



Approved Minutes
Thursday, March 20th, 2014 – 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
Rex Fowler, Treasurer
Mat Jasinski, Commissioner

Also Present for HPA:

Eric M. Boone, CEO/Executive Director
Carey Redd, Associate Director
John Michalik, Chief Financial Officer
Terry Leonowicz, Director of Revenue Control/Marketing Promotions
Gina Varano, Assistant Corporation Counsel, City of Hartford

Guests:

Kyle Nichols, General Manager, Republic Parking Systems
Dan Nash, Regional Manager, Republic Parking Systems
Nelson Carvajal, Facility Manager, Connecticut Parking Services
Michael DesRoches – Newly hired Director of Finance and Administration

1. **Call to Order** – Ms. LeShane called the March 20th, 2014 Regular Meeting of the Hartford Parking Authority (“Authority” or “HPA”) to order at 5:07 P.M.
2. **Roll Call of Commissioners** – Ms. Leonowicz conducted roll call and announced there was a quorum present.
3. **Approval of the Regular Board Meeting Minutes for February 20th, 2014**
Ms. LeShane polled the Commissioners for amendments to the minutes and hearing none called for a motion and a motion was made by Mr. Lerman, seconded by Mr. Fowler.

VOTED: The February 20th, 2014 Regular Board Meeting Minutes were approved as submitted (ayes: LeShane, Lerman; abstention: Fowler)

4. **Approval of the Special Board Meeting Minutes for March 7th, 2014**
Ms. LeShane polled the Commissioners for amendments to the minutes and hearing none called for a motion and a motion was made by Mr. Lerman, seconded by Mr. Fowler.

VOTED: The March 7th, 2014 Special Board Meeting Minutes were approved as submitted (ayes – Fowler, Lerman, LeShane)

- Mr. Jasinski entered at the meeting at 5:10P.M.

5. **Chair’s Comments** - Ms. LeShane welcomed Mr. Nelson Carvajal from Connecticut Parking Services for his first time attending an HPA board meeting. Mr. Boone

introduced Mr. Michael DesRoches as the incoming Director of Finance and Administration, starting on March 26th, 2014. Mr. DesRoches shared some personal background and said he was looking forward to working with HPA staff.

Ms. LeShane thanked Mr. Michalik, on behalf of the Commissioners, for his dedicated service to the HPA over the years. Mr. Michalik thanked the Commissioners and staff and wished everyone well. Ms. LeShane reported that Mr. Michalik and Mr. Boone have an agreement on an as-needed basis for Mr. Michalik to provide consulting services following his departure.

Ms. LeShane reported that there would be an initial budget presentation to the Committee of the Whole (City Council) on March 31st at 6:00 P.M and invited all Commissioners to attend. A final budget presentation to the City will follow sometime in April.

Ms. LeShane noted that Executive Session discussion would cover contract considerations and updates.

REPORTS AND ACTION ITEMS

1. **Personnel Committee** - *Please see Personnel Committee Memo for details*
Mr. Lerman reported that the Committee recommends modification of HPA's 401(a) plan to align new employee entry date with their one (1) year work anniversary.

Ms. LeShane noted that the Committee met with the Plan Administrator and the modification was recommended as an industry "best practice" and that the change would not adversely impact any current HPA employees.

Ms. LeShane called for a motion and a motion was made by Mr. Lerman, seconded by Mr. Jasinski.

VOTED: the Committee's recommendation to modify HPA's 401(a) plan so that a new employee's entry date corresponds to the employee's first year work anniversary was approved (ayes – Fowler, Lerman, Jasinski, LeShane)

2. **Finance Committee** - *Please see the Financial Report for details*
Mr. Fowler recognized Mr. Michalik and personally thanked him for his help while serving as Treasurer for the HPA.

- a. Monthly Report – Mr. Boone reported an Operating Loss increase from \$82,307 to \$117,122 in February, which was offset by a \$555,178 surplus due to closed-out operations (mostly from the sale of the MSG). Favorable variances were reported for expenses and operating income, as well as a lower debt service coverage ratio of 1.67. Republic's year-to-date collection rate for citations had increased to 74% of the contracted goal of 80%.

Ms. LeShane noted that hourly parking revenue for MAT Garage was \$89,364 higher than budget as a result of the rate increase effective at the beginning of the year.

Mr. Jasinski asked what comprised the favorable expense variance and Mr. Boone responded that the sale of Morgan Street Garage (both actual and contractual savings), as well as a three (3) month salary gap and return of 401(a) contributions for the previous CEO, contributed to the variance.

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

VOTED: approve the February 2014 Finance Report as submitted. (Ayes – Lerman, Fowler, LeShane, Jasinski)

- b. Current Year Budget Update – Mr. Boone reported that the current fiscal year budget is projected to end at negative \$190,000 operationally and, with the offset from close-out operations, HPA will end with a \$350,000 favorable variance over the \$3.3 million budgeted FY 13-14 allotment to the City.

