

## Marketing Plan

### **The Marketing Plan:**

People do not come downtown to park their vehicles, they are there for some other reason; work, shop, dine, visit an attorney, go to an event etc. Our marketing plan is not so much to sell our product but to educate folks on how our services and facilities work and to encourage visitors to come downtown who normally do not enjoy all downtown has to offer. We have used print media, radio and mostly TV, but we are also looking into using social media as a way to get the word out about how convenient parking is in downtown. We have traditionally budgeted around \$30,000 per year to accomplish our marketing goals. However in 2010 we spent around \$50,000 with the World Equestrian Games being held in Lexington and we had an opportunity to increase our exposure.

### **Customers:**

Our customers are anyone who is of driving age and their age, gender, income level, social class, education etc. are as varied as the overall population in the Lexington area. We do not target anyone group.

### **Competition:**

Competition is not something that we focus on as we are not trying to outsell any other entity nor do we have any concern for other groups taking our business share. We are an amenity to the downtown. However, we could consider other areas of town as competition and work to provide a safe and secure way to park so that people are not drawn away from downtown. We could also consider other parking facilities owned by private entities as competition and if the economy dropped significantly more there would possibly be a pricing competition that could cause the city to loose customers to private parking facilities and make it difficult on the bottom line.

### **Niche:**

If we were to describe our Niche or any share of any market, it is that we provide safe and convenient parking for downtown workers, shoppers, visitors and we also provide parking in the University of Kentucky area that is utilized by their staff, students and visitors.

### **Marketing Strategy: (Promotion and Advertising)**

Our marketing strategy is to leverage the proper media outlets at the best time of the year to get great rates. We want to encourage customers to come downtown and also educate them about our services, locations and payment options.

### **Promotional Budget:**

On average we have budgeted thirty thousand dollars (\$30,000) annually for marketing and promotion. In 2010 due to the World Equestrian Games being in Lexington we spent fifty thousand dollars (\$50,000) on educational and promotional messages using the television media.

### **Pricing:**

Our philosophy on pricing is that it should be driven by market rates and that we should have enough revenues to cover our operational expenses and any debt service.

## **Operational Plan**

The goals of the parking program are:

- To provide professional parking management services for its parking facilities.
- To enforce parking regulations in compliance with Municipal and State Codes.
- To manage a valuable and limited resource by creating turnover of public parking spaces.
- To foster economic development in the downtown area
- To maintain and manage traffic within residential areas by discouraging non-residents and commuters from utilizing residential streets for long term parking during hours of enforcement.
- To maximize revenues to the LFCPA/LFUCG by collecting current and outstanding parking violations using the most efficient and technologically advanced methods available.
- To improve quality controls and customer service
- To invest in technology and new revenue control equipment
- To maintain the municipality's parking system in a first class professional manner to the benefit of the systems users and the LFCPA/LFUCG.

### **On-Street Scope of Services:**

The Contractor shall be responsible for providing, at a minimum, the following services:

- a. Assistance and consultation with the LFCPA as necessary in any design, function or marketing of the on-street parking program.
- b. Assistance in implementing changes to the parking program, including working with downtown businesses, neighborhood groups, and other organizations as needed.
- c. Financing of any capital improvements, including parking meters, pay-stations, support vehicles, computer and enforcement equipment.
- d. Assist in the public relations, management and enforcement of a multi-space meter pilot project within 30 days of the award of contract.
- e. Purchase and maintain related equipment deemed necessary to administer the parking program throughout the term of the contract.
- f. Installation and maintenance of parking meters & posts and/or pay stations. Installation shall be in accordance with standards issued by the LFCPA. All meters and pay stations shall be repaired within 24 hours (not including weekends) of an identified malfunction.
- g. The collection, counting and depositing of revenue. Collection of each meter and pay-station shall be done no less than bi-weekly and more often if meter canisters are full. All collections shall be deposited into a bank account specified by the LFCPA.
- h. Provide sufficient personnel to issue parking violation citations at a level of enforcement specified by the LFCPA.
- i. Provide specialized customer service and related training for all enforcement personnel.
- j. Provide towing and immobilization services.
- k. Issue late notices for overdue payment of citations, and any follow-up collection services. Provide on-line payment options for citations.
- l. Process and address all customer service issues associated with the parking program.
- m. Provide weekly, monthly, quarterly and annual reports as required by the LFCPA.
- n. Notify LFCPA of any dangerous conditions to pedestrians, automobiles, property owners as soon as possible.

- O. Any other services which the proposer is willing to provide that enhance the overall parking program.

## **General Provisions:**

### **Patrol Areas:**

The Contractor shall be responsible for enforcing parking regulations in and around downtown Lexington while on duty. Currently there are 1190 meters and approximately 28 small neighborhoods with an RPPP in place. Patrol areas may be modified by the LFCPA with written notice. A map of meter locations and a map of RPPP Districts will be distributed at the pre-proposal conference.

### **Office:**

The Contractor shall maintain a street level office within downtown Lexington, specifically between the boundaries of Jefferson Street to the West, Midland Avenue to the East, High Street to the South and Short Street to the North. The office shall be, at a minimum, open to the public Monday through Friday from 8:00 am to 5:00 pm (excluding Holidays). The office shall be staffed at a minimum with a supervisor during these office hours. All expenses pertaining to this office shall be the expense of the Contractor. All capital or start up costs that are considered reimbursable (see form # 5) will become property of LFCPA at the end of the contract. The Contractor's established office shall only serve the "on-street and "off-street operations of LFCPA and LFUCG, respectively.

### **Management:**

The office and enforcement personnel provided by the Contractor shall be supervised by a designated supervisor or manager during office hours.

- a. The supervisor or manager who directly oversees the program may not engage in other activities for the Contractor and must be immediately available at all times to support the program, LFCPA Staff, and/or other duties necessary to meet the scope of this contract.
- b. Enforcement officers shall only engage in work related to the contract.
- c. On Saturdays or any other times an enforcement officer may be on duty but the office is closed, the enforcement officer and supervisor shall be in instant, direct contact at all times via a cell phone or other similar device.

### **Public Phone Number:**

The Contractor shall have a specific telephone number solely for the purpose of handling LFCPA Parking Program questions and complaints regarding on-street parking enforcement and parking ticket fines in the enforcement area. The telephone number shall ring to the office and shall be answered by a supervisor or receptionist during normal business hours. The phone shall not be answered by the enforcement officer in the field during office hours. This phone number should be posted on all parking related equipment and any communication documents.

### **Communication:**

All enforcement personnel shall have instant communication access (via a cell phone or other similar device) to the supervisor and the supervisor to enforcement personnel during all times an enforcement officer is on duty.

