



Approved Minutes
Thursday, December 09, 2010 – 8:00 A.M.
Regular Meeting of the Hartford Parking Authority Board
155 Morgan Street, Hartford, CT 06103

Commissioners Present:

Paddi LeShane, Chair

Present via Conference Call:

Kenneth B. Lerman, Treasurer (joined at 8:43 A.M.)

Also Present for HPA:

Mark McGovern, CEO/Executive Director

Carey Redd, Associate Director

John Michalik, Chief Financial Officer

Carl Nasto, Deputy Corporation Counsel, City of Hartford

Terry Leonowicz, Secretary to the Board

Members of Public Present:

Robert Kliman, Real Estate Manager Services, Kay Management Associates

Carlos Lopez, President, Connecticut Parking Services

Stathis Manousos, General Manager, Central Parking System of CT

1. **Call to Order** - Ms. LeShane called the Regular Meeting of the Hartford Parking Authority (the Authority) to order at 8:15 A.M.
2. **Roll Call of Commissioners** – Ms. Leonowicz conducted roll call and announced that there was not a quorum present.
3. **Chair's Comments**
Ms. LeShane recommended commencing the meeting with the Ongoing Business and Committee Report portion of the agenda until such time as Mr. Lerman could join the meeting.

Ongoing Business and Committee Report(s)

1. **Marketing Committee Update**

Mr. McGovern began the report stating that a Committee meeting is scheduled for Monday, December 13 and that staff met with Ryan Marketing yesterday in preparation for the next established Freebie Day on January 1st, 2011 starting at noon which will be marketed as a "Park and Play" opportunity. Staff also met with the Connecticut Whale to develop an idea to create a promotional link with The Whale on January 1st whereby at MSG, for example, the first (undetermined) number of people going to the game would receive a coupon for a discount to that night's game. Mr. McGovern also noted that the game may be moved to an earlier time so as not to run concurrently with the UCONN Bowl Game that is scheduled, thus creating an all-day opportunity for visitors to skate, attend a hockey game and watch the UCONN game at a downtown establishment. In addition, interest was expressed by other Parking Operators to participate in the Authority's next Freebie Day and a meeting is being coordinated after the Committee meets next week. Mr. McGovern also reported that he contacted CCEDA to determine if parking can be provided at

the Science Center to tie-in that location as part of the "Park and Play". Mr. McGovern stated that we are currently in line with the established Marketing budget with a balance of \$35,294. He reported that Ryan is preparing an estimated cost to market the remaining Freebie Days for which a contract amendment will be prepared, as well as an estimated budget to support the Amnesty Program in-house which will also be a Marketing expense. In response to Mr. McGovern's comments, Ms. LeShane requested that going forward a brief written Marketing update be prepared for the monthly Board Meeting.

Ms. LeShane then invited comment from the public and recognized Mr. Kliman, who inquired about the outcome of the first Freebie Night event. Mr. McGovern responded there were 485 vouchers distributed and although not all restaurants had reported back, he estimated 100 vouchers may have been redeemed. Overall comments were very positive, including confirmations of an increase in business from 2009 Black Friday, patrons dining specifically to take advantage of the voucher discount and that the majority of restaurants would be willing to partner again for similar future events.

Ms. LeShane then asked about the status of the Refer a Friend Program to which Ms. Leonowicz responded that 5 (five) referrals have been registered at MSG since November 1. There was additional discussion regarding recent monthly parker fluctuation trends at both MSG and MAT Garage.

Ms. LeShane asked for an update from Mr. Redd regarding corporate account solicitations, to which he responded that 65 calls have been made to date which has generated an estimated 10% lead factor in addition to demonstrating the Authority's interest in improving business relationships with our corporate neighbors.

2. **Chief Executive Officer Update**

Mr. McGovern reported on the Blair Feasibility Analysis which has been delayed. The authorization to go out to bid will be submitted to the City Council in January. He noted a letter in the Board Package from BFDH to David Panagore referencing remaining concerns about the potential concession. He then reported that he anticipates meeting with tenant Hartford Stamp and its new owner Crystal Rock. An update on the Joint Ownership Agreement was reported by Mr. Nasto who confirmed that the Authority's outside counsel had been contacted by the State of CT about changes to the agreement. The State was advised that any changes would require Board and City Council approval.

Mr. McGovern gave an update regarding the on-going meetings with DPW and confirmed their commitment to corrective or additional signage action for the twelve (12) key blocks on five (5) different streets which have been identified as priorities.

Mr. McGovern closed his report by summarizing several Property Management activities, noted that several line items would be covered under the Financial Report and Action Items portion of the Agenda.

