CRDA. However an updated offer with Commissioner's suggested changes will be prepared for Atty. Varano's review and forwarded to CRDA.

Ms. LeShane called for a motion, a motion was made by Mr. Breetz, seconded by Mr. Jasinski, passing unanimously to -

VOTED: Authorize HPA's CEO/Executive Director to enter into an one (1) year management agreement between HPA and the Capital Region Development Authority based on the terms defined in the updated Scope of Services offer letter.

(Ayes - Breetz, Jasinski, Lerman and LeShane)

Mr. Boone stated there were three (3) contracts HPA related to CSG that are impacted by the CRDA sale/purchase agreement.

- WESCOR's contract for Parking and Revenue Controls support services that has been addressed by Atty. Varano.
- Hartford Guides' contract for security services that was previously discussed.
- Republic's Parking Services contract that HPA entered into in May 2012 to manage Morgan Street Garage (MSG), CSG and the on-street program. He added the termination date of February 2015 was for the garages and March 2015 for on-street program.

Mr. Boone stated he met with CRDA and Republic's staffs to discuss the contract and further discussions were held with Jack Skelton, Vice President, Republic on logistics and the working relationship between all parties after the CSG sale/purchase agreement closing. He noted the HPA/Republic's contract does not have any unwinding clauses therefore HPA has to negotiate a mutually agreed contract change similar the change agreed with Republic when the City sold Morgan Street Garage to the State of Connecticut (State). He stated to account for the loss of financial assets within Republic's agreement, the PM Committee's recommendation is to extend on-street parking services with Republic by one (1) year as permitted in section 7.2 of the agreement and to align contract with HPA's fiscal year which adds three (3) months to the agreement resulting in a term extension expiration of June 30, 2017. After a lengthy dialogue by Commissioners, Ms. LeShane with Atty. Varano's concurrence stated that for business purposes, the City's Corporation Counsel has established a precedence to allow extension of contracts beyond one (1) year as provided in the contract based on a specific business purpose that is favorable to the city entity. Atty. Varano concurred that HPA has the right within City protocols to extend Republic's agreement for an additional three (3) months. The commissioners were in agreement this modification indeed was to the advantage of HPA and served a specific business purpose.

Ms. LeShane polled Commissioners for further comments hearing none called for a motion, a motion was made by Mr. Breetz, seconded by Mr. Lerman, passing unanimously to -

VOTED: Extend Republic's On-Street Parking Services Agreement one (1) year as per the contract provisions and three (3) months to true up the agreement for business purposes with HPA's fiscal year ending June 30, 2017.

(Ayes - Breetz, Jasinski, Lerman and LeShane)

- d. Recommended Ordinance Changes and Recommendations - Mr. Breetz stated HPA proposed budget enhancements presented during the FY15-16 Council budget hearing be approved by the Board. The one exception relates to the property tax collection

recommendation. That initiative is on hold at the request of the Mayor's Office. He stated the recommended ordinance changes and recommendations have been submitted to the Mayor's office and City Council for approval. Mr. Boone stated the recommendations and ordinance changes included but were not limited to: the recommendation writing off uncollectable citation fines/penalties per approved schedule presented at the March 19, 2015 regular meeting of the HPA, two (2) new parking violations with associated fines/penalties, a boot fee, aligning citations with vehicle registrants and reduction in the number of unpaid tickets in order to boot a vehicle. He stated the recommendations and ordinance changes are on City Council's agenda for Monday, June 22, 2015, they will be referred to a Committee and Public Hearings will be held on them.

Ms. LeShane and Atty. Varano agreed that resolutions will need to be drafted to meet city protocol.

- e. HPA Offices - Mr. Breetz stated HPA signed the MSG lease extension from the State's Department of Administrative Services and return it. Mr. Boone stated the agreement was being routed through the State for the appropriate signatures at this time.

Mr. Breetz stated that upon a second inspection it was learned that the 11 Asylum Street landlord did not have a 3rd floor HVAC system installed which was problematic. Rather than going thru the expense of installing a unit, the landlord offered HPA the 2nd floor at the same rate as the original lease price. HPA will retain a dedicated elevator for its operation. He stated with Mr. Boone's concurrence the landlord has a tenant that is reportedly moving thus giving HPA the potential to sublet 2nd floor. He noted the resulting 7k square footage is the same as the 3rd floor as detailed in their 11 Asylum Street, Option 1 proposal that was approved by the Board last month. Mr. Boone stated staff will either park in the garage located near Harvey & Lewis or MAT Garage.

