



AGENDA ITEM MEMORADUM

Development Services

Bud Bentley

Department

Assistant Town Manager / Development Services
Director

COMMISSION MEETING DATE (*) - 7:00 PM	Deadline to Town Clerk
<input type="checkbox"/> Aug 23, 2011	Aug 12 th

*Subject to Change

- Presentation Reports Consent Ordinance
- Resolution Quasi-Judicial **Old Business** New Business

FY2011 DESIGNATED HIGH PRIORITY ITEM: Efficiency in Government

SUBJECT TITLE: **Operation Study of the Town Parking System – Summary Report**

EXPLANATION: In January 2011 the Town entered into a \$15,000 contract with ConsulPark for the evaluation of the Town’s parking system. This contract was the result of an RFP process approved by the Commission.

As ConsulPark completed their deliverables, they documented their findings and results in memorandum reports. The Commission and staff had the benefit of several of those reports; 1) while considering the purchase and installation of the parking pay stations, 2) when new parking rates were approved, and, 3) developing the parking exemption program (payment in lieu of providing required parking). In addition, ConsulPark has also been very helpful with advice and resources on parking issues that were not in their scope of services.

The final four reports are attached:

1. Fiscal Controls for Pay Stations (Staff comments added to report)
2. Fiscal Controls for Single Space Meters (Staff comments added to report)
3. A1A Parking Lot Improvement Alternatives
4. Outsourcing of Parking Services
5. Meter Upgrade Recommendations

We have found the process of self-examination, the resulting reports and more specifically, the recommendations on how to improve our operations to be very helpful in improving the way we do business, in developing the FY 12 Recommended Budget (additional hours of enforcement), and facilitating significant improvements to the fiscal controls for the annual collection of about \$700,000 in parking revenue. In addition, while looking at the citation management contact, Mr. Bredemeyer questions several elements of the contract that resulted in a refund to the Town of \$10,430. The parking operations study in total cost us \$15,000.

RECOMMENDATION: Mr. Fred Bredemeyer, President of ConsulPark, will make a short presentation regarding the results of his parking operational study.

EXHIBIT(S): 5

Reviewed by Town Attorney
 Yes No

Town Manager Initials



Exhibit 1

MEMORANDUM

TO: Bud Bentley
FROM: Fred Bredemeyer
RE: Accounting and Revenue Control: Multi-Space Meters (Pay Stations)
Date: June 24, 2011 / with August 10th Town Comments ADDED

Strong accounting and revenue controls are important to maintain the integrity of a parking system. ConsulPark has reviewed the revenue collection and accounting processes for the Town of Lauderdale by the Sea and the results of this review are included herein. Overall, cash controls are sufficient and the cash collection and deposit process is administered well. However, several recommendations are necessary to accommodate the newly implemented multi-space pay stations.

Background

Both multi-space and single space meters are collected by the one employee of the Town. This individual is also responsible for the maintenance of all of the machines. He is part time employee who works 30 hours per week: Friday to Monday from 6:30 AM – 2:00 PM. In the event that a multi-space machine fills during the meter collector's off period, the Parking Supervisor will empty the machine and secure the bill or coin vault until the meter collector returns and prepares a deposit. The meter collector empties the pay stations based on a schedule and the data available to him via personal computer. The pay stations dispense receipts when they are emptied and the collector places the receipts with the bill canisters and/or coin bags he retrieves from the pay stations. The collector then proceeds to the office with the collection bill vaults and coin bags.

Bill Vaults

Each pay station is equipped with canisters that contain the bills collected by the pay stations. These bill vaults or currency canisters are secured with separate keys so that access to the bills is not possible by simply removing the bill vault. The collector removes these bill canisters from the machines and brings them to his office for processing. The collector then empties the bill vaults into tamper proof bags but does not seal the tamper proof bags. He attaches the machine receipts to the bags and carries all of the tamper proof bags unsealed to the finance office. A finance employee uses a bill counter to count the bills and prepare a deposit slip. The bills are sealed in the tamper proof bag and one copy of the deposit slip remains with the bag and the other is given to the accounting person who reconciles the deposit with the printout received from the machine. A police officer retrieves all of the Town's deposits and delivers them to the bank.