Mr. Lerman joined the meeting via conference call and Ms. LeShane then returned the Agenda to the approval of the minutes.

1. **Approval of Minutes of the Regular Meeting of November 18, 2010**

Ms. LeShane polled the Commissioners for changes to the minutes from the November 18, 2010 Meeting. Mr. Lerman noted that he had submitted recommended format changes and Ms. Leonowicz confirmed that they were added as requested. Mr. Lerman then made a motion to approve the November 18, 2010 Regular Board Meeting minutes, seconded by Ms. LeShane, and passed unanimously.

2. **Approval of Minutes of the Special Meeting of December 1, 2010**

Ms. LeShane polled the Commissioners for changes to the minutes from the December 1, 2010 Meeting. Mr. Lerman then made a motion to approve the December 1, 2010 Special Board Meeting minutes, seconded by Ms. LeShane, and passed unanimously.

3. **Financial Report**

Mr. McGovern reported that the Finance Committee met this week to review the financial report and then stated that November showed an improvement over last month. Mr. McGovern went on to say that although year-to-date revenue is down, year-to-date expenses are on the favorable side. Mr. McGovern noted that the bottom line (operating income) is \$23,553 below budget but this is an improvement over last month when it was \$118,000 below budget. Mr. McGovern stated that one of the reasons for the reversal was a payment of \$45,000 received in November from Prudential Financial Services. Ms. LeShane asked whether an annual or six (6) month forecast could be prepared based on the results to date, to which Mr. Michalik responded that he would be prepare such a report later this month in conjunction with the first step in next year's budget process.

Mr. McGovern moved on to the Profit & Loss statement and noted positive variances under Administration with Employee Benefits due to suspension of the 457 plan employer contributions, Security Guard Services due to a renegotiated contract, and Advertising expense.

Mr. McGovern reported on revenue by garage noting that MSG hourly parking revenue is \$7,166 lower than year-to-date budget, MSG monthly parking revenue is lower than budget due to the relocation of United Healthcare, MAT Garage hourly and monthly parking revenue is below budget, and CSG net revenue is \$87,800 ahead of budget.

Mr. McGovern then moved on to the Monthly Parker by Facility Report noting there has been little change in occupancy since last month with , the most significant change being at MAT Garage with a gain of 9 monthly parkers.

Lastly, Mr. McGovern called on Mr. Michalik to report on the status of the fiscal 2009-2010 audit. Mr. Michalik stated that the Authority's auditor requested an extension of thirty days from the State so that audited statements will now be due on January 31, 2011. Mr. Michalik added that he asked the auditor whether the Authority's statements could be issued earlier than the City's. Mr. Michalik said that the auditor responded by saying that the Authority's statements could not be issued earlier because the Authority is a component unit of the City government.

Following Mr. Michalik's comments, Mr. Lerman asked if an earlier draft of the year-end financial statements could be available, to which Mr. Michalik replied that he could provide unaudited statements today as well as the prior year for comparison. Mr. McGovern recommended that the draft narrative section of the annual report and a draft year-end financial statement be packaged for the next Finance Committee meeting in January. All Commissioners were in concurrence.

Ms. LeShane polled the Commissioners for any questions or comments regarding the November 2010 Financial Report and, hearing none, a motion was made by Mr. Lerman, seconded by Ms. LeShane and passed unanimously that -

VOTED: the November 2010 Financial Report as submitted was accepted.

Action Items

1. **Election of Officers**

Mr. Lerman made a motion to elect Ms. LeShane as Chair of the Authority, seconded by Ms. LeShane and passed unanimously that -

VOTED: Ms. LeShane be elected as Chair of the Authority was accepted.

Ms. LeShane made a motion to elect Mr. Lerman as Treasurer of the Authority, seconded by Mr. Lerman and passed unanimously that -

VOTED: Mr. Lerman be elected as Treasurer of the Authority.

Ms. LeShane made a motion to hold the position of Vice Chair open until further notice, seconded by Mr. Lerman as Treasurer and passed unanimously that -

VOTED: Vice Chair position to be held open until further notice.

2. **Appointment of Board Secretary**

Ms. LeShane made a motion to appoint Ms. Leonowicz as Board Secretary of the Authority, seconded by Mr. Lerman and passed unanimously that -

VOTED: Ms. Leonowicz be appointed as Board Secretary of the Authority.

Ms. LeShane requested tabling the next three (3) action items for Management Agreements at Morgan Street Garage (MSG), Church Street Garage (CSG) and On-Street Parking to Executive Session for discussion. All Commissioners were in concurrence.

3. **Wescor Agreement Amendment**

Mr. McGovern turned to the recommendation and corresponding resolution that would extend the Agreement with Wescor Parking Controls with existing terms and pricing for all three garages on a month-to-month basis through June 30, 2011. The cost to extend for a six (6) month term will be \$43,896.

