



Approved Minutes

Regular Meeting of the Hartford Parking Authority Board Thursday, April 8, 2010 – 8:00 AM 155 Morgan Street, Hartford, CT 06103

Present: Chairman Paddi LeShane
Vice Chairman Albert Barrueco
Commissioner & Treasurer Richard Twilley
Commissioner James Thompson

Also Present: Carey Redd, Acting CEO/Executive Director
John Michalik, Chief Financial Officer, Acting Secretary
Carl Nasto, Corporation Counsel, City of Hartford
Terry Leonowicz, Secretary to the Board
Steven Lisauskas, Program Leader, HPA
Robert Kliman, Consultant, Connecticut Parking Services
Carlos Lopez, President, Connecticut Parking Services
Stathis Manousos, General Manager, Central Parking System
Lindsay Ryan, Ryan Marketing Partners
Richard Morgan, Ryan Marketing Partners
Patrick Ryan, Ryan Marketing Partners

1. **Call to Order** - Ms. LeShane called the regular meeting of the Hartford Parking Authority (HPA) to order at 8:05 AM.
2. **Roll Call of Commissioners** – Ms. Leonowicz conducted roll call and announced that there was a quorum.
3. **Approval of the Minutes**
Ms. LeShane requested the approval of minutes from the Regular Meeting of March 11, 2010. Ms. LeShane asked if there were any comments or changes. Hearing none, a motion was made by Mr. Twilley to approve the March 11, 2010 meeting minutes, seconded by Mr. Barrueco, and passed unanimously.
4. **Chair's Comments**
Ms. LeShane briefly summarized items to be discussed in executive session including strategic planning process and two projects Mr. Lisauskas is working on; the Marketing Campaign and the William Blair Project; and that discussion would be limited to status updates with no voting action anticipated. Ms. LeShane closed by stating that the HPA is now at full staff which should help lighten the staff's workload, with additional help on the way as Mr. Barrueco will be providing the Board with an update on the CEO/Executive Director search.
5. **Treasurer's Report/Financial Update/ FMIS update**
Mr. Twilley opened by explaining that the late distribution of the Monthly Financial Report was due to the early Board meeting date this month. He then directed the Commissioner's attention to the Budget versus Actual Summary.

Mr. Twilley stated that Morgan Street Garage (MSG) has already made budget for the year due in part to higher than expected validations from Capital Community College. Mr. Twilley noted that On-Street Parking income is below budget, however, overall HPA is at ninety-seven (97%) of budgeted income to-date and budgeted expenses to-date, or \$112,000 short of operating income to date. Mr. Twilley stated that the Authority is on track for operating income of \$4.1- \$4.2 million for this fiscal year.

Mr. Twilley then reported that HPA paid the Hartford Police Department \$7,000 for scofflaw enforcement duty from November 18, 2009 through February 25, 2010. In response to Ms. LeShane's question regarding how we are being billed by HPD, Mr. Redd explained that HPA was only billed approximately 25% of the Police Department's actual cost for the assigned officers.

Mr. Twilley then directed the Commissioners to the Operating Income by Profit Center chart and pointed out that MSG and Church Street Garage operating income is up year-to-date and MAT Garage and On-Street Parking operating income is down year-to-date.

Mr. Twilley moved on to the Explanation of Significant Variances, pointing out that MSG monthly parking income was off \$48K from budget due to the loss of 69 parkers in the last nine (9) months. Mr. Twilley said that this loss would most likely continue unless rates are lowered. Mr. Twilley said further that if parking rates are not reduced we would have to close the MSG.

Following some discussion regarding the reasons for the loss of parkers during this time period, Ms. LeShane recommended conducting exit interviews with departing parkers in keeping with HPA goals to be a data-driven organization. Ms. LeShane also requested that this information be forwarded to the Marketing Committee. Mr. Twilley agreed with Ms. LeShane's recommendation adding that if exiting parkers are following the market, a rate reduction for the MSG is the right thing to do and the thing that would most likely bring back these parkers.

Mr. Twilley then moved on to discuss expense variances. Ms. LeShane inquired whether year-to-date Payroll Expense included any invoices from Horton International for the Executive Director search. Mr. Michalik responded by stating that Horton International has invoiced the Authority for \$20K and this expense has been charged to Professional Services expense, not Payroll Expense.