Coin Bags

The pay stations also have coin bags that collect the coins deposited into the machines. These bags are removed from the machines by the collector and brought to the meter shop as are the bill vaults. However, they are emptied into to coin canisters using a modified single space coin can that has been sawed in half to create a funnel. The locked coin canisters are loaded onto the Brinks truck and delivered to the bank.

The following gaps in the revenue control system were noted:

- ❶ Modified collection cans are maintained to feed coins from pay station collection bags into the canisters. These modified cans could easily be used to dump coins out of the collection canisters.
- ❷ The bill vaults are emptied in the meter shop, placed in a tamper proof bag, but the bag is not sealed. The bills are transported from the collector to the counter with no chain of custody responsibility.
- ❸ Not every deposit is reconciled (both cash and coin) to the revenue data produced by the multi-space machines. When deposit amounts are reconciled with the machine data, the deposit amounts are compared with the data on the deposit receipt which is generated by the collector.
- ❹ Multiple persons are using the pay station software system with the same user name and password.
- ❺ Finance does not extract financial information from the multi-space platform directly. They rely entirely on reports pulled from the collectors for their data.
Response: Completed – Finance has been issued a user name and password and is extracting the financial data it needs.
- ❻ Master deposit logs are not maintained which track every time a machine is emptied and track transactions. A log as such would reconcile monthly with the number of deposits and the entire amount of deposits.

Exhibit 1

All of these control elements create the potential for undetectable theft. The following recommendations are presented to tighten revenue controls and better secure the revenue from multi-space meters.

1. Dispose of all of the modified cans and develop an alternative method of depositing the coins from the multi-space machines. Digital should be able to sell collection canisters which can secure the coins from coin bag to the bank.

Finance Director Response: Potentially expensive and unnecessary. We know from the pay station audit reports the exact amount of coins that should have been collected.

2. The keys to open the bill vaults should be maintained only by the finance department. The collectors and maintenance staff should have the ability to open a machine and remove a bill vault but not open the bill vault. Extra bill vaults should be purchased to keep as spares to use for jams or other light maintenance.

Finance Director Response: Recommendation has been implemented - keys to the bill vaults and coin bags have been secured by Finance. The Finance Director has one set and the Assistant Town Manager has the other. Additional bill vaults and coin bags have been ordered.

3. The removal of the bills from the bill vaults should be done by a finance representative. Instead of the collector removing the bills and placing them in an unsealed envelope, the finance department should remove the bills from the bill vaults, count them and place them in a tamper proof bag. They should maintain and store the empty bill vaults until they are retrieved by the collectors.

Finance Director Response: Partially agree. Bill vaults are now being opened by the Finance Director and being placed in a tamper-proof bag in the presence of the collector. However, it is would be very time consuming to count the bills and we have an audit tape from the pay station of what the deposit should be. The bank notifies us of any discrepancies between the deposit slip and actual cash receipts.

Further, it's not practical for Finance to maintain and store empty bill vaults as "machine full" alarms can and do occur at any time. The audit reports from the pay stations would immediately show any discrepancies.

4. Each individual who accesses the pay station software should have unique user names and passwords.

Finance Director Response: Recommendation has been implemented. - Users have been issued individual user names and passwords.

- 5. The finance department should be trained on how to extract data from the revenue control software for the multi space machines. They should incorporate data reports from the software into their monthly summary and reconciliation reports. They should reconcile to data they extract as well as the data provided by the collectors.

Finance Director Response: Recommendation has been implemented.

- 6. The data on the collection receipts should be logged to make certain there are no gaps between collection report numbers, collection dates and ticket (transaction) numbers. The following is an example of this information:

PARKING RECEIPT

```

AUDIT REPORT
Report # : 00005
Start Date : 07:42 Apr 11, 2011
End Date : 08:37 Apr 15, 2011

Setting : Oceanfront
Mach Name : Yogurt 05
S/N # : 300011060009

Start Ticket #: 00000888
End Ticket # : 00001601

TICKET COUNT : 00514

COIN TUBE STATUS
$0.00 = $0000.00
$0.00 = $0000.00
$0.00 = $0000.00
$0.00 = $0000.00
-----
Total $0000.00

COIN CHANGER
REPLENISHED = $0000.00
OVERFILL BAG = $0000.00
ACCEPTED BAG = $0241.85
ACCEPTED FLOAT = $0000.00
DISPENSED = $0000.00
    
```

Report #, Start Ticket #, End Ticket #, Start Date and Ending Date should all be tracked to ensure there are no gaps.