Mr. Fowler noted that although HPA benefited from expense reductions incurred as a result of contract negotiations this year, they are not long-term reductions and would not benefit HPA next year.

- c. Approval of FY 14-15 Budget – Mr. Fowler commended Mr. Boone and Mr. Michalik for their excellent work in preparing the FY 14-15 budget.

Mr. Boone gave a presentation of the proposed budget including key drivers and new initiatives being proposed as potential revenue generators. The FY 14-15 operating profit is projected to be \$2.9 million, approximately a 10% percent reduction from FY 13-14. A \$300,000 operational profit improvement from HPA's garages this year is masked as a result of certain expenses. Those expenses include a \$335,000 increase in on-street maintenance, as a result of the expiration of a five (5) year parking kiosk warranty package, as well as a corresponding cellular network expense.

Ms. LeShane recommended that a schedule of contract and warranty expirations be created in order to properly anticipate such expenses going forward. Mr. Boone said that such a schedule is being developed by HPA staff. Mr. Fowler also noted that originally this warranty was capitalized and listed on the balance sheet, whereas going forward, this cost must be an operational expense.

Also noted was an \$100,000 decrease in on-street parking meter revenue due to the projected loss of 48 parking spaces for approximately one (1) year, as a result of construction on the Intermodal Triangle project.

Mr. Boone presented a 10% percent (\$336,000) budget improvement scenario, as requested by the City, which includes increased revenue estimated from new initiatives such as: hourly/monthly parking revenue from surface lots, projected revenue from citation judgments, booting, garage lighting improvements, night enforcement, as well as several additional expenses for on-street striping improvements and a city-wide interactive map program to enhance the parkers experience while visiting, working or living in the City.

Ms. LeShane suggested looking into the "C-Pace" program which supports funding for green initiatives construction on commercial buildings, such as lighting improvements. Mr. Boone said that he would research further.

Additional discussion was heard regarding estimated cost to move the HPA offices and subsequent annual expenses for rent, utilities and parking. The expense of moving the Citation Hearing Office is not included in the budget and is the responsibility of Corporation Counsel.

Further highlights were given on projected operating expenses for MAT and CSG garages and discussion was heard regarding recommendations on how to approach use of accrued revenue to cover one-time expenditures such as building an insurance deductible fund and HPA relocation expenses.

Additional discussion centered on the undefined budget for MAT Garage expenses and if the Commissioners were being asked to approve a budget based on an estimate. Mr. Boone assured the Commissioners that any changes would be in favor of the HPA budget. Mr. Boone stated he intends to discuss and confirm any further savings on the MAT Garage budget with CT Parking Services and said that he would speak with them as soon as possible.

Upon request by Corporation Counsel a hard copy of the draft budget was distributed for the Commissioner's review and approval.

Ms. LeShane called for a motion and a motion was made by Mr. Fowler, seconded by Mr. Lerman to approve a ten (10%) percent increase of revenue in the original budget amount to total \$3,319,359, with the condition that the CEO determines prior to the April 2014 meeting the City's intended accounting for HPA's upcoming move.

The consensus of all Commissioners present was that a special meeting of the Board would be needed to reevaluate any impact the negotiations between the CEO and the City have on the adopted budget.

Following additional discussion, Mr. Jasinski proposed a friendly amendment to the motion, seconded by Mr. Lerman to -

VOTED: approve the budget of \$3,319,359 subject to confirmation by the City that the HPA may allocate a portion of the current fiscal year surplus to the 2015 anticipated expenditure of relocating the HPA administrative offices. (Ayes - Lerman, Fowler, LeShane, Jasinski)

3. **Marketing Committee Report**

Ms. LeShane noted that the Committee did not meet this month, but Mr. Boone gave a brief presentation on the positive impact of HPA's social media participation, particularly with the Hartford Dwellers on Face Book, as well as the status of Asylum Hill's residential parking permit program. Additional updates were given regarding the night enforcement public education program and use of static-cling window graphics, designed by DKA (Dornenburg/Kallenbach Advertising), for use by businesses and

retail establishments to inform customers and the general public about new enforcement hours.

Ms. LeShane asked the commissioners to now move to executive session in deference to Mr. Fowler's precious business related commitments.

OPEN SESSION – PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

Ms. LeShane called for a motion and a motion was made to enter Executive Session at 6:50 P.M. by Mr. Fowler, seconded by Mr. Lerman, passing unanimously (ayes – Lerman, LeShane, Fowler, Jasinski)

- Mr. Boone and Ms. Varano were present for the Executive Session
- Mr. Fowler exited the Executive Session at 7:25 P.M.

Executive Session ended and the Regular Meeting reconvened at 7:45 P.M. There was no action taken during the Executive Session.

4. **Property Management Committee** - *Please see the Property Management Report for details.*
 - a) **Monthly Report** - Mr. Boone gave updates on CSG enhancements, MAT Garage repairs, the on-street parking MOU, and the City's request to manage the 525 Main St. parking lot. Mr. Boone noted that five (5) vendors attended the recent RFR pre-bid conference for surface lot operations, one of which was a new vendor to the City, Valet of America, out of Boston. It was also reported that two (2) vendors attended the RFR pre-bid conference for surface lot security services – the Hartford Guides and Securitas.