Ms. LeShane stated that in order to make the lease adjustment proper, a motion is require then polled Commissioners for further comment hearing none called for a motion, a motion was made by Mr. Breetz, seconded by Mr. Lerman, passing unanimously to –

VOTED: Authorize HPA's CEO/Executive Director to negotiate an office space lease for the 2nd floor at 11 Asylum Street under the same economic arrangements as detailed in the May 13, 2015 Memorandum, Recommendation Regarding HPA Offices Relocation (Revision 1).
(Ayes - Breetz, Jasinski, Lerman and LeShane)

- f. Parkeon Meter Outages - Mr. Boone stated two (2) credit card (CC) outages occurred one week apart. He stated the first outage was due to Bank of America Merchant Services error which has been addressed and second was due to a 3rd party service outage at Parkeon global headquarters in France where Parkeon's processes roughly 186M CC transactions annually. Mr. Boone stated staff questioned why there was no redundancy in Parkeon's system network and why HPA's CC transactions were process via France to which Parkeon's response was all their clients' CC transactions are process through France. He added communications with Parkeon are on-going about the outage. Mr. Redd stated while there are no contractual requirements that obligate Parkeon to be responsible for acts of 3rd parties, Parkeon agreed to a \$10,530 "Good Faith" credit that was over and beyond HPA's potential revenue loss resulting from the outage that occurred. He added on-street

parking patrons felt HPA was proactive and very responsive to both outages. Commissioners complimented Mr. Redd on his efforts to make HPA whole.

After a lengthy discussion, Ms. LeShane made two (2) important points as follows:

- Reimbursements for loss revenue when HPA is not at fault should be negotiated in all new contracts.
 - The State has passed new statutes related to protecting the identity of consumers and suggested that the HPA team review those changes and ensure we are compliant.
- g. On-Street Meters - Mr. Boone stated the MPS Test Bed locations were formalized based on the construction drawings provide by Fuss & O'Neil. He stated he will complete the draft of the proposed agreement with MPS which includes a breakup fee shortly. The draft will be forward to Atty. Varano and outside counsel for review. In response to Ms. Varano's comment, he stated MPS presented him with an agreement which in his opinion was inadequate however he would forward it to her as Commissioners' request.
- h. Amnesty Program - Atty. Varano stated the Amnesty Program Resolution Mr. Boone wanted to submit to City Council for approval needed more detail. Mr. Boone explained the Amnesty Program was in response to City Council's request. Mr. Boone stated during the budget presentation, City Council suggests an Amnesty program would give motorists an opportunity to pay fines/penalties prior to implementing the new scofflaw requirements and enforcement of the new fines. After a lengthy discussion, Mr. Boone stated he would acquire the Commissioner's input on the Resolution for the Amnesty program as he continued work on the draft and based on the upcoming meeting regarding protocols for resolutions if appropriate bring to the next meeting a resolution for approval.

3. **Marketing Committee** - Ms. LeShane stated Riverfront Recapture request parking at no cost in the 141 Sheldon Street for their "Big Mo" on the evening of Saturday October 3, 2015 which is an occasion when the lot is underutilized. After a robust discussion the request was tabled until the next meeting, Ms. LeShane stated MC will create a policy statement to bring to the board for approval on the subject of providing parking support for large events not sponsored by the city. She also commented that the current authorization for the CEO/Executive Director to manage these request would be reviewed to ensure it covers all options as approved by the Commissioners.

4. **Finance Committee** - *Please see the Financial Report for details*

Mr. Boone presented the Finance Committee's monthly report in Mr. Fowler's absence. He stated year-to-date results through May 31, 2015, for total operations are:

- Operating income was \$3,329,629 compared to budget of \$3,349,253, an unfavorable variance of \$19,624.
- Revenues totaled \$8,667,243 compared to budget of \$8,573,562, a favorable variance of \$93,681.
- Expenses totaled \$5,337,614, compared to budget of \$5,224,309, an unfavorable variance of \$113,305.
- Surface Lot revenues were down due to 58 Chapel having approximately \$31,000 in receivables in transit. However, it is still projected that the surface lots will meet their gross

revenue projections for this FY. As detailed in past reports, Surface Lot expenses continue to be high due to unforeseen operational expenses.

- Church Street and MAT Garage Operations remain ahead of budget through May. Church Street revenues through May have significantly exceed year-end estimates. Church Street also received the last of February's pipe rupture repair expenses in May.
- On-Street results for the month of May (net) continued to lag behind budget due to citations revenues lagging behind forecasted amounts, and increased meter replacement expenditures due to the relocation of Pay Stations to increase the parking space ratio to ten (10) spaces/meter up from six (6) spaces/meter. The Pay Stations accumulated will be installed in new areas resulting in an increase the parking space inventory.
- The month's actual expenses will be higher than the FY14-15 budget due to the expectation that June will be a net loss resulting from encumbrances of FY14-15 expenses that will carry into FY15-16. Also, expenses were unfavorable due to the excess expense for surface lots which came on line much later than expected. He added going forward he would provide the Board with notice when expenses are going to exceed budget forecast.
- Total citations receivable increased by \$93,225, and current (one year or less) citations receivable increased by \$7,509 and the allowance, or reserve, for citations older than one year increased by \$85,716. After a robust discussion, Mr. Boone acknowledged Republic's standard collection rate of 79% include collections for fines older than one (1) year in response to Commissioners' comments/inquiries. Mr. Nichol stated the proposed budget ordinance changes and recommendations will allow Republic to sustain the 80% collection rate as stipulated in their contract agreement.