Finance Director Response: We are tracking this data as part of the implemented the monthly reconciliation process noted above.

MEMORANDUM

TO: Bud Bentley
FROM: Fred Bredemeyer
RE: Accounting and Revenue Control – Single Space Meters
Date: June 24, 2011

Strong accounting and revenue controls are important to maintain the integrity of a parking system. ConsulPark has reviewed the revenue collection and accounting processes for the Town of Lauderdale by the Sea and the results of this review are included herein. Overall, cash controls are sufficient and the cash collection and deposit process is administered well. However, several recommendations are necessary to completely secure coins from single space meters.

Background

Both multi-space and single space meters are collected by the one employee of the Town. This individual is also responsible for the maintenance of all of the machines. He is part time employee who works 30 hours per week: Friday to Monday from 6:30 AM – 2:00 PM.

The funds from single space meters are received in what is referred to as a “closed can” system. This system is designed to prevent the meter collector from accessing the coins. A coin deposited into a meter travels into a collection can that is locked and sealed. The coin can’s contents are emptied only when the can is properly inserted into a collection canister which is specially designed to “unlock” the can. Ideally, the coins fall into the “locked” collection canisters and are never accessible to human hands. Given the age of the collection tools being used by the Lauderdale by the Sea, many of the controls inherent in a “closed can” system are no longer in place. The following gaps in the revenue control system were noted:

- ❶ There is no inventory or control on the keys for the meters or the coin canisters. The keys were issued years ago and they remain with the individuals at all times.
- ❷ There is no inventory or control on the number of meter cans in the meter shop. The meter cans may be substituted entirely and there would be no notice.
- ❸ Although the coin cans are locked and emptied into locked canisters, the canister’s keys are maintained by the same individual responsible for the collection process.
- ❹ Modified collection cans are maintained to feed coins from multi-space collection bags into the canisters. These modified cans could easily be used to dump coins out of the collection canisters.

Recommendations

All of these control elements create the potential for undetectable theft. The following recommendations are presented to tighten revenue controls and better secure the revenue from single space meters.

1. Immediately inventory all coin cans and purge unnecessary cans. Number the cans and control the issuance of the cans on an as needed basis. A spot check at any time should easily determine the number and validity of cans in service.

Finance Director Response: Disagree as it's not practical to independently control the issuance of cans given the limited staff. As an alternative, we've done an independent inspection of the cans and disposed of faulty cans and will do so periodically.

2. Dispose of all of the modified cans and develop an alternative method of depositing the coins from the multi-space machines.

Finance Director Response: Not necessary as we have developed an alternative transfer system that involves two people. Coins from the multi-space meters are now deposited into the modified can under the supervision of the Finance Director.

3. Remove and replace all of the locks on the collection canisters and allow only the finance department and the Brinks service to retain keys. If access to the canisters is necessary, the finance department can release a key for a single purpose use.

Finance Director Response: The town has installed high security padlocks. The finance department and brinks have a key and a key will be provided to the assistant town manager who can prepare the deposit in the event that the finance director is unavailable.

4. Better utilize the zones to track revenue from meters and create detailed financial reports that display revenue per meter for each month.

Finance Director Response: This is a low priority item as this effort is labor intensive. The reports will be prepared as appropriate during the budget process and when helpful for decisions making.



Exhibit 3

MEMORANDUM

TO: Bud Bentley
FROM: Fred Bredemeyer
RE: A1A Lot Re-Configuration Options
Date: August 16, 2011

As part of the Facilities Review section of our scope of services, the attached drawings were developed to show various configurations for a modified A1A lot. All of these options depict the Wings lot with varying degrees of modifications to ultimately combine the two.

