PARKING AUTHORITY MINUTES

DECEMBER 21, 2005

ATTENDANCE: Urban Mulvehill, Chairman; Troy Jellerette; Burt Shatz; Anwar Shahjahan.

STAFF: Kathryn Hebert, Administrative Services Manager

OTHERS: Hal Alvord, DPW Director; Frank Del Monaco, LAZ; Thomas Hamilton, Director of Finance; Mayor Richard Moccia; Jack Orchulli, Assistant to the Mayor; Peter Nolin, Corporation Counsel; Brian Bartholomew, Greg Sylvester, Desman Associates; Art Scialabba.

1. CALL TO ORDER

Mr. Mulvehill called the meeting to order at 7:30 p.m.

Mr. Mulvehill stated that, as the Authority was going to have two extensive presentations, and, as it was the regular monthly meeting, they would extend the courtesy of allowing the public to make statements as they normally do, and this would be allowed toward the end of the meeting.

Mr. Mulvehill asked Mayor Moccia if there were any statements he wished to make at this time. Mayor Moccia said that he was looking forward to seeing the presentations and was appreciative of the opportunity to be at the meeting. He said there were some tough decisions to make on some serious issues, and it was important that everyone have as much information as possible in order to make the best decisions possible for all concerned.

APPROVALS/AUTHORIZATIONS

2. Approve the Minutes from the Parking Authority meeting held on Wednesday, November 16, 2005.

Mr. Mulvehill asked if there were any corrections or changes to the minutes. There were none.

** MR. MULVEHILL MOVED TO ACCEPT THE MINUTES OF THE NOVEMBER 16, 2005 MEETING AS WRITTEN.
** MOTION PASSED UNANIMOUSLY.

DISCUSSION

3. Feasibility Report – Desman Associates

Ms. Hebert distributed copies of the report to the Authority and other people in attendance.

Mr. Brian Bartholomew and Mr. Greg Sylvester of Desman Associates distributed copies of the Webster Parking Lot Operational Assessment and explained that they were hired by the City of Norwalk to evaluate the current operational conditions and provide recommendations on the best way to operate the lot. The lot has 612 spaces and is managed by LAZ Parking, a private parking management company. The reason for the feasibility report is to evaluate the current method of control of the lot versus other methods such as multi-space parking meters, in order to alleviate the backup that appears to happen at certain times of lot usage. Options reviewed were the removal of the existing system and converting to a metered pay-by-space system; refining the current operating procedures or create additional lanes of traffic. Each approach had advantages and disadvantages, which must be looked at, since the Parking Authority is designed to be financially self-sufficient.

Pay-by-space, multi-space parking meters present several advantages, including fewer units needed to manage the same number of spaces, compared with single-space meters; also reducing maintenance costs; collection and enforcement is reduced, and there are no labor costs because people pay at a machine instead of to a cashier or attendant. There were several disadvantages to this system, however; including the need for increased signage; increased enforcement and citations; decreased service due to weather conditions; less security because transactions happen in the open; and increased snow removal. Also, there is the possibility that patrons could theoretically move their cars (a.k.a. parking space jockeying) every 45 minutes to use the 45-minute free parking offered, thus avoiding payment. Desman Associates fount that the gated exit system, which is currently in place, provides the highest level of customer service and financial accountability. Advantages include full payment compliance with rates and fees and the maximum level of financial accountability; increased customer service; increased security and no need for citations.

The report found that costs incurred for the installation of the current system was approximately $276,000. The annual cost to staff and manage the system is approximately $146,000. If the system were to change to pay-by-space, the costs would be more or less the same, but the costs of security would increase due to the removal of the attendants at the access areas of the lot. Moreover, the estimates supplied by the City of Norwalk show the cost of installing the pay-by-space system at $650,000. This estimate includes ten multi-space meters, the infrastructure needed for operation of meters and removal and demolition of the existing system’s infrastructure (fiber optics, shelters, masonry & electrical work.) These costs may increase in the actual installation dependent on the configuration of the lot, number of pedestrian pathways, and level of customer service and convenience the City may want to provide. To reduce walking distance, the report says that the City may increase the number of pay-by-space meters and could increase the total project by as much as $125,000.