Ms. LeShane made a motion to approve the resolution amending the service contracts with Wescor Parking Controls, Inc. for all parking facilities to extend for six (6) months, seconded by Mr. Lerman and passed unanimously that -

VOTED: The resolution authorizing the amendment of the Service Contracts with Wescor Parking Controls, Inc. for all parking facilities to extend for six (6) months was approved.

4. **Amnesty Proposal**

Mr. Redd briefed the Commissioners on the Marketing Committee's recommendation to establish a Parking Citation Amnesty Program between March 1 and March 31, 2011. Mr. Redd stated that in response to the City's July 2009 Audit Report which quantified value of backlog citations and related debts, research was done by the Committee which found that numerous U.S. cities have implemented such amnesty programs and have realized two (2) to three (3) percent of outstanding debt. Mr. Redd estimated a two (2) percent collection rate or \$166,000 minus an estimated \$15,000 to effectively market the program would result in net revenue of approximately \$151,000.

Ms. LeShane made a motion to accept the recommendation from the Marketing Committee for the establishment of a Parking Citation Amnesty Program, seconded by Mr. Lerman followed by discussion.

Ms. LeShane asked for clarification that the Program is designed to waive interest and penalties and only go after payment of outstanding fines and that Council approvals are not required to which Mr. Redd and Mr. Nasto responded that her understanding was correct.

Mr. Lerman raised the question whether a cap should be placed on the number of tickets per vehicle covered by the Amnesty Program. Mr. Redd and Mr. Nasto responded that there is a list of offenders who have agreed to citation payment arrangements through another mechanism, as previously approved by Corporation Counsel, who would be excluded from the Amnesty Program. Ms. LeShane then requested adding language to the resolution to reflect any such exclusion or limitations and all were in concurrence.

Ms. LeShane called for a motion to amend the first “whereas” clause of the resolution as approved by Mr. Nasto to read: “The Hartford Parking Authority’s (hereafter referred to as “Authority”) Marketing Committee has researched and considered the benefits of a Parking Citation Amnesty Program that would provide an incentive to motorists to resolve their outstanding debts owed to the City of Hartford, *who are not under an existing payment arrangement with the City and have agreed to pay such debts*; ...”, and the motion was made by Mr. Lerman, seconded by Ms. LeShane and passed unanimously.

VOTED: The Resolution Authorizing the Establishment of a Parking Citation Amnesty Program was approved.

5. **Employee Benefit Plans – Report of the Personnel Committee**

A. **Recommendation to Establish a new 457(b) Plan and Approve Resolution**

Ms. LeShane introduced several items recommended from the Personnel Committee for board action.

Ms. LeShane called for a motion to accept the Resolution to authorize the CEO to engage The Hartford to establish terms and conditions for a 457(b) Deferred Plan, and a motion was made by Mr. Lerman, seconded by Ms. LeShane.

Mr. McGovern updated the Commissioners that after speaking to The Hartford it was confirmed that the plan will be separate from the City’s Plan, and the Authority has complete flexibility to terminate the plan as needed. Mr. McGovern also stated that there has been a strong and successful relationship with the Hartford since the City’s contract term began with them in 1983 and runs through 2014. Ms. LeShane requested a reminder to anticipate any potential changes prior to the 2014 contract expiration. All were in favor of the motion.

VOTED: The Resolution Authorizing the Establishment of a 457(b) Deferred Compensation Plan with the Hartford was approved.

B. **Recommendation to Establish a 401(a) Plan and Approve Resolution**

Ms. LeShane summarized the Personnel Committee’s research and findings and recommendations for a new 401(a) Plan for which details expect to be ready for

recommendation to the Board in February 2011. Ms. LeShane then called for a motion to accept the Resolution Approving the Selection of Constitution Advisory Group to Establish a 401(a) Retirement Plan, and a motion was made by Mr. Lerman, seconded by Ms. LeShane and passed unanimously.

VOTED: The Resolution Approving the Selection of Constitution Advisory Group to Establish a 401(a) Retirement Plan was approved.

Ms. LeShane and Mr. McGovern pointed out that both Resolutions included a provision to revise the Employee Handbook to reflect each plan, subject to approval by Corporation Counsel. Ms. LeShane also concluded that next year's goal for the Personnel Committee is to review the Employee Handbook for any refinements needed, and to oversee the execution of the 401(a) plan.

6. **Schedule of Regular Meetings for 2011**

Mr. McGovern noted the changes for next year's meeting schedule will include a 5:00 P.M. start time as well as a move to the third (3rd) Thursday of the month. The change is consistent with the Authority's bylaws. Ms. LeShane also noted that although traditionally there is no regular meeting in August, the Commissioners do meet that month to discuss strategic planning.