Sheet 1 – Existing Conditions

The first sheet of the attachment shows the existing conditions of the two lots. They combine to create a total of 82 parking spaces which include 3 disabled accessible parking spaces. There are also 4 motorcycle parking spaces not included in the total. The lots maintain separate entrances and customers parking in either lot use can potentially utilize the same pay station.

Sheet 2 - Option #1

Option #1 shows the existing conditions of the two lots with slight modifications to the two lot configuration. This option increases the number of parking spaces by 6 spaces for a total of 88 spaces. Most of the gains in this scenario are derived from creating compact parking spaces which are allowed by the Town's code within 25% of the total number of spaces. The dumpster area remains in this scenario and the 4 motorcycle parking spaces which are not included in the original space count total are eliminated. The lots maintain separate entrances and customers parking in either lot use the same pay station.

Sheet 3 - Option #2

Option #2 shows the lot with modifications that fold the Wings lot into the A1A Lot using the existing entrance/exit and traffic flow configuration of the A1A lot. This configuration requires the removal of curbs, landscaping and repaving of certain areas of the lot. These changes result in a net gain of 12 spaces for a total space count of 94 spaces. Certain landscaping features have been removed in this diagram. These landscaping features can be preserved and/or others can be added if it is the Town's desire. This configuration also benefits from the use of compact spaces and elimination of the spaces marked for motor cycle parking.