Mr. Boone stated that HPA is soliciting proposals for surface lot design and construction documents from its on-call engineers and expects to receive them in early April 2014.

On another note Ms. LeShane asked if drills were planned following the completion of the Emergency Operations Plan. Mr. Boone responded that drills would be implemented where possible.
 - b) **Recommendations for Action**
 1. **Recommendation to Hire Interns** - Mr. Boone summarized the Committee's recommendation to hire up to three (3) students from the Academy of Engineering and Green Technology to support design and construction for HPA surface lots and garages.

Ms. LeShane called for a motion and a motion was made by Mr. Lerman to approve an internship program, seconded by Mr. Jasinski.

Discussion was heard regarding appropriate security and safe supervision for high-school aged interns. Mr. Boone explained that the majority of work by interns would be done at the HPA office and that any construction site participation would be done under the supervision of HPA staff or construction and/or civil engineer professionals.

Commissioners agreed with Attorney Varano's recommendation to have Mr. Boone follow up with the City's Risk Manager for guidance in establishing student internships, prior to engaging in the intern opportunity. Additionally, it was confirmed by Mr. Boone if the surface lot project did not move along on schedule that that phase of the intern program would not be initiated.

Ms. LeShane called the vote, which passed unanimously to -

VOTED: approve the Committee's recommendation to contract with CBIA for up to three (3) students from the Academy of Engineering and Green Technology at a rate of \$10/hour (with no benefits) to support the design and construction efforts for the surface lots and garages (ayes - Jasinski, Lerman, LeShane)

2. Recommendation to approve booting/amnesty plan - Mr. Boone summarized the Committee's recommendations for an implementation plan for booting of scofflaws and an associated amnesty program. Discussion was heard regarding the logistics of the plan including booting criteria, minimum and maximum length of time a vehicle will remain immobilized, aging requirements on citations eligible for amnesty, and recommended public information (PI) campaign strategy. The amnesty program start date is projected for June 23rd, 2014, subject to Council approval of a necessary resolution.

Two (2) proposed branding graphics designed by DKA for the PI campaign were presented. The Commissioners unanimously chose "Beat the Boot" for the program graphics.

Ms. LeShane called for a motion and a motion was made by Mr. Lerman, seconded by Mr. Jasinski to -

VOTED: approve the amnesty plan with a six (6) month or older aging requirement on parking citations and using "Beat the Boot" graphics for the public information campaign (ayes - Jasinski, Lerman, LeShane).

Following additional discussion regarding appropriate booting to towing time parameters, Ms. LeShane called for a motion and a motion was made by Mr. Lerman, seconded by Mr. Jasinski to -

VOTED: adopt the booting program as submitted with a twenty-four (24) hour tow-eligible provision (ayes - Jasinski, Lerman, LeShane).

Ms. LeShane raised the question about cutting back on the frequency/cost of towing for this program or to continue to tow on a regular basis at least for the start-up. Mr. Boone agreed that daily scheduled towing would be best practice for the start of the program.

- c) **Report on Citation Judgment Process** - Mr. Boone presented an overview and proposed retooling of the citation collections and referred the Commissioners to a flow chart comparing the current collection process to a recommended improved process. In order to implement a revised system, one clerical employee will be needed to coordinate the revised citation judgment packages. Budgeting for that position is under discussion with corporation counsel and HPA's current on-street operator.

Ms. Varano commended Mr. Boone for his discussions with the Court to pursue an expedited process for filing an increased number of judgments per month, which resulted in a statewide Court Operations fast-track e-file system which is currently in the testing phase through March, 2014.

Mr. Boone stated that he is currently in contract discussions with Republic whether to keep responsibility for judged collections with them. He will report back to the Commissioners on his progress. Efficiencies of scale is the prime motivator for this discussion.

5. **Bylaws and Revisions Committee**

There was no report for this Committee.

6. **CEO Update** - Mr. Boone reported updates on an injury lawsuit for a trip/fall which is being handled by Corporation Counsel; conflict of interest and outside employment policies were written and distributed to the Commissioners for review prior to the meeting and will be submitted to an outsourced HR support firm for recommendations prior to Corporation Counsel review and HPA approval.

Ms. LeShane tabled the remaining agenda item for discussion at the next Personnel Committee meeting and suggested that a status and overview of progress of HPA's Neighborhood Initiatives be discussed at the May board meeting.

ADJOURNMENT

Ms. LeShane called for a motion and a motion was made by Mr. Lerman, seconded by Mr. Jasinski, passing unanimously that the March 20th, 2014 Regular Board Meeting ended at 8:45 P.M. (ayes - Lerman, LeShane, Jasinski)

Respectfully submitted,

Terry Leonowicz

Terry Leonowicz
Secretary to the Board