The report went on to say that if the City were to convert to the pay-by-space system it would capture approximately 70% of the parking revenue it is already generating; about $308,000 in annual revenues; a decrease of $132,000. This does not include any revenue generated by issuing parking citations. The 70% figure assumes that at least 30% of all parkers will resist paying to park. Even with enforcement, citations will be issued to only 10% of those parkers, approximately 14,634 citations annually. At the present rate of $10 per citation, the projected gross would be approximately $146,634 but only if all citations are paid. If the City collects on at least 85% of the issued citations, it can collect approximately $124,640 annually.

The report recommended that they continue with the prepay parking system for a minimum of two hours before peak period conditions occur; and that the prepay program be monitored before any further decisions are made, to allow the City and the Parking Authority to fully evaluate the ability of the local roads to accept traffic from the Webster Street Lot during limited periods. It further recommended that if the roads are able to accept this level of traffic with satisfaction of both the City and the lot users, then there are several options open to be considered. These are: continuing to use the prepay system during Friday and Saturday peak periods and other periods, which may present the same issues; implement the Phase II program which includes re-striping of the lot as well as changing the internal traffic flow to increase efficiency; and to explore the creation of an additional exit lane at the MLK area to queue additional vehicles for exit.

The report stated that the Parking Authority has made a significant investment in what Desman Associates agrees is the best system for the use of the lot and does not recommend moving to a pay-by-space program at this time. They suggest that, before moving on to any other system of operation, the following steps be taken to refine the current program: continue and expand the prepay program to aid in eliminating the exit backups on Friday and Saturday evenings so that no visitor will receive a citation for using the lot; complete a traffic analysis to see if the adjacent roads can accept added volumes of traffic during peak periods, since it may be more financially prudent to pay out $100,000 for an additional lane of traffic than to spend $650,000 to revamp the entire system; and to move forward with the reconfiguration of the traffic flow within the facility to aid in disbursing the traffic backup.

Mr. Mulvehill asked Mr. Bartholomew how much time they spent at the lot before creating their report. Mr. Bartholomew stated they were there for a good day or two. Mayor Moccia asked if they included an analysis of the theatre patrons, who receive free parking. This was included in the report. Mr. Mulvehill said he didn't realize the revenue generated would be the same whether the lot was operated by the cashier gate system or the pay-by-space system. Mr. Sylvester said the pay-by-space system would have to be more dependent on enforcement than the current system is now, and there would end up being more citations issued to people who try to use the lot without paying.

Mr. Mulvehill asked about the possibility of patrons receiving a ticket when entering the lot that can show they are there for only the free 45-minute parking. Mr. Bartholomew said no system has been invented yet that can provide this kind of service, and it would be hard to implement. He said there was other types of systems that will let the Parking Authority do the things it wished to do.

Mayor Moccia asked how much of a problem was the car jockeying, since the current concern seems to be the backing up of traffic at the gates. He said there is no current plan to do anything further at MLK Drive, and said that adding an additional lane is not an option. He suggested that the theatre could help by scheduling its shows better. Mr. Mulvehill said the free times to park needed to be advertised more. Mayor Moccia said that part of the problem is that no one wants to use the parking garage because they don't want to have to walk from the garage to SoNo or to the Crown Theatre. Mr. Mulvehill said he thought the current signage for the lot was too busy and hard to read. Mr. Shajahan and Mr. Shatz briefly discussed the possibility of moving the pay booth farther back into the lot closer to the theatre instead of where it is now. Mr. Mulvehill pointed out that merging traffic was not the issue; the backup of traffic was the issue.

Mr. Mulvehill asked if any of the merchants attending the meeting had any questions. In attendance were Jack Chiarmonte, New York Pizza; Jackie Lightfield, www.SoNoParking.com' Lewis Avrick, Avrick Furniture; and Mr. Tony Doumelie, a resident. The Authority heard comments from Mr. Chiarmonte, Ms. Lightfield and Mr. Doumelie.