A1A Lot Re-Configuration Options

August 16, 2011

Page 2

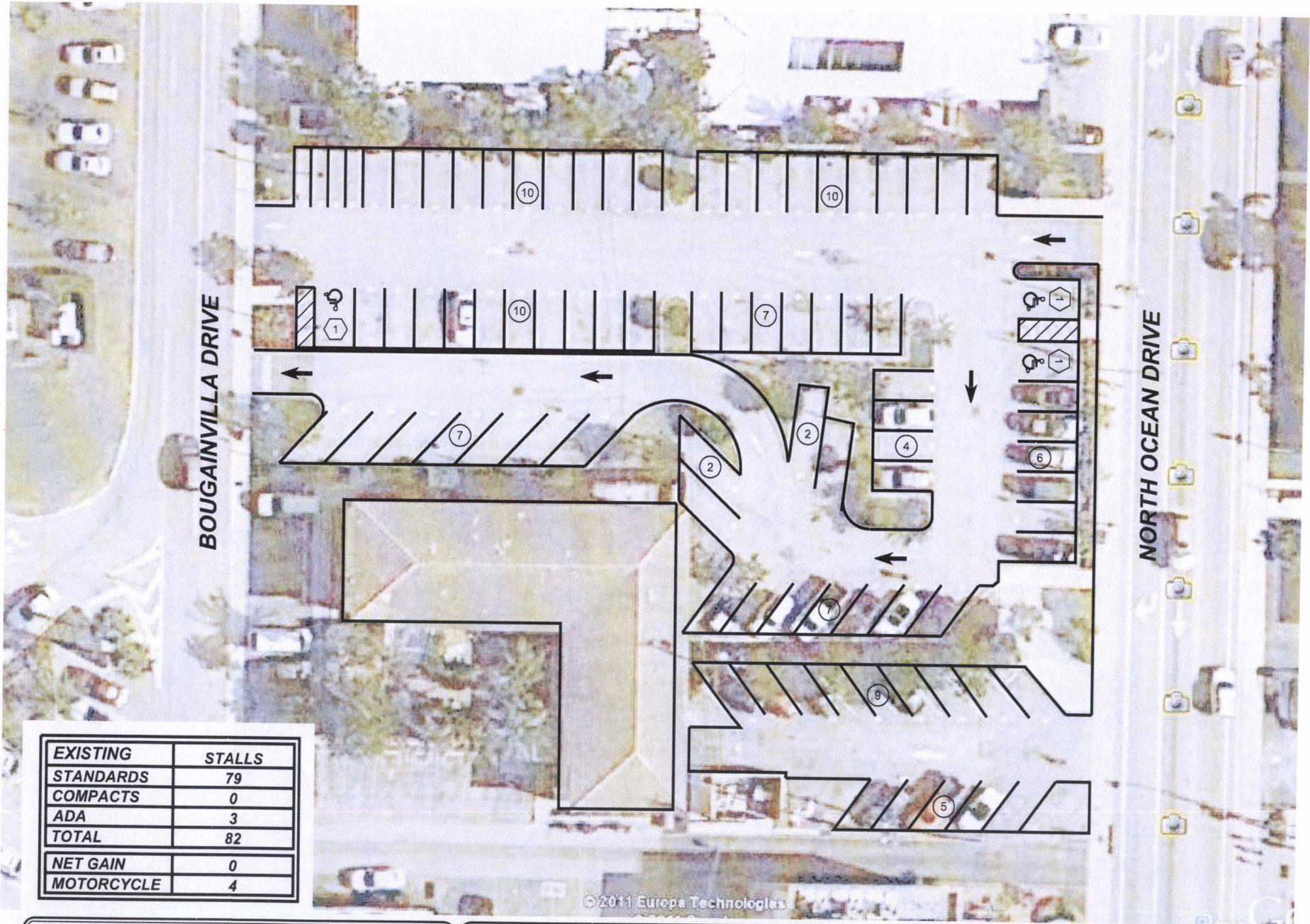
Sheet 4 - Option #3

Option #3 also shows the lot with modifications that fold the Wings lot into the A1A Lot using the existing entrance/exit and traffic flow configuration of the A1A lot. This configuration requires slightly more curb removal, landscaping adjustments and repaving of certain areas of the lot. These changes result in a net gain of 20 spaces for a total space count of 102 spaces. Thirteen spaces are striped "compact" in this configuration and certain landscaping features have been removed in this diagram as well. These landscaping features can be preserved and/or others can be added if it is the Town's desire.

These options are summarized in the following table:

		Number of Spaces				
		Standard	Compact	ADA	Total	Net Gain
Sheet 1	Existing Conditions	79	0	3	82	0
Sheet 2	Option 1	61	23	4	88	6
Sheet 3	Option 2	70	20	4	94	12
Sheet 4	Option 3	84	13	5	102	20

All of these options eliminate the 4 motorcycle stalls existing today which are not included "Existing Conditions" total. Motorcycle parking can be accommodated in regular spaces.



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LAUDERDALE-BY-THE-SEA PARKING STUDY