## **Hours and Billings:**

### **Enforcement Hours Time/Day:**

The Contractor will perform enforcement duties Monday through Friday 8:00 a.m. to 5:00 p.m. (excluding Holidays -- see section 3.03.5), or as may be modified by the LFCPA with written notice. For the purpose of this RFP the Contractor shall provide a minimum of 162.5 hours (5 enforcement officers at 6.5 hours per day M-F) per week of enforcement patrol or deduct the unused enforcement hours from their monthly statement as specified in section 3.03.3 Billing. The exact amount of enforcement hours required to properly enforce the program is yet to be determined and may be modified by the LFCPA with written notice.

### **Non-Enforcement Hours Time/Day:**

An additional 1.5 hours per day per enforcement officer, Monday through Friday, is designated for use by the Enforcement Officer for customer service, hearing time, researching vehicle registration information and other non-enforcement activity. These hours shall be known as non-enforcement hours. For the purpose of this RFP the Contractor shall provide a minimum of 37.5 hours per week of non-enforcement hours. If the non-enforcement activity does not require the full 1.5 hours per day, the Enforcement Officer will spend that time enforcing on-street parking. Any additional non-enforcement hours required of the Contractor will be considered incidental to and included in the management and supervision time required of the Contractor.

### **Billing:**

The maximum amount that the Contractor shall receive per month for the duration of the three (3) year and one (1) month contract, the amount per hour to be deducted for any enforcement hours not used, and the amounts to be billed for straight time and overtime for hours above 40 hours per week will be as defined in the cost breakdown of the contract. Additional hours must be approved in advance by the Program Manager.

The LFCPA shall have the option, in its sole discretion, to extend this contract for an additional two year period, June 30, 2011 to June 30, 2013. The maximum amount that the Contractor shall receive per month during the option years of the Enforcement Services contract, the amount per hour to be deducted for any enforcement hours not used, and the amounts to be billed for straight time and overtime for hours above 40 hours per week will be as defined in the cost breakdown of the contract. Additional hours must first be approved by the Program Manager.

Overtime – The use of any overtime rate is to be determined based on the Contractor’s necessity to pay its enforcement officers overtime. Any additional hours above 40 hours per week requires the LFCPA Program Manager’s pre-approval.

### **Inclement Weather:**

The Contractor will review and seek approval from the LFCPA Program Manager for any modifications to enforcement duties due to weather conditions. Modifications may include but not be limited to discontinuing/not using hourly employees during this period. The LFCPA shall not be billed for services not used due to weather conditions.

### **Holidays:**

Holidays with no enforcement – On the following holidays, no parking enforcement activity will take place: New Year’s Day, Independence Day, Thanksgiving Day, and Christmas Day.

In addition to the holidays listed above in 3.03.5, no enforcement of the time limits in parking zones with the “Except Holidays” exclusion shall occur: Martin Luther King Day, Presidents’ Day, Memorial Day,

Labor Day, Columbus Day and Veterans' Day. Enforcement of all other parking rules shall occur on these days. The Contractor shall contact the LFCPA Program Manager to verify level of enforcement that will occur on these days. The LFCPA reserve the right to alter enforcement policies regarding any holiday.

### **Methodology:**

The LFCPA strongly believes in customer service, and expects the enforcement personnel to treat the public in a polite, helpful, and professional manner.

Enforcement action is to be carried out in a uniform and fair manner. The Contractor shall not directly or indirectly give any preferential treatment to any person or entity in the performance of enforcement duties.

The Contractor shall operate in general compliance with existing Parking Enforcement Policy (a copy of which is located on the LFUCG's website at <http://www.lexingtonky.gov>)

### **System Objectives:**

Support and monitor productivity in the following areas: citation issuance, processing, and collections. The software should process the following functions; User Access Control and Security, Parking Citation Manager/Capabilities, Citation Appeals and Hearings Capabilities, Vehicle Registration, Customer Tracking, Parking Permit Capabilities, Permit Fulfillment Service, Batch Permit Issuance and Invoicing, Payment and Cash Management Capabilities, Task Scheduler, Meter Maintenance Records, Notice and Letter Generation Manager, Extensive Reports Generation, Query Manager, Data Import/Export, Web Services, Web Solutions, Booting/Towing, Application Development Rights, Event Management.

- Facilitate a more complete collection of citation payment, no less than 70% collection rate.
- Provide immediate access to information and transactions associated with citation issuance, processing and collection of citation.
- Provide comprehensive accounting and audit trails necessary for revenue control.
- Provide reporting on operation performance, statistical and financial information for analysis and management review.
- Provide professional, clear, prompt and efficient customer service.
- Monitor and maintain detailed history of the life cycle of all issued citations.

### **Enforcement Duties:**

#### **Patrol:**

- a. All two-hour zones shall be patrolled approximately once every two hours and fifteen minutes. All one-hour & four-hour zones shall be patrolled approximately once every two hours. Hours of Enforcement are (Monday – Friday 8am – 5pm).
- b. Other areas of downtown shall be regularly enforced for the types of violations included in this contract (as detailed in Section 3.06.4) as part of the Enforcement Officer's regular duties.

### **Issuance of Citations:**

The Contractor shall issue Citations for violations of parking ordinances when and where appropriate.

- a. The Contractor shall only use standard Citations that have been approved by the LFCPA.
- b. Each Citation shall have a unique identification number. No duplicate numbered Citations shall be issued.
- c. All Citations shall include complete and accurate information as approved by the LFCPA.

- d. All Citations submitted to the Court shall include complete and accurate vehicle owner registration information. The LFCPA will not provide the Contractor with vehicle registration information.
- e. All Citations submitted to the Court shall be completed in full and include a handwritten, signed, and dated description of the infraction. The description shall include the time the infraction was noted.
- f. All Citations issued by the Contractor shall be legible.

### **Hand-Held Ticket Writer (HHTW):**

The Contractor shall use a portable HHTW to determine overtime parking violations and eliminate any need for tire marking. The HHTW shall record the date, time, location, and license number of the parked vehicle. This data shall be easily retrieved by the Enforcement Officer during the course of his/her rounds.

### **Types of Violations:**

The Contractor shall enforce all parking related ordinances within the LFCPA enforcement area including the following:

- All legally designated handicapped parking areas.
- All "time restricted" on-street parking.
- All "no parking anytime" areas.
- Parking violations involving trucks and commercial vehicles.
- Vehicles parked on sidewalks.
- Parking issues generated from construction zones.
- Areas signed "no stopping or standing".
- Vehicles parked too close to fire hydrants, driveways, stop signs, intersections.
- Vehicles parked facing the wrong way.
- Vehicles parked illegally in designated handicapped spaces.
- All other parking related ordinances as contained in LFCPA Code of Ordinance Ch. 18.