4. Finance Director's Report

Mr. Hamilton stated the Authority was rapidly approaching insolvency. He said they have a responsibility to operate the Authority as a viable entity, and if they remain in the current precarious financial condition, the deficit will be in the vicinity of $500,000 or more. There is a structural imbalance between the Authority's revenues and expenses; they are spending more money than they are bringing in. Mr. Hamilton said the Authority would not have cash on hand to meet obligations in the near future. The present structure of revenues and expenses will not permit the Authority to remain viable.

Mr. Mulvehill said, along with the responsibility of maintaining their budget, they also have the responsibility of providing parking to the City. He said that when a decision is made where revenue is reduced, that revenue has to be made up, and those were the assurances the Authority had been given. Mr. Hamilton said, just to be clear, to his knowledge there are no assurances that have been made. He said in the Feasibility Report in the Executive Summary, it talks about any operational deficits that may occur are the responsibility of the taxpaying public. He said that at the previous month's meeting there was no authorization that he was aware of by the Common Council of the City to provide funding to the Authority. He said that decision may change, but as of right now that's how it stands.

Mr. Shatz said that the Authority has had meeting after meeting with the merchants demanding free parking or considerations in which they probably weren't aware would result in huge financial sacrifices for the Parking Authority. He said no mention or any cautionary note was ever uttered about the position where they would be faced with losing about $200,000 in revenue with concessions to the merchants, and yet the finding comes out as a great surprise that we're in this financial situation. Mr. Hamilton said that he assumes the Authority is aware that when they were approving changes, what the financial implications were.

Mr. Mulvehill said the Authority was being asked by the City to make those changes. Mayor Moccia asked if the Authority was asked by the City or by the previous mayor. Mayor Moccia said that he has only been in office for one month and the Authority was not going to put a $500,000 deficit on him. Mr. Jellerette said there were changes made that he read about in the paper, he was a member of the Authority but he read about this in the newspaper. He read about the meters being taken out of Wall Street and asked if the Mayor could talk a little about that. He asked what the cost and effect of that, was of that, if the Authority is in a hole of $500,000 and could he address that.

Mr. Orchulli asked if he could address something. Mr. Jellerette said he could. Mr. Orchulli said that he finds it very interesting, that stepping into this position and working with Mayor Moccia, they were running into a number of various places where there is financial stress. He said the prior administration talked about smart government, but when you look at that smart government, one has to question what the definition of what smart government is. He said if you look at the Parking Authority, in the last fiscal year, this Authority lost $647,000 minimum. The Finance Director thinks it may be even $100,000 more than that. But even if it is the minimum, it is $650,000 in the last go-round.

Mr. Orchulli said Mayor Moccia has been in office only three weeks; the Authority's deficit was a year ago, and yet the Authority is in the same place and needs the same amount of money this time around. He said the Authority is questioning the mayor for what he's just put in place now, a minor reduction in revenue, but what he is putting forth this evening is trying to address the difficulties and lack of prudent behavior of this Authority in a prior year or two years ago. Mayor Moccia is putting forth a revenue enhancement of at least a half a million dollars. Going forth for the next fiscal year, and for the remainder of this fiscal year, to cut expenditures and enhance revenues by a quarter of a million dollars, but even though he's making some minor adjustments by the removal of some parking meters, he's made great strides by proposing increasing revenues and tried to address this very difficult situation which has been in place for years with this Authority. Mr. Orchulli said that maybe someone should address an answer to why has this been able to remain in place for years?

Mr. Shatz said his question was, where was the financial oversight in the prior administration when we were continually being pressured to give free parking concessions to the merchants at the risk of losing $500,000 and no warning was ever issued by the Finance Department about the precarious position we were in. Someone is responsible; who was responsible?