EXISTING CONDITION

LAUDERDALE-BY-THE-SEA, FL



PROJECT #:
10101

DESIGNER: TJR

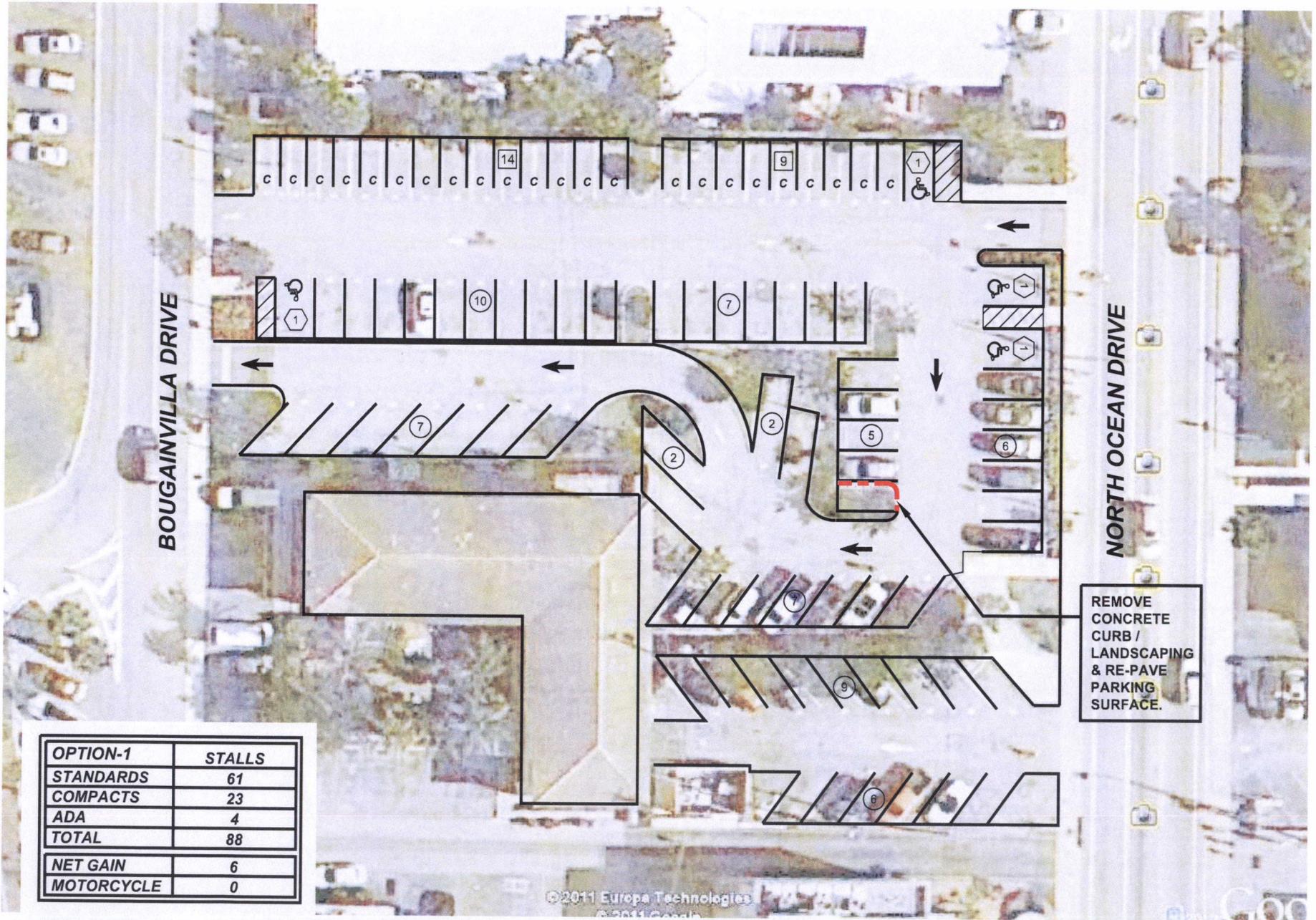
SHEET NUMBER

DRAWING #:
52411

DATE: 8/12/11

SCALE: N.T.S.