### **Overtime Parking Warning Ticket Database:**

The first time an individual vehicle is in violation of overtime parking, or an RPPP violation the vehicle shall receive a warning ticket along with literature explaining overtime parking or RPPP rules. The Contractor shall provide the means for instant recall of the history of warning ticket issuance including dates, times, license numbers, and locations. This information is to be readily available to answer customer inquiries, and to determine if an overtime vehicle has already received a warning or not prior to issuing a monetary penalty. This history of overtime parking warnings shall be compiled on an uninterrupted and continuing basis.

### **Booting/Towing:**

LFCPA shall have the authority to establish the booting/towing policies and procedures and the specific date to begin this program. When the program begins and the Contractor determines that a particular parked vehicle meets booting/towing criteria, the Contractor shall call the LFCPA Program Manager to assign the booting/towing request in accordance with approved policy guidelines. Prior to initiating the booting/towing process, the Contractor will inform the LFCPA Program Manager that a boot is being considered. The Program Manager will make the final towing decision. The Contractor will keep a log of events leading up to the booting/towing decision including why the boot/tow was initiated. Inasmuch as the historical volume of booting or towing calls for impounding parked vehicles within the Downtown has been minor, the LFCPA will accept a deviation from the above policy that is agreeable to the Contractor and approved by the LFCPA and the towing company where applicable. LFCPA shall have the authority to decide when the Booting Program begins.

### **Reporting of Missing or Damaged Signage:**

Missing or damaged signs observed in the field by Enforcement Officers are to be called in immediately to the LFCPA main office. The type of sign and its exact location will be included in any communication with the LFCPA.

### **Contractor Services and Responsibilities:**

Appeals/Hearings:

The Contractor will coordinate the scheduling and decision notification of appeals and hearings. The contractor will make available ticket dispute forms by fax, e-mail, on-line or at their office. The Contractor will be responsible for its employees appearing to the hearing, on time, and prepared to testify on parking related cases in a professional manner. Contractor shall refer questions concerning hearing appearances to the LFCPA Program Manager. The hearing officers shall be part of a volunteer hearing board appointed by the LFCPA.

### **Complaints:**

The line of contact for complaints received from Citizens shall be as follows:

- (1) Contractor,
  - (2) LFCPA's Program Manager
- 
- a. The Contractor shall promptly and courteously respond to all complaints and shall thoroughly investigate them and reply to the customer within 48 hours (not including weekends). The Contractor shall make every attempt to reply the same day when possible.
  - b. If the LFCPA receives a complaint concerning the Contractor, it will notify the Contractor within 48 hours (not including weekends) of receiving such complaint.
  - c. The LFCPA's Program Manager, or his designee, will be the point of contact for complaints and follow-up.
  - d. All complaint reports are to be documented and provided to the LFCPA for review upon completion.
  - e. The Contractor shall have a specific telephone number solely for the purpose of handling questions and complaints regarding the LFCPA Parking Program. See General Provisions: sections 3.02.2 & 3.02.4.

### **Collections:**

The Contractor shall be responsible for collection of parking meters, fines and any late penalties.

### **Pre-Enforcement Introductions:**

At the beginning of the contract, the Contractor and its designated employees shall personally introduce themselves and explain the LFCPA's Downtown Parking Program to the business and property owners along the patrol routes for a period of time specified by the Program Manager, but not to exceed three weeks time. On an on-going basis, the Contractor's Enforcement Supervisor or Officer(s) shall introduce themselves and the LFCPA's Downtown Parking Program to new businesses and property owners that establish along patrol routes.

### **Vehicles:**

The following shall apply to the use of vehicles:

### **Identification Markings on Vehicles:**

All vehicles used by enforcement personnel shall be clearly identifiable as performing parking enforcement. Vehicle markings shall not resemble Lexington Police or Traffic Vehicles. The vehicle markings must be approved by the LFCPA Program Manager.

### **Compliance with Existing Laws:**

Vehicles shall be operated at all times in compliance with all state and local motor vehicle and emissions laws.

### **Posted Warning Sign:**

The rear of all patrol vehicles shall have a sign warning of frequent vehicle stops.

### **Warning Lights:**

All vehicles used by enforcement personnel shall have blinking flasher lights installed on the vehicle's roof. These lights shall be used when patrolling to warn other vehicles about the slower moving enforcement vehicle.

### **Vehicle Specifications:**

Any vehicle used for parking enforcement purposes must be approved by the LFCPA.

The Contractor will provide the parking enforcement vehicle. The Contractor will be responsible for all upkeep and maintenance costs associated with this vehicle.

### **Alternatives to Vehicles:**

Foot, bike or electric vehicle enforcement personnel may be used as a supplement to a motorized enforcement vehicle as long as adequate coverage is maintained and all state and local pedestrian and bicycle laws are adhered to. Adequate coverage includes patrolling all two-hour zones every two hours and fifteen minutes.

### **Personnel:**

#### **General:**

- a. The Contractor will be responsible for all aspects of recruitment and selection of parking enforcement personnel.
- b. The Contractor shall employ only persons competent and skilled in the performance of the work assigned to them and shall provide skilled and responsible supervision for such persons.
- c. The Contractor's employees shall not carry a firearm or any type of weapon while on duty.
- d. The Contractor's personnel shall be polite and courteous to all citizens. Confrontations are to be avoided if at all possible.
- e. Contractor's personnel shall be required to speak and write easily-understandable English Language.
- f. Contractor's employees are not to imply they are Police Officers.
- g. The Contractor shall not use discriminatory hiring practices in regard to ethnic origin, race, religion, sex, and physical or mental disability. See Section 2.14

#### **Supervision:**

Contractor will be responsible for assuring employee compliance with all laws and regulations, respond to inspections/audits by regulatory agencies, and pay any fines or assessments levied by regulatory agencies. The Contractor will be responsible for all supervision, disciplinary and termination actions.



## **Uniforms:**

### **Appearance:**

All enforcement personnel are to be provided with professional appearing uniforms. They are to be designated with logos on shirt and jacket sleeves, and on hats with an emblem designating them as official parking enforcement personnel. The color and design of uniforms must be approved by LFCPA. The uniforms shall not resemble a Police Department uniform.

Appropriate attire includes a collared shirt, coat and trousers. During periods of hot weather, long shorts and a short sleeve collared shirt are acceptable. Items such as tee shirts are not allowed.