Mr. Mulvehill said he was not trying to lay blame on anybody. Mayor Moccia said he would answer the question if someone would allow him to respond to it. He said the removal of the parking meters was done on his authority because, despite what you may not understand, the people pay business taxes to this City, and many of them are ready to go under, or were ready to go under, and were never consulted when those meters were put in, never asked or consulted, and they were being ticketed to death down there. Several businesses were ready to leave, and they pay business taxes which go to the general fund, that is why we had a situation with an area that needs redevelopment where these businesses asked for some break, and it was his decision based on the Traffic Authority, to give them that, based on the opinion he had from the Corporation Counsel. Mayor Moccia said the $40,000 that the City will lose from those meters, which may not be that much does not address the problem, as Mr. Orchulli said, from the previous year. The free parking that the Authority gave recently, under the pressure from the merchants, is not your total reason for your deficits this year or in previous years. Mayor Moccia said that if you want to say to him that by his removing the meters from Main and Wall Streets have caused this problem, it is asinine. This problem existed before, and he remembered that during the campaign he was told by this Authority that he was trying to place all the burden on the taxpayers of this City with his plans. Mayor Moccia said it was the Authority and their administration that did exactly that to the tune of a half a million dollars. Mayor Moccia said that if the Authority doesn't think the removal of the meters at Main and Wall doesn't work, they should go down and talk to the merchants there and they will be told that the lunchtime business has increased.

Mr. Shajahan said that he appreciates the Mayor's feedback and comments. He said that, seeing the financial state of the Authority, and seeing that the Mayor has a magic touch of fixing Wall Street, what does he recommend the Authority do in their current state. Mr. Alvord said they would see that in the City's presentation.

Mr. Mulvehill said that he wasn't trying to pick a fight with anybody. The Authority has only existed for three years. The parking in the City has always been subsidized by the taxpayers and an effort was made to try to get it so there was less taxpayer support and more of a revenue support. The biggest reason for this was the building of the parking garage. The City sold a piece of land, there was construction; there were certain bond issues and certain questions; what can you do to develop enough revenue to take care of those expenses? As they went through that process, it became imperative to develop a fee structure. He said that with each step taken they were all aware of the consequences and the deficit was no surprise to the previous administration.

Mr. Orchulli said they need to all try to deal with the situation in a rational way and work together. Mayor Moccia said he doesn't want to look backward; it was time to move forward.

Ms. Hebert asked Mr. Mulvehill if they could move to the City's presentation out of agenda order. Mr. Mulvehill agreed.

5. Parking Authority October 2005 Operating Report

Noted

6. Parking Authority System Strategies

Mr. Alvord gave the presentation on Parking Authority Financial Performance Enhancement Strategies. The report recommended revenue enhancements that could return the Authority to a break-even operating posture and a parking rate structure that is commercially viable and provides consistency. The current situation is such that, due to the $500,000 deficit, the Authority will require a subsidy from the General Fund and has an inconsistent rate structure that discourages operational goals. The report indicated that the Authority arrived at this juncture by continuing to expand the grace period at the Webster Street Lot; increased security expenses at the Webster Lot, the Haviland Street Lot and the Yankee Doodle Garage; uncontrolled signage expenses due to frequent policy changes; supplies needed to communicate the parking plan and policy changes to public; high ACS expenses and high repair and maintenance expenses from inheriting a parking infrastructure in disrepair.

Mr. Alvord said that to solve the current fiscal problem, the options were to reduce costs, increase revenues, or a combination of both. The report indicated that costs could be reduced in maintenance, security, customer service, enforcement, signage, supplies, fleet service and utilities for a total savings of $97,370 for the fiscal year 2006-07. This would also reduce costs for the current fiscal year, but would result in only reducing the deficit to $12,390.

Mr. Alvord said they could also enhance revenues at the railroad stations, the SoNo area, and the Wall Street area and with parking violations with a total projected revenue of $483,779. This would be done by slightly increasing the existing parking permits and fees in these areas, as well as increasing the amount assessed for parking violations. He indicated this was not something the City was pleased to do, but was necessary in order to generate revenue to cover the shortfalls. Other considerations recommended were the leasing of space in the Maritime Garage and leasing the old Police substation at the South Norwalk Railroad Station on the eastbound side. Altogether, the revenue enhancements would bring a total of $666,149 to the City during 2006-07, and $471,388 in the remainder of the current fiscal year.