Mr. Twilley turned to the Renewal and Replacement Reserve report and stated that a Renewal and Replacement bank account has been created. Mr. Michalik added that the account will be an investment-type account because there will not be any draws on this account until existing capital funds are used up, most likely a year or two from now.

Ms. LeShane asked that Mr. Michalik, with the assistance of the HPA Treasurer, Mr. Twilley, draft policies and procedures for HPA for the use of this reserve fund, to be approved in the June meeting. Following some discussion, there was a consensus of all Commissioners to do so.

Mr. Twilley then directed the Commissioners' attention to the Monthly Parkers By Facility Report explaining that the only increase in volume at MSG has been in the "unbilled monthly parking" category. Mr. Twilley noted that total system-wide monthly parkers now represent 69% of capacity, compared to 91% in December 2007.

Mr. Twilley then described the On-Street Parking report and noted the value in tracking tickets issued, payments, and payment rates over time. Mr. Twilley stated that HPA has a very low payment rate.

Ms. LeShane polled the Commissioners for any questions or comments regarding the Treasurer's Report and, hearing none, a motion was made by Mr. Barrueco to accept the Treasurer's report as submitted, seconded by Mr. Twilley and passed unanimously.

In closing the Treasurer's report, Ms. LeShane stated that the Authority's budget hearing is tentatively scheduled for either May 12th or May 13th.

Action Items

1. **United Health Care Services, Inc. Letter Agreement and Resolution**

Mr. Redd presented the Commissioners with two resolutions as revised by Mr. Nasto for their approval regarding parking rights for United Healthcare Services, Inc., at both the Church St. Garage (CSG) and the MSG, and their corresponding letter agreements.

Ms. LeShane called for a motion and a motion was made by Mr. Twilley to offer parking rights to United Healthcare Services, Inc. at the CSG for 714 parking spaces at the monthly price per pass of \$100 (which includes tax) effective June 1, 2010, and approve the accompanying resolution, seconded by Mr. Barrueco, and passed unanimously.

Mr. Barrueco inquired about the renewal language in the resolution. Mr. Nasto responded by saying that the language reflects the IRS regulations that HPA cannot enter into an agreement for more than 200 days, making this strictly a month-to-month agreement. Mr. Nasto stated that a footnote was included stating that there may be rate changes for future renewals in the event that the current market rate in the CSG changes during any license period.

Ms. LeShane called for a motion and a motion was made by Mr. Twilley to offer parking rights to United Healthcare Services, Inc. at the MSG at the monthly price per pass of

\$100 (which includes tax) effective June 1, 2010, and approve the accompanying resolution, seconded by Mr. Barrueco, and passed unanimously.

2. **Recommendation for Motorcycle Parking Rate**

Mr. Twilley opened the discussion regarding the motorcycle parking rates at the MSG by stating that the recommended rates were determined based on the HPA's fuel-efficient rate and the need to cover the assumed capital cost associated with the parking spaces. Mr. Twilley stated that the capital cost to operate the motorcycle parking area is \$13.81 per space per month. Mr. Twilley then recommended that HPA charge a monthly rate of \$60, and a daily flat rate of \$5 for motorcycles.

Mr. Nasto stated the need for these rates to be approved by City Council and recommended that a resolution be written. There was a consensus of all Commissioners that Mr. Nasto will draft a resolution for the new motorcycle parking rates at the MSG for City Council approval. Mr. Thompson inquired if the Marketing Committee had a marketing strategy in place to promote motorcycle parking at MSG. In response to Mr. Thompson's question, Ms. LeShane agreed to add this to the Marketing Committee's next meeting agenda.

Ms. LeShane called for a motion, and a motion was made by Mr. Twilley to accept the motorcycle rate of \$60 for monthly parking and \$5 for daily parking, and to submit a resolution to City Council as drafted by the HPA and approved by Mr. Nasto for acceptance of said rate, seconded by Mr. Barrueco and passed unanimously.

3. **Kopencey Separation Agreement**

Ms. LeShane then asked for a motion to enter into Executive Session at 8:35 A.M. to discuss personnel matters related to Mr. Kopencey's separation agreement, a motion was made by Mr. Twilley to enter into Executive Session, seconded by Mr. Barrueco, and passed unanimously.

Ms. LeShane called for a motion to exit Executive Session and reopen the meeting to the regular agenda at 8:40 A.M. The motion was made by Mr. Twilley, seconded by Mr. Barrueco, and unanimously carried.