Ms. LeShane called for a motion to accept the proposed Regular Board Meeting Schedule for 2011, seconded by Mr. Lerman, and passed unanimously.

VOTED: The proposed Regular Board Meeting Schedule for 2011 was accepted.

Open Session – Public Comment

There was no further public comment.

Executive Session

1. **Anticipated Discussion on Strategic Planning, Personnel Matters and Contract Negotiations**

Ms. LeShane called for a motion to enter into Executive Session at 9:40 A.M. The motion was made by Mr. Lerman to enter Executive Session, seconded by Ms. LeShane, and passed unanimously.

- Mr. Nasto and Mr. McGovern remained for the Executive Session.

The Executive Session ended at 10:35 A.M. and the regular meeting was reconvened.

Action Taken after Executive Session

1. **Church Street Garage Management Agreement Amendment**

Ms. LeShane called for a motion to authorize the execution of an amendment to the Parking Management Agreement with Central Parking System of Connecticut, Inc. for the CSG which includes five (5) contract amendments effective January 3, 2011 through June 30, 2011, for a six (6) month extension, and a motion was made by Mr. Lerman, seconded by Ms. LeShane and passed unanimously.

VOTED: The Resolution authorizing the execution of an amendment to the Parking Management Agreement with Central Parking System of Connecticut, Inc. for the CSG was approved.

2. **Morgan Street Garage (MSG) Management Agreement Amendment**

Ms. LeShane called for a motion to authorize the execution of an amendment to the Parking Management Agreement with Central Parking System of Connecticut, Inc. for the MSG, which includes four (4) contract amendments effective January 1st, 2011 through June 30, 2011, for a six (6) month extension, and a motion was made by Mr. Lerman, seconded by Ms. LeShane and passed unanimously.

VOTED: The Resolution authorizing the execution of an amendment to the Parking Management Agreement with Central Parking System of Connecticut, Inc. for the MSG was approved.

3. **On-Street Parking Management Agreement Amendment**

Ms. LeShane called for a motion to authorize the execution of an amendment to the On-Street Parking and Citation Management Agreement with Central Parking System of Connecticut, Inc., which includes three (3) contract amendments effective February 15th, 2011 through June 30, 2011, for a four (4) month extension, and a motion was made by Mr. Lerman, seconded by Ms. LeShane and passed unanimously.

VOTED: The Resolution authorizing the execution of an amendment to the On-Street Parking and Citation Management Agreement with Central Parking System of Connecticut, Inc. was approved.

Ms. LeShane returned to the regular agenda and remaining business. Mr. McGovern reported that for the past several weeks, staff has worked with our service providers, Central Parking and security to explore potential cost savings at the MSG in response to a significant capacity reduction. Various aspects regarding the closing of upper decks to parking and vehicle traffic were discussed. It was agreed that the locking of doors or stairwells would be unsafe in accordance with security staff's concerns, and that bypassing elevator service to closed decks proved too costly. Mr. McGovern stated that the real opportunity was found in lighting and the implementation of staggered configurations on Connector Road and upper floors five (5) through seven (7) as recommended for closing. This would result in an annual savings of approximately

\$11,421 or \$952 per month. It was determined that it would be problematic to the system to turn off roof-top lighting. Mr. McGovern also explained that closing full floors was the more practical choice versus closing one side. To accomplish this, effective signage would need to be placed in the lobbies and stairwells, and barricades or chains placed in applicable drive-ways in such a way to continue to allow security to patrol these areas. Mr. McGovern also commented that initially it may be best to start with the closure of floors six (6) and seven (7) only, with the biggest consideration being to notify Capital Community College in a timely manner as such closures could potentially shift this parking population to the lower east floors.

Mr. Lerman asked if the Authority was comfortable with the security and safety environment as affected by these changes, to which Mr. McGovern responded yes - with the caveat that the situation will be closely monitored and if any security concerns are raised that the Authority would respond accordingly. All Commissioners were in concurrence with the implementation of recommendations to reduce costs at MSG.

Ms. LeShane stated for informational purposes that in the context of contract negotiations it was discussed that a refined RFP and Procurement guidelines would be presented most likely at the February 2011 Board Meeting.

Adjournment

Ms. LeShane called for a motion to adjourn and a motion was made by Mr. Lerman to, seconded by Ms. LeShane and unanimously carried. The December 9, 2010 Regular Meeting ended at 10:55 A.M.

Respectfully submitted,
Terry Leonowicz
Terry Leonowicz
Secretary to the Board