### **Required Times to Wear:**

All personnel are to be in complete uniform at any time during duty hours including time in court.

### **Photo Identification:**

All enforcement personnel must carry photo identification and a copy of their Limited Commission (while on duty).

## **Training:**

### **Contractor's Responsibilities:**

The Contractor will be responsible for complete training of parking enforcement, office, collections and maintenance personnel. Contractor shall maintain complete training records for each employee, as well as any other records prescribed by law or policy as appropriate.

### **Materials:**

The LFCPA will provide all materials related to local enforcement regulations to the Contractor. All other training material is to be provided by the Contractor.

### **Contents:**

Training will include, but not be limited to:

- a. Customer Service and expectations.
- b. Conflict management.
- c. Job procedures and emergency protocol.
- d. Job Safety as required by OSHA.

Training in the following areas is encouraged:

- a. Civil rights law and procedures.
- b. Municipal law and ordinances relating to parking enforcement.
- c. Giving testimony and courtroom/hearing procedures.

## **Reports and Records:**

### **Record Keeping:**

- a. Contractor is responsible for all employment related record keeping, and will provide, upon request by the LFCPA, personnel and training information for each employee.
- b. Each Enforcement Officer shall maintain a daily logbook of conversations, complaints and unusual circumstances that occur while performing work duties. The logbook shall be brought current at the end of each shift. In addition, each Enforcement Officer shall include in the daily activity log the following:
  - Number of citations by type of violation
  - Number of warnings
  - Number of impounds/boots
  - Number of parking related service requests from citizens
  - Hours on duty
  - All of the above reports by day, date, hour, and location
  - Location and hour of disabled parking enforcement
- c. Each Enforcement Officer shall document in writing the events and circumstances:
  - Leading to the impound or booting of a vehicle
  - Dealing with a difficult customer service situation
- d. Individual Contractor employees shall have a personnel file containing the following information, with copy of file to be furnished to the LFCPA's Program Manager upon request:
  - Completed application form
  - Completed background investigation and testing process
  - Training including date received
  - Complaints received against employee including disposition
- e. Inspection – The Contractor shall keep all records as listed above for at least three (3) years following the expiration or termination of the Agreement, or deliver the records to the LFCPA. Contractor shall keep all records in its regular business office and shall keep the records in an orderly manner as may be instructed by the LFCPA to assure easy access and reference to the records. The Contractor shall make all records available for inspection and copying by the LFCPA during business hours.

### **Reports:**

The following reports shall be prepared, transmitted, and maintained at a minimum. The LFCPA may make additions or deletions to the list of reports it requests at their discretion. All reports must be compatible with Microsoft Office.

- a. Monthly summary of activities showing total work hours, patrol and non-patrol; customer service hours; and records of hearing time. This summary will also include a cumulative total of unused non-enforcement hours. Any variance from the requirements of the contract will be properly noted.
- b. Monthly summary of ticket activity including the number of tickets by infraction type, by street/area, and a listing of voided tickets with an explanation. The Contractor shall only void tickets after approval from the LFCPA's Program Manager.
- c. Written reports on all complaint phone calls, or on-street complaints to enforcement officer on duty. Reports shall include names of parties involved, phone numbers, addresses (if known), the nature of complaint and action taken.
- d. Monthly reports containing the above data are to be furnished to the LFCPA no later than the 15th of the following month.

## **Routes:**

### **Approval of Routes:**

The LFCPA requires that the enforcement personnel follow pre-approved patrol routes. The Contractor will be responsible for proposing patrol routes and schedules. The LFCPA needs assurance that coverage is adequate, fair, regular and consistent. A map of meter locations and a map of RPP Districts are attached will be distributed at the pre-proposal conference.

### **Alternating Enforcement Routes:**

The Contractor will alternate the Enforcement Officer's patrol routes on a regular basis to eliminate predictability.

### **Supplies:**

The Contractor is responsible for furnishing all supplies for both office and fieldwork, including, but not limited to:

- a. Furnishing individual citations issued.
- b. Furnishing return envelopes.
- c. Furnishing water resistant encasings into which the return envelopes and citations are inserted.
- d. Furnishing overtime parking rule information sheets and other informational forms as requested.

### **Coordination Meetings:**

The Contractors Manager shall attend coordination meetings as necessary at least monthly with the LFCPA Program Manager.

### **Special Provisions – LFCPA Rights:**

The LFCPA retains the right to make changes to parking zone restrictions. Further, the LFCPA retains the right to:

Establish, modify, add or delete enforcement areas, routes or hours of enforcement. Any changes which result in fewer hours of enforcement will be credited to the LFCPA as specified in Hours and Billings: Section 3.03. Any enforcement area additions that result in additional hours beyond those that are required in this contract will be addressed at the LFCPA's discretion as follows:

- a. Reorganization of enforcement routes so all areas are included at a lower enforcement frequency.
- b. An increase in enforcement hours to maintain the enforcement frequency outlined in Enforcements Duties: Section 3.06.1.a. All additional hours shall be billed as per Section 3.03.
- c. A combination of a & b as determined by the LFCPA.

Set all hours of enforcement operations and approve daily and weekly assignment schedules.

Modify, alter, add, delete or replace any

- a. LFCPA supplied forms and or equipment.
- b. Procedures, instructions, and codes that LFCPA determines to require modification during the contract terms.
- c. Procedures, instructions, and codes that require modification due to any change in Local, State or Federal Law during the contract terms.
- d. Enforcement areas, beats, level of enforcement, placement of enforcement effort and type of enforcement.

To approve or disapprove of any new hire and to test all new hires before issuing enforcement authority and to withdraw the enforcement authority of any enforcement personnel permanently or temporarily when such action is in the best interest of the LFCPA.

To request removal from the contract any employee when continued employment is detrimental to the best interest of the LFCPA. The LFCPA shall provide any such request in writing.

### **Location:**

As described earlier currently the LFCPA is only in charge of the on-street elements of the cities parking operations. This includes approximately 1200 metered spaces and 33 different neighborhood Residential Parking Permit Programs (RPPP). The meters are found throughout downtown, the UK area and the Chevy Chase area. The RPPPs are typically found around the downtown, UK and Chevy Chase areas where parking demand has spilled over into neighborhoods and needs to be managed by a permitting program. The LFCPA maintains an office at 101 East Vine Street on the first floor and the LEXPARK (operations and customer service) office is located at 114 North Upper Street.