Mr. DesRoches noted three (3) additional points of information on the Fund 6053 Summary of Operations - Unaudited that are internal notes and not relevant - as follows:

1. Operating Income appears twice. The 2nd line not highlighted should be deleted.
2. Footnote (1) Discontinued Operations was should be corrected to state "\$103,699 operating income from discontinued operations represent excess cash from MAT garage (\$56,501) and net income (\$47,618) from amnesty activities." Mr. DesRoches stated MAT garage generated roughly \$20k more in revenue in May 2015 which was reported after the financials were sent to the board.

Ms. LeShane polled Commissioners for further comments/questions, and hearing none, she called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Jasinski, to -

VOTED: Accept the May 2015 Financial Report as technically corrected at the June 18, 2015 Regular Board Meeting. (Ayes - Breetz, Jasinski, Lerman and LeShane)

5. **CEO Update** – Commissioners asked for an update on the progress with the neighborhood residential parking program. Mr. Boone stated the CSS/CON residential parking permit program (RPP) was completed, RPP enrollments were nearing completion in Frog Hollow and Upper Albany Neighborhood Revitalization Associations/Zones and South Downtown residents voted against starting a program. It was noted that the goal of new initiatives will be met by year end. He was asked to prepare a year-end report for July 2015 meeting.

Mr. Boone stated the on-street placard with embedded security marking were in house. After a lengthy discussion, he stated after the end of the fiscal year, qualified recipients will be notified by mail their placards are invalidated, they are to complete an application and after review and acceptance of the applications new redesigned placards will be distributed to them.

Mr. Boone was asked about the valet parking program by Mr. Breetz. He stated in the past Parking Ambassadors, working nightly from Thursday thru Saturday, have communicated to staff when valet parking abuses occurred prompting staff to put certain parking operators “on notice” and thereafter the abuses diminished considerably. After a short discussion, Mr. Boone stated he would add valet parking abuses to his monthly report and staff would renew its efforts to address a citizen’s concerns.

When asked about any progress on the idea that HPA lease parking spaces for addition street traffic and or dining spaces, Mr. Boone stated he planned to raise this topic at the September strategic plan meeting. The concept is to do a market analysis regarding the rental of parking spaces to restaurants for outdoor eating which would require Board approval and coordination with various city departments.

Mr. Boone also raised the concerns with Connecticut Transit about rafting parked buses in bus stops and in active traffic which has to be enforced by the Hartford Police Department. He added an update on both items will appear on his next month’s report.

Atty. Varano stated she had researched the Board minutes for a Resolution that authorizes the CEO/Executive Director to sign the CSG sale/purchase agreement and found none. Ms. LeShane called for a motion to amend the agenda for the purpose of discussing Atty. Varano’s recommendation on the Resolution to authorize the CEO/Executive Director to sign the CSG sale/purchase agreement, a motion was made by Mr. Lerman, seconded by Mr. Breetz, to -

VOTED: Amend the agenda to discuss Atty. Varano’s recommendation on the Resolution to authorize the CEO/Executive Director to sign certain documents and take certain actions in connection with the sale of the Church Street Garage to Capital Region Development Authority.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

Atty. Varano presented the Resolution draft which allows HPA to:

1. Execute certain affidavits, certificates and other similar documents as may be necessary to facilitate the sale of the Church Street Garage to Capital Region Development Authority
2. Assign parking license agreements entered into with Prudential and United Health Group to CRDA, who will assume the license agreements.
3. Transfer personal property located at the Church Street Garage to Capital Region Development Authority.

Atty. Varano stated she welcomed Commissioners’ input on the draft. She responded to comments/inquiries which arose during the ensuing dialogue.

Ms. LeShane polled Commissioners for further comments/questions, and hearing none, the called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Jasinski, to -

VOTED: Adopt the Resolution to authorize HPA’s CEO/Executive Director to execute certain documents and take certain actions in connection with the sale of the Church Street Garage to Capital Region Development Authority. .
(Ayes - Breetz, Jasinski, Lerman and LeShane)

PUBLIC COMMENT - There were no public comments.

EXECUTIVE SESSION

a) Personnel Matters

Mr. LeShane called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Breetz, passing unanimously to –

VOTED: Enter into Executive Session at 7:26P.M.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

Mr. Breetz, Mr. Jasinski, Mr. Lerman and Ms. LeShane participated in Executive Session.

Ms. LeShane called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Jasinski, passing unanimously to –

VOTED: End Executive Session at 8:09P.M.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

Ms. LeShane called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Jasinski, passing unanimously to –

VOTED: Reconvene the Regular Meeting at 8:09P.M.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

Ms. LeShane polled Commissioners for further comments/questions, and hearing none, then called for a motion, a motion was made by Mr. Lerman, seconded by Mr. Jasinski, passing unanimously to -

VOTED: Adjourn the June 18, 2015 Regular Board Meeting at 8:10P.M.
(Ayes - Breetz, Jasinski, Lerman and LeShane)

Respectfully submitted,

Carey E. Redd, II, CAPP

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Secretary to the Board