1



OPTION-1	STALLS
STANDARDS	61
COMPACTS	23
ADA	4
TOTAL	88
NET GAIN	6
MOTORCYCLE	0

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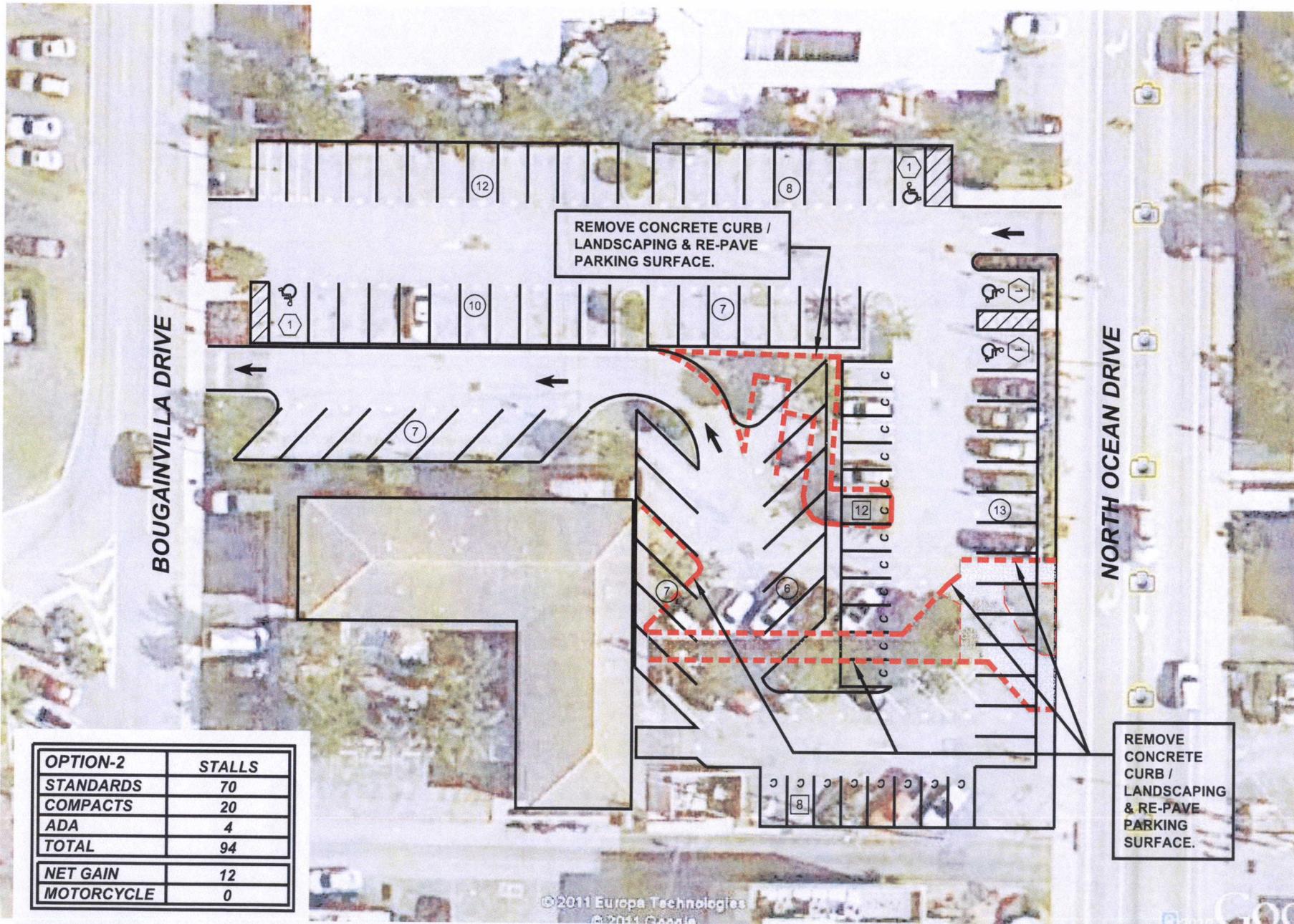
LAUDERDALE-BY-THE-SEA PARKING STUDY

OPTION-1

LAUDERDALE-BY-THE-SEA, FL



PROJECT #: 10101	DESIGNER: TJR	SHEET NUMBER 2
DRAWING #: 52411	DATE: 8/12/11 SCALE: N.T.S.	