### **Equipment:**

The capital equipment currently used to manage and operate the on-street program consists of the following:

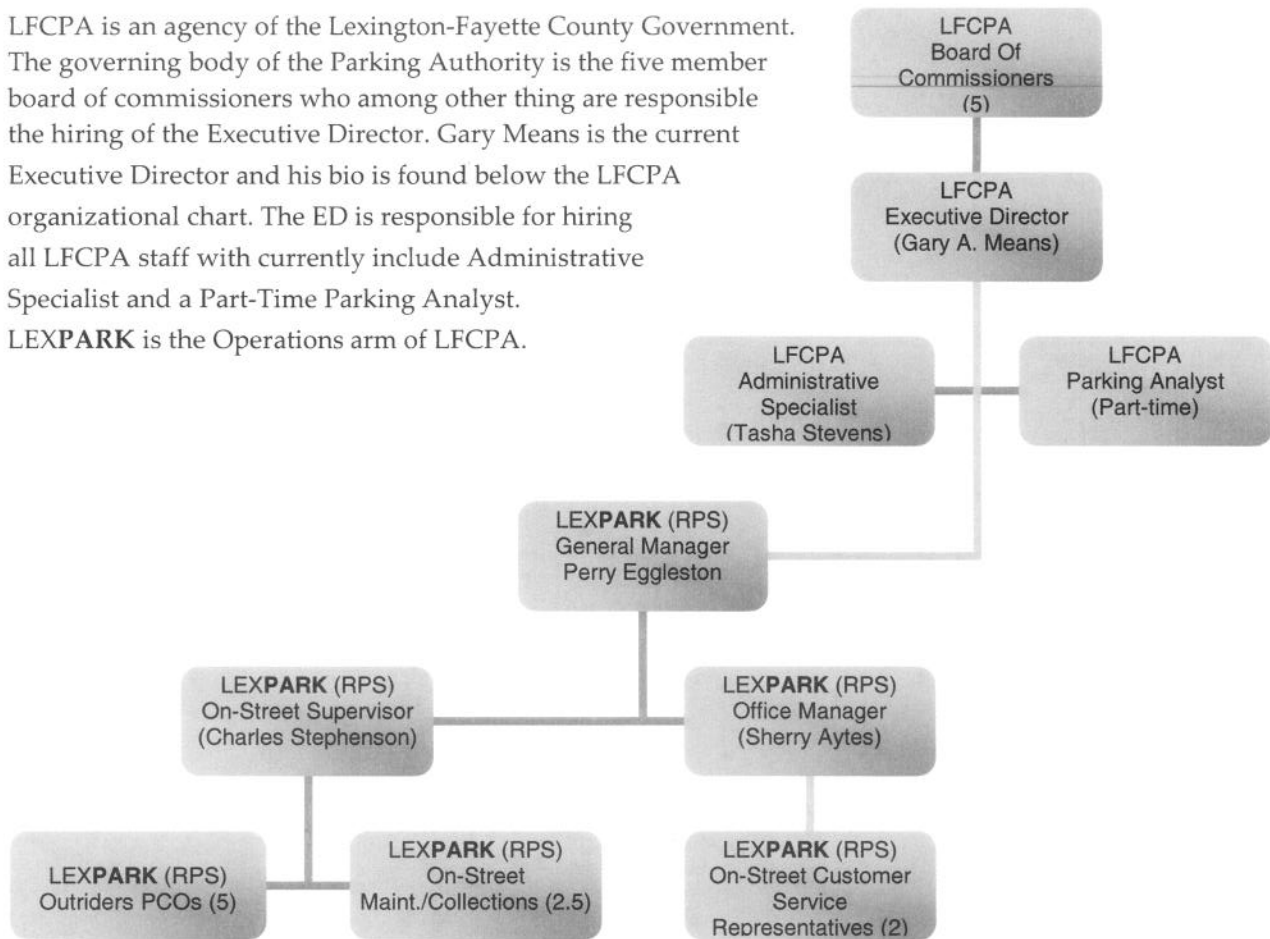
- Three four wheeled vehicles and 2 three wheeled (stand up) personal vehicles.
- Six hand held citation writing units which are connected in real time to our data base with cellular connectivity.
- Fifty-two solar powered pay stations (parking meter kiosks) which accept credit card, cash and coin
- One Hundred solar powered (credit card and coin) single space meters
- Around Six Hundred and Fifty (coin only) single space meters

### **Personnel:**

- Currently the LFCPA consists of 2 full time employees and 2 part time employees, which answer to the 5 member board of commissioners
- The LEXPARK on-street operations staff (currently managed by Republic Parking) consists of 1 general manager and 1 office manager/bookkeeper both are split 50/50 with off-street parking, 1 on-street supervisor, 6 parking control officers, 2.5 maintenance persons and 2 customer service associates
- LEXPARK line level employees have a pay scale of around \$10 per hour
- As a part of the management contract with Republic Parking, employees are hired and trained by Republic on behalf of the LFCPA and must meet our standards

## Management and Organization

LFCPA is an agency of the Lexington-Fayette County Government. The governing body of the Parking Authority is the five member board of commissioners who among other things are responsible for the hiring of the Executive Director. Gary Means is the current Executive Director and his bio is found below the LFCPA organizational chart. The ED is responsible for hiring all LFCPA staff with currently include Administrative Specialist and a Part-Time Parking Analyst. LEXPARK is the Operations arm of LFCPA.



### **Professional and Advisory Support:**

(Besides our Board of Commissioners and Advisory Committee)

- Attorney - Our legal services are provided by Miller Wells PLLC
- Accountant - Our Accounting is provided by LFUCG accounting as a part of our PSA
- Insurance - Our non-health insurance products and services are provided by Kentucky League of Cities
- Insurance – Our employee health and other insurance benefits are provided by Phil Brown Insurance
- Banker – We currently use PNC Bank as we are tied in with the contract they have with LFUCG
- Consultants – We have engaged several nationally known consulting firms for various projects but do not maintain any one firm on a retainer. However as a part of our management contract with Republic Parking we are able to utilize their nation wide knowledge of similar operations as they will act as a consultant on our behalf at no additional charge
- Other key advisors – we often solicit input from many other parking organizations across the country from relationships we have developed with our involvement with the Mid-South Transportation and Parking Association and the International Parking Institute

## Financial History, Analysis and Plan

### **Debt Schedule:**

LFCPA currently has no debt on the books. In 2008 we entered an agreement with Republic Parking as a part of their management contract to finance at a low interest rate the upfront capital purchases totaling around \$500k. We were on a three year payment plan and actually paid off the dept one year early. We have not taken on any additional debt and are currently debt free.

### **Credit Policies:**

Extending credit to parking customers is not a normal business practice in our industry. We do however on occasion allow a customer who had previously built up a large amount of outstanding parking citations to pay off the balance on a payment plan. This policy is rarely needed.