Mayor Moccia said he thinks the ACS collection rates proposed for tickets is too high. Mr. Mulvehill wanted to know if there would be input from the Mayor's office and the Common Council regarding the increase of fees and the public's reaction. Mayor Moccia said he could support the cost reductions proposed, but let's wait and see what happens at the public hearing. Mr. Shahjahan said it was brought to the previous mayor's attention that parking rates were having a negative impact on business, and he remembered Mayor

Moccia saying prior to the election that it was idiotic to raise fees when taxes can be raised on both sides of the fence.

There was some discussion about the sale of Parcel 3 and some questions about the disbursal of the funds from the sale, which Mr. Hamilton explained. These funds went to offset the bonds for the construction of the Maritime Garage. Mr. Shahjahan made a comment about parking tickets. Mayor Moccia said that was what was the problem, people were getting ticketed and re-ticketed and re-ticketed again at $10 each time and it was driving people away from the area. Mr. Shatz said that more effort had been made to see that the burden of paying for the Webster Street lot was taken off the back of the taxpayers and put onto the users. Mayor Moccia said that part of the problem is that the majority of the users of the lot are people who already live in Norwalk and that they are getting hit twice, once by taxes and then by the parking fees.

Mr. Shahjahan mentioned the issue of security and said he knows the burden is on the Authority. He said this could be handled two ways, either let the police deal with situations as they arise, or ask the police to make more specific rounds. Mayor Moccia said there would be five more police officers on the street in January and a total of twenty certified officers on bike patrol. He also said that the area of security is where the merchants may have to take part in collective funding to pay for increased security.

7. Preliminary Operating and Capital Budgets FY 0607

Ms. Hebert said this item is appearing on the agenda only so the Authority knows it is being worked on. Mr. Mulvehill asked Mr. Alvord to give him an additional option of reducing the deficit with deeper cuts so they have something to compare. Mr. Orchulli said they will be looking into further cuts but they just wanted to get something on paper to begin working with it.

8. Meeting Schedule Calendar Year 2006

** MR. MULVEHILL MOVED TO ACCEPT THE PROPOSED MEETING SCHEDULE FOR THE CALENDAR YEAR 2006.
** MOTION PASSED UNANIMOUSLY.

9. Request from the Redevelopment Agency to pay for holiday decorations in the SoNo Area in the amount of $960

Mr. Mulvehill recommended this item not be approved. He said that Redevelopment has always paid for these decorations in previous years, and the Parking Authority will politely decline.

10. Other Business

There was no other business to be discussed.

OTHER

11. Letter to the Editor

Ms. Hebert distributed a copy of the letter to the editor, which appeared in the December 15 edition of The Hour. The letter, written by a resident, commended a LAZ Parking employee at the South Norwalk Railroad Station who assisted him at the station one morning.

12. Action on any item discussed herein

Mr. Mulvehill stated the only item up for discussion was the Feasibility Report. Mr. Alvord said if the intent of the Authority is to move ahead as soon as possible, then once the last snow of the season has fallen, Phase II could begin. Mr. Mulvehill asked the Authority if they wished to move ahead. Mr. Shahjahan suggested freezing all funds for any project until the Authority can assess the entire situation and decide how best to proceed. There was discussion on the proposed public hearing for the City's recommendations. Mayor Moccia suggested holding off on the public hearing until Mr. Alvord can present additional options.

13. Next Parking Authority Meeting:

The next meeting of the Parking Authority is scheduled for Wednesday, January 25, 2006 at 7:30 p.m. in the Public Works Conference Room.

ADJOURNMENT

** MR. MULVEHILL MOVED TO ADJOURN THE MEETING.
** MR. SHAHJAHAN SECONDED.
** MOTION PASSED UNANIMOUSLY.

The meeting was adjourned at 10:07 p.m.

Respectfully submitted,

Linda J. Hayes
Telesco Secretarial Services