OPTION-2	STALLS
STANDARDS	70
COMPACTS	20
ADA	4
TOTAL	94
NET GAIN	12
MOTORCYCLE	0

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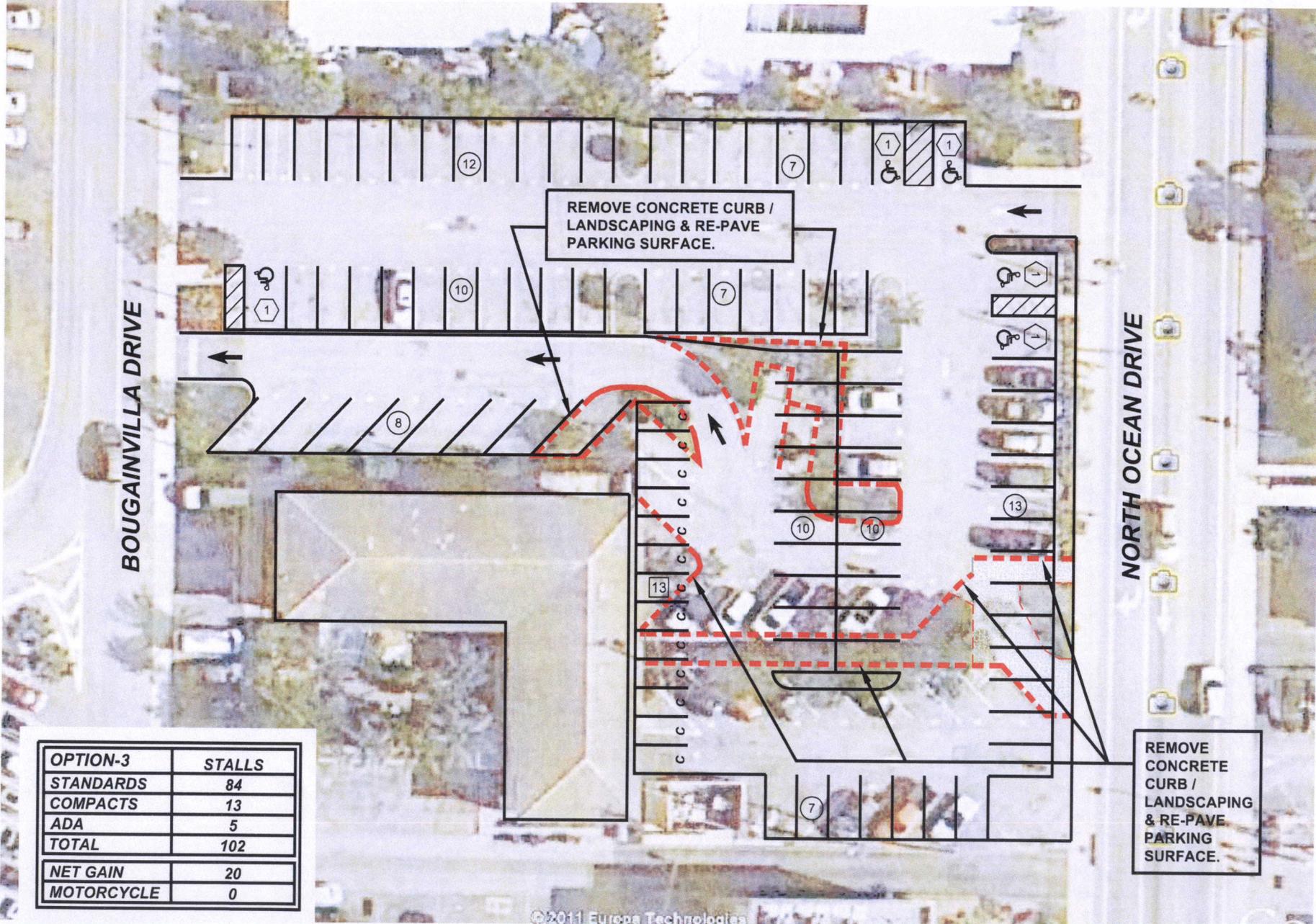
LAUDERDALE-BY-THE-SEA PARKING STUDY

OPTION-2

LAUDERDALE-BY-THE-SEA, FL



PROJECT #: 10101	DESIGNER: TJR	SHEET NUMBER 3
DRAWING #: 52411	DATE: 8/12/11	
	SCALE: N.T.S	



OPTION-3	STALLS
STANDARDS	84
COMPACTS	13
ADA	5
TOTAL	102
NET GAIN	20
MOTORCYCLE	0

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LAUDERDALE-BY-THE-SEA PARKING STUDY

OPTION-3

LAUDERDALE-BY-THE-SEA, FL



PROJECT #:
10101

DRAWING #:
52411

DESIGNER: TJR

DATE: 8/12/11

SCALE: N.T.S

SHEET NUMBER
4



Exhibit 4

MEMORANDUM

TO: Bud Bentley
 FROM: Fred Bredemeyer
 RE: Outsourcing Considerations
 Date: June 3, 2011

As part of the of scope services of our engagement, ConsulPark has reviewed the possibility of outsourcing additional parking services currently administered by Town employees. There are advantages and disadvantages to outsourcing and there are a variety of options available to the Town if the decision to further outsource is pursued.

Background

There are three basic services provided by the Town's personnel associated with the parking operation: Parking Enforcement, Meter Collections and Meter Maintenance. Another service related to parking currently contracted to Duncan Solutions (Professional Account Management LLC) is citation processing and citation collections. There is some overlap between enforcement and citation processing inasmuch as the Town's enforcement personnel utilize handheld citation devices provided by