### **Managing Accounts Receivable:**

When LFCPA took over the on-street operations from LFUCG which included collecting on delinquent citations the outstanding balance was around \$900k, we increased the collections percentage from approximately 33% to 86%. The current total outstanding balance is now at \$1m. Table 2 below breaks down our current aging report.

**Table 2: Accounts Receivable Aging**

Citations Aging Report as of October 1, 2011

TOTAL	Current	30 Days	60 Days	90 Days	120 Days	6M - 1Yr
\$286,852	\$ 42,435	\$ 32,215	\$ 21,465	\$ 21,455	\$ 51,530	\$ 117,752

### **Managing Accounts Payable:**

Our current accounts payable policy is to pay all invoices within 30 days of receipt.

### **Financial Plan:**

On the following pages you will find revenue and expense projections that help to summarize our financial history as well as to plan our future.

### **Revenue Forecast (FY 2012):**

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	FY12
<b>REVENUES:</b>	-											-	-
<b>Permits</b>	500	10,000	3,000	3,000	1,000	2,000	2,000	1,500	1,200	1,250	1,250	1,750	28,450
<b>Meter Collections</b>	51,700	51,800	70,400	66,400	60,400	51,400	49,250	51,250	60,300	63,250	57,300	56,800	690,250
<b>Citations</b>	72,167	61,167	81,517	76,167	71,917	71,717	72,417	56,917	72,217	73,757	64,767	68,957	843,684
<b>Interest</b>	156	156	156	156	157	157	157	157	157	157	157	157	1,880
<b>Total Revenue</b>	124,523	123,123	155,073	145,723	133,474	125,274	123,824	109,824	133,874	138,414	123,474	127,664	1,564,264

## 12-Month Profit and Loss Projection

	Total FY 2010 Actual	Total Proposed FY 2011 Budget	Total FY 2011 Actual Projections	Total Proposed FY 2012 Budget	FY12 Budget to FY11 Actual VARIANCE
<b>REVENUES:</b>					
Parking-- Monthly Rental	31,606	24,700	32,300	28,450	-3,850
Parking--Meter Collections	690,450	712,300	695,100	690,250	-4,850
Parking--Fines	777,658	767,070	693,680	843,684	150,004
Interest	3,879	3,000	1,870	1,880	10
Miscellaneous	550		7550	0	-7,550
<b>Total Revenue</b>	<b>\$1,504,143</b>	<b>\$1,507,070</b>	<b>\$1,430,500</b>	<b>\$1,564,264</b>	<b>\$133,764</b>
<b>EXPENSES:</b>					
Professional Services	574,354	728,130	696,428	709,962	13,534
Professional Services - Other				8,201	8,201
Other (Bank Fees, Credit Cards)	32,448	15,500	30,100	36,000	5,900
Non-Civil Service Salaries	125,022	129,550	126,362	145,327	18,965
Other Salaries	6,021	7,390	7,402	0	-7,402
Pension Contributions (5%) *	4,826	6,850	6,318	6,344	26
Fringe Benefits (Insurance/Benefit Pool)	4,287	8,540	9,607	0	-9,607
FICA (7.65%)	9,884	10,480	9,667	11,118	1,451
Unemployment Ins. (per KLC)	0	0	0	0	0
Professional Services - Medical Ins.				16,464	16,464
Rent/Lease Charges	4,500	4,500	4,500	4,500	0
Telecommunications	1,409	800	709	800	91
Insurance--GL, Workers Comp, Public Officials	8,042	6,800	6,800	6,800	0
Casualty Loss Recoveries	-5,840	0	0	0	0
Business					
Travel/Training	10,287	11,800	11,800	12,625	825
Dues/subscriptions/Publication	1,414	2,080	1,933	2,095	162
Operating Supplies	27,972	28,200	24,183	28,125	3,942
Equipment less than \$5000	1,775	2,460	2,298	4,600	2,302
Repair & Maintenance	1,418	1,400	710	1,400	690
Vehicle & Equipment Fuel	0	200	58	200	142
Interest Expense	23,463	8,070	1,690	0	-1,690
<b>Total Operating Expenses:</b>	<b>831,282</b>	<b>972,750</b>	<b>940,566</b>	<b>994,561</b>	<b>53,995</b>
<b>Net Operating Income (before cap ex &amp; transfers)</b>	<b>672,861</b>	<b>534,320</b>	<b>489,934</b>	<b>569,703</b>	<b>79,769</b>
<b>Capital Expenses:</b>					
Office Equipment & Furnishings for Admin Staff	0	0	0	0	0
Other Equipment (ex: new meters)	0	45,000	105,631	174,100	68,469
Transfers Out (payments to LFUCG)	453,344		61,243	61,000	-243
Cap Ex Eliminated			-105,631	-174,100	-68,469
Depreciation	77,510	87,530	77,074	77,340	266
<b>Total Capital Expenses:</b>	<b>530,854</b>	<b>132,530</b>	<b>138,317</b>	<b>138,340</b>	<b>23</b>
<b>Change in Net Assets</b>	<b>\$142,007</b>	<b>\$401,790</b>	<b>\$351,617</b>	<b>\$431,363</b>	<b>\$79,746</b>

## FY2010 Balance Sheet

### On-Street Only

**Lexington & Fayette County Parking Authority**  
**Statement of Net Assets**  
**June 30, 2010**  
**2010**

<b>ASSETS</b>	
Current Assets:	
Cash	\$457,890
Receivables:	
Other Receivables	12,900
<b>Total Current Assets</b>	<b>470,790</b>
Non-Current Assets:	
Capital Assets:	
Vehicles, Equipment, and Furniture	562,959
Less Accumulated Depreciation	(111,416)
<b>Total Non-Current Assets</b>	<b>451,543</b>
<b>Total Assets</b>	<b>\$922,333</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts, Contracts Payable and Accrued	
Liabilities	\$95,793
Due to LFUCG	12,920
Notes Payable	252,544
Compensated Absences	3,966
Other	0
<b>Total Current Liabilities</b>	<b>365,223</b>
Non-Current Liabilities	
Notes Payable - Long Term	0
Compensated Absences	3,966
<b>Total Non-Current Liabilities</b>	<b>3,966</b>
<b>Total Liabilities</b>	<b>369,189</b>
<b>NET ASSETS</b>	
Invested in Capital Assets, net of related debt	198,999
Unrestricted Fund Balance	354,145
<b>Total Net Assets</b>	<b>553,144</b>
<b>Total Liabilities and Net Assets</b>	<b>\$922,333</b>