Action Taken after Executive Session

Ms. LeShane called for a motion and a motion was made by Mr. Barrueco to approve a separation agreement between the HPA and Mr. Kopencey which includes a lump sum payment of \$71,662.50 which reflects an amount equal to the bi-weekly installments of his then current annual salary for six months as outlined in Section 5.1 titled Severance and described in Section 5.3 titled Disability that Mr. Kopencey is entitled to under his employment agreement with the HPA. In addition, there will be a one time payment of \$420 for the cost of continuing Mr. Kopencey's cell phone service until

6/30/10 and a release and waiver of all claims by Mr. Kopencey. The motion was seconded by Mr. Twilley and unanimously carried.

Ms. LeShane stated for the record that in February 17, 2010 Mr. Kopencey notified the Board that he was exercising an option in his contract to resign, based on a long-term disability for which supporting background documentation has been secured. This contract option entitles Mr. Kopencey to six (6) months of severance if he were to resign due to a permanent disability to the extent that he is unable to perform his duties before the end of his contract. Mr. Barrueco clarified that this was a separation agreement as agreed to by Mr. Kopencey's attorney and Mr. Nasto in compliance with Mr. Kopencey's current contract, adding that this separation agreement will officially end the relationship between the HPA and Mr. Kopencey. Ms. LeShane also stated for the record that because a separation agreement clause exists in Mr. Kopencey's contract, it would not need City Council approval.

4. **FMLA Leave for Ms. Leonowicz**

Ms. LeShane called for a motion and a motion was made by Mr. Barrueco to approve FMLA leave for Ms. Leonowicz during the dates of March 17, 2010 through April 2, 2010, seconded by Mr. Twilley and unanimously carried.

Ongoing Business and Committee Report(s)

1. **Project Leader Update**

Ms. LeShane turned the floor over to Mr. Lisauskas who briefly updated the Commissioners regarding the Marketing Committee's on-going marketing efforts which included a number of great ideas and proposals ready for their review and consideration. Mr. Lisauskas also gave a brief update regarding the progress of the Blair Project which has been a very time consuming and complex proposal, the focus of which has been on preparing data room requests for information to the qualified vendors for the RFI to support their analysis. Mr. Lisauskas shared that William Blair Associates had commended the HPA staff for its response to their requests for information and cooperation efforts have been unmatched nationally.

Ms. LeShane said that several smaller projects are being considered for Mr. Lisauskas including his thoughts and assistance regarding more efficient ways to process the large volume of financial information being forwarded to the Board, as well as a review of our Amnesty Program and best strategies to collect HPA's oldest scofflaw debt. Ms. LeShane went on to thank Mr. Lisauskas for his efforts thus far.

Ms. LeShane then polled the Commissioners for questions or comments for Mr. Lisauskas and hearing none turned the floor over to Mr. Barrueco for a report on the

Executive Search. Mr. Barrueco updated the Commissioners on Horton International's executive search candidate screening progress stating that their focus has narrowed to about ten (10) candidates. Mr. Barrueco said that there should be sufficient information to warrant Commissioner involvement by the next meeting.

Mr. Barrueco further stated that he would be forwarding two e-mails to the Board from Horton International detailing how the candidates are being classified. Mr. Barrueco reported that Horton International is seeing some impressive qualifications and they will be forwarding a short list of three to four names of candidates for the Board to interview beginning April 27th through May 7th. Mr. Barrueco stated that further discussion is needed to determine how the Commissioners would like to approach the interview process, and that he would be consulting Mr. Nasto regarding compliance with all confidentiality requirements applicable to interviewing candidates who are currently employed or candidates who may be known to any of the Commissioners, including ethics and appropriate recusal and disclosure practices, and will forward recommendations to the Board for their review and approval.

Mr. Michalik inquired if it was appropriate to respond to a request by Horton International for information regarding the benefit package for this position, and there was a consensus of the Commissioners that the information could be forwarded. Mr. Barrueco added that the benefit package and compensation structure will be the same as for all HPA employees. In closing, Ms. LeShane asked the Commissioners to e-mail any questions they would like covered during the preliminary interview process to Mr. Barrueco.

2. **Marketing Committee Update**

Ms. LeShane outlined the progress of the marketing campaign efforts, stating that the Board will be reviewing a presentation by Ryan Marketing Partners in Executive Session; also noting that Mr. McGovern has been very helpful assisting with multiple pieces of the marketing campaign including signage and researching what venues are available to us for that medium. Ms. LeShane summarized the high-end marketing ideas being considered including website promotions, monthly parking membership and loyalty programs; a friend and family referral program, and a validation program sponsored by the Business for Downtown Hartford already in place that HPA could possibly build on and promote.

Ms. LeShane polled the Commissioners for questions or comments, and hearing none turned the floor over to Mr. Redd for his report.

3. **Acting CEO/Executive Director Update**

Mr. Redd opened his report by turning the floor over to Mr. Nasto for a summary of the Hartford Stage project. Mr. Nasto turned the Commissioner's attention to a letter

from Mr. Bertoldi who is the engineer for HPA, which satisfies the HPA's resolution for the Hartford Stage project, which was subject to the engineering review and signoff of the plans. Mr. Nasto said that this is the confirmation letter stating that all issues have been addressed and that Phase I relating to the stairwell project can move forward. In response to Mr. Barrueco's question relating to loss of parking spaces, Mr. Nasto stated that discussions with the vendor's attorney are on-going but the consensus is that there will not be any loss of spaces during this construction phase.

Mr. Redd continued his report by briefly summarizing the recent preliminary hydro-static testing of the stand-pipe sprinkler system at the MSG, which revealed five areas which have corrosion and are scheduled to be repaired immediately at an estimated cost of \$7,000 - \$10,000, under the supervision of the Fire Marshall's office so that the system is brought up to code. Mr. Redd stated further that it was his understanding that this was the first time this system had been tested since the garage opened.

Mr. Barrueco asked if maintenance checklists are in place for our facilities and Mr. Redd stated that there were and that they are currently being reviewed for accuracy and compliance.

Ms. LeShane asked Mr. Redd about the status of St. Joseph's College parking negotiations and Mr. Redd responded by saying that the contact he had been working with is no longer with the organization and that he his working on building a relationship with his replacement.

Open Session – Public Comment

Ms. LeShane opened the floor to public comment.

Mr. Lopez asked Mr. Nasto for an update on the Fox 61 bankruptcy negotiations regarding the outstanding parking debt in the amount of approximately \$40,000. Mr. Nasto responded by stating that the city does have a bankruptcy attorney working on this case and that he will follow-up on the status and report his findings at next month's meeting.

Ms. LeShane then recognized Mr. Manousos, who asked the Board for their patience regarding the collection and reporting of information currently being requested of the

Central Parking staff working at HPA facilities. Mr. Manousos stated that they are happy to assist in providing what is needed, but hopes that the Board recognizes the challenge in maintaining the staff's core parking management responsibilities while assembling the huge volume of information being requested. Ms. LeShane stated on behalf of the Commissioners, that Central Parking's efforts and cooperation are much appreciated, and understands the increase in requests for information.

Executive Session

1. **Discussion Items: MSG Management Contract RFP, and Strategic Planning/Marketing Campaign**

Ms. LeShane called for a motion to enter into Executive Session at 9:20 AM to discuss 1) MSG Management Contract RFP update, 2) the Blair Project and 3) the strategic plan and Marketing Campaign. The motion was made to enter Executive Session by Mr. Twilley, seconded by Mr. Barrueco, and passed unanimously.

- Mr. Nasto and Mr. Lisauskas remained for the Executive Session
- Ryan Marketing Partners (Mr. Morgan, Ms. Ryan, Mr. Ryan) entered the Executive Session at 9:58 A.M.
- Mr. Redd and Ms. Leonowicz entered Executive Session at 9:58 A.M.
- Mr. Nasto departed the Executive Session at 9:58 A.M.
- Mr. Twilley exited Executive Session at 10:25 A.M.
- Mr. Thompson exited Executive Session at 10:40 A.M.

Ms. LeShane called for a motion to exit Executive Session 10:55 A.M. The motion was made to exit Executive Session by Mr. Barrueco, seconded by Ms. LeShane, and unanimously carried. The regular meeting was reconvened at 10:55 A.M.

Action Taken after Executive Session

There was no action taken.

Adjournment

Ms. LeShane called for a motion to adjourn. The motion to adjourn the April 8, 2010 Regular Meeting was made by Mr. Twilley, seconded by Mr. Barrueco, and unanimously carried. The April 8, 2010 Regular Meeting adjourned at 10:55 A.M.

Respectfully submitted,

Terry Leonowicz
Secretary to the Board