## FY2011 DRAFT Balance Sheet

### On-Street Only

Lexington & Fayette County Parking Authority  
Statement of Net Assets  
June 30, 2011  
DRAFT

	<u>2011</u>
<b>ASSETS</b>	
Current Assets:	
Cash	\$662,130
Receivables:	
Other Receivables	0
<b>Total Current Assets</b>	<u>662,130</u>
Non-Current Assets:	
Capital Assets:	
Vehicles, Equipment, and Furniture	606,448
Less Accumulated Depreciation	(189,352)
<b>Total Non-Current Assets</b>	<u>417,096</u>
<b>Total Assets</b>	<u><u>\$1,079,226</u></u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts, Contracts Payable and Accrued Liabilities	\$129,862
Compensated Absences	1,277
<b>Total Current Liabilities</b>	<u>131,139</u>
Non-Current Liabilities	
Compensated Absences	1,277
<b>Total Non-Current Liabilities</b>	<u>1,277</u>
<b>Total Liabilities</b>	<u>132,416</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, net of related debt	417,096
Unrestricted Fund Balance	529,714
<b>Total Net Assets</b>	<u>946,809</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$1,079,226</u></u>

\*\*net of payments due to LFUCG

## Three-Year Profit and Loss Projection

### On-Street Only

FY 2012, FY 2013, FY2014 Projections	FY 2012	FY 2013	FY 2014	FTY 2015
<b>REVENUES:</b>		2% inc.	3% inc.	1% inc.
Parking-- Monthly Rental	28,450	29,019	29,890	30,188
Parking--Meter Collections	690,250	704,055	725,177	732,428
Parking--Fines	843,684	860,558	886,374	895,238
Interest	1,880	1,918	1,975	1,995
Miscellaneous	0	0	0	0
<b>Total Revenue</b>	<b>\$1,564,264</b>	<b>\$1,595,549</b>	<b>\$1,643,416</b>	<b>\$1,659,850</b>
<b>EXPENSES:</b>		2% inc.	2% inc.	3% inc.
Professional Services	709,962	724,161	738,644	760,804
Professional Services - Other	8,201	8,365	8,532	8,788
Other (Bank Fees, Credit Cards)	36,000	36,720	37,454	38,578
Non-Civil Service Salaries	145,327	148,234	151,198	155,734
Other Salaries				
Pension Contributions (5%) *	6,344	6,471	6,600	6,798
FICA (7.65%)	11,118	11,340	11,567	11,914
Unemployment Ins. (per KLC)	0	0	0	0
Professional Services - Medical Ins.	16,464	16,793	17,129	17,643
Rent/Lease Charges	4,500	4,590	4,682	4,822
Telecommunications	800	816	832	857
Insurance--GL, Workers Comp, Public Officials	6,800	6,936	7,075	7,287
Casualty Loss Recoveries	0	0	0	0
Business Travel/Training	12,625	12,878	13,135	13,529
Dues/subscriptions/Publication	2,095	2,137	2,180	2,245
Operating Supplies	28,125	28,688	29,261	30,139
Equipment less than \$5000	4,600	4,692	4,786	4,929
Repair & Maintenance	1,400	1,428	1,457	1,500
Vehicle & Equipment Fuel	200	204	208	214
Interest Expense	0	0	0	0
<b>Total Operating Expenses:</b>	<b>994,561</b>	<b>1,014,452</b>	<b>1,034,741</b>	<b>1,065,784</b>
<b>Net Operating Income (before cap ex &amp; transfers)</b>	<b>569,703</b>	<b>581,097</b>	<b>592,719</b>	<b>610,501</b>
<b>Capital Expenses:</b>				
Office Equipment & Furnishings for Admin Staff	0	0	0	0
Other Equipment (ex: new meters)	174,100	177,582	181,134	186,568
Transfers Out (payments to LFUCG)	61,000	62,220	63,464	65,368
Cap Ex Eliminated	-174,100	-177,582	-181,134	-186,568
Depreciation	77,340	78,887	80,465	82,878
Total Capital Expenses:	138,340	141,107	143,929	148,247
<b>Change in Net Assets</b>	<b>\$431,363</b>	<b>\$439,990</b>	<b>\$448,790</b>	<b>\$462,254</b>

## LFUCG Parking Garages FY 2011 Profit / (Loss) Records

### REPUBLIC PARKING MONTHLY REPORTED GARAGE REVENUES & EXPENSES FY2011

LFUCG PARKING GARAGES LFUCG/PFC/PPC FUND ID #S	<u>TRANSIT</u>	<u>VIC. SQUARE</u>	<u>ANNEX</u>	<u>CHOUSE</u>	<u>PHOENIX</u>	<u>GOV'T</u>	<u>TOTALS</u>
	4161	4161	4022	4022	1101	1101	
<b>MONTHLY REVENUES</b>	-					-	
July, 2010	21,414	39,256	4,759	24,056	3,441	0	92,926
August, 2010	18,839	35,179	7,801	27,974	1,464	0	91,257
September, 2010	24,763	39,864	6,777	20,242	2,923	0	94,569
October, 2010	24,060	41,258	7,513	25,133	4,571	0	102,535
November, 2010	17,857	48,412	4,707	25,237	2,992	0	99,205
December, 2010	30,682	51,938	6,618	23,167	2,749	0	115,154
January, 2011	30,478	47,035	9,079	23,937	3,395	0	113,924
February, 2011	23,691	38,187	9,933	21,469	2,548	0	95,828
March, 2011	18,950	57,499	8,106	27,898	2,992	0	115,445
April, 2011	30,867	45,303	7,452	22,855	3,419	0	109,896
May, 2011	25,524	46,342	6,464	21,561	2,097	0	101,988
June, 2011	26,122	52,125	7,685	24,529	3,456	0	113,917
<b>TOTALS</b>	<b>293,245</b>	<b>542,398</b>	<b>86,894</b>	<b>288,058</b>	<b>36,048</b>	<b>0</b>	<b>1,246,643</b>
<b>LFUCG PARKING GARAGES</b>	<u>TRANSIT</u>	<u>VIC. SQUARE</u>	<u>ANNEX</u>	<u>CHOUSE</u>	<u>PHOENIX</u>	<u>GOV'T</u>	<u>TOTALS</u>
	-					-	
<b>EXPENSES</b>	354,234	241,547	218,501	208,433	81,699	7,900	1,112,314
<b>TOTALS</b>	354,234	241,547	218,501	208,433	81,699	7,900	1,112,314
<b>SURPLUS/DEFICIT</b>	<b>-60,989</b>	<b>300,851</b>	<b>-131,606</b>	<b>79,624</b>	<b>-45,651</b>	<b>-7,900</b>	<b>134,329</b>

	(does not include	
(includes \$66,500 for pre-WEG Garage Improvements)	Revenue from Broadway Shops Monthly Rentals)	(includes \$24,500 for pre-WEG Garage Improvements)

Over the previous two-year period, these six garages net a surplus of approximately \$295,000. We believe that with monthly rate increases and by implementation of cost control procedures and practices we can generate a surplus of \$331,000

## Estimated Parking Garage Restoration Costs

While the operation of the garages currently nets a small surplus each year, it has been estimated by Desman Associates that it would take all of the surplus funds from the existing garages to undertake a repair and renovation plan. This repair plan would then be phased in over a five (5) to ten (10) year period at a cost of approximately \$330,000 per year with a total cost of up to \$3,000,000.

LFUCG Garages - Condition Assessments - Desman Associates

Name of Facility	Victorian Square Garage	Annex Garage	Transit Center Garage	Phoenix Garage	Courthouse Garage	Gov't Center Garage
# Spaces	380	380	777	150	518	130
Year Built	1984	1966	1992	1970s	1999	50+yrs old
Date of Report	2006	2005	2007	2005	2008	2006
Replacement Cost	\$ 5,000,000	\$ 5,000,000	\$ 15,000,000	\$ 1,500,000	NA	\$ 2,250,000
Restoration Cost	\$ 560,000	\$ 2,000,000	\$ 538,000	\$ 772,000	\$ 372,000	\$ 1,300,000
Condition Assessment	FAIR	FAIR-POOR	GOOD-FAIR	FAIR	GOOD	FAIR-POOR
Assmnt./Rest. Updates	completed	FAIR-POOR	N/A	completed	N/A	N/A
Year Completed	2007	11/23/2010		2007		

## **Estimated Annual Surplus from On-Street and Off-Street Operations Combined**

We estimate that by combining the on-street and off-street Operations we can generate an annual surplus of \$762,363. These numbers have also be validated by Ross, Sinclair & Associates, LLC

Depending on the type of BOND, this surplus could allow for a debt service of anywhere between 4,000,000 to 6,000,000.

At the time of this writing we do not have a current estimate of the cost of restoration for all six of the LFUCG garages but as stated earlier the DESMAN reports from a few years back totaled an estimated 3,000,000 to 4,000,000,

We anticipate that by the first week of December 2011, we will have all of the current assessment and operational study reports in and will be able to better discuss the potential costs of restoration and debt capacity of the LFCPA.

**Lexington & Fayette County Parking Authority**  
**On-Street, Garages and Admin. FY 2013 Proposed Budget**  
 Approved by Parking Authority Board at \_\_\_\_\_ Meeting

Acct #		Total FY 2012 Budget	Total FY 2012 Actuals Projections	Combined	
				Total Proposed FY 2013 Budget	FY13 Budget to FY12 Actual VARIANCE
<b>REVENUES:</b>					
43210	Parking-- Monthly Rental - (On-Street)	28,450	30,000	32,970	2,970
43390	Parking--Meter Collections	690,250	745,000	748,611	3,611
43420	Parking--Fines - (On-Street)	843,684	763,000	773,675	10,675
45111	Interest - (Combined)	1,880	1,800	1,800	0
46720	Miscellaneous - (Combined)	0	114	100	-14
43210	Parking - Monthly Rental (Garages)			831,708	
43240	Transient - Daily (Garages)			411,708	
43270	Retail Space Rent - (Victorian Square)			55,550	
43300	Validations - (Garages)			34,800	
43330	Events - (Garages)			138,200	
43360	Jurors - (Garages)				
43420	Parking--Fines - (Garages)				
43440	Refunds/Overage/Shortage - (Garages)				
<b>Total Revenue</b>		<b>\$ 1,564,264</b>	<b>\$ 1,539,914</b>	<b>\$ 3,029,122</b>	<b>\$ 1,489,208</b>
<b>EXPENSES:</b>					
71200	Professional Services	709,962	880,000	1,601,287	721,287
71299	Professional Services - Other	8,201	8,201	9,191	990
78700	Other (Bank Fees, Credit Cards)	36,000	50,000	92,000	42,000
		754,163	938,201	1,702,478	764,277
63121	Non-Civil Service Salaries	145,327	124,035	193,895	69,860
63511	Pension Contributions (5%) *	6,344	6,482	8,785	2,303
63610	Fringe Benefits (Insurance/Benefit Pool)	0	0	0	0
63621	FICA (7.65%)	11,118	11,497	14,833	3,336
63622	Unemployment Ins. (per KLC)	0	0	0	0
71203	Professional Services - Medical Ins.	16,464	9,272	21,706	12,434
		179,253	151,286	239,219	87,933
71300	Rent/Lease Charges	4,500	4,500	9,579	5,079
72200	Telecommunications	800	600	800	200
73100	Insurance--GL, Workers Comp, Public Officials	6,800	7,160	70,800	63,640
73300	Casualty Loss Recoveries	0	0	0	0
74200	Business Travel/Training	12,625	12,625	19,151	6,526
77800	Dues/subscriptions/Publication	2,095	1,276	1,725	449
		26,820	26,161	102,055	75,894
75100	Operating Supplies	28,125	3,267	6,785	3,518
75801	Equipment less than \$5000	4,600	1,566	3,300	1,734
76101	Repair & Maintenance	1,400	656	2,000	1,344
76201	Vehicle & Equipment Fuel	200	100	400	300
78400	Interest Expense	0	0	0	0
		34,325	5,589	12,485	6,896
<b>Total Operating Expenses:</b>		<b>994,561</b>	<b>1,121,237</b>	<b>2,056,237</b>	<b>935,000</b>
<b>Net Operating Income (before cap ex &amp; transfers)</b>		<b>569,703</b>	<b>418,677</b>	<b>972,885</b>	<b>554,208</b>
<b>Capital Expenses:</b>					
96400	Office Equipment & Furnishings for Admin Staff	0	0	0	0
96450	Other Equipment (ex: new meters, vehicles)	174,100	65,154	311,015	245,861
	Cap Ex (Structural Improvements)			480,000	
82101	Transfers Out (payments to LFUCG)	61,000	42,978	45,000	2,022
78602	Cap Ex Eliminated	-174,100	-65,154	-791,015	-725,861
78301	Depreciation	77,340	74,896	90,340	15,444
	Total Capital Expenses:	138,340	117,874	135,340	-462,534
<b>Change in Net Assets</b>		<b>\$ 431,363</b>	<b>\$ 300,803</b>	<b>\$ 837,545</b>	<b>\$ 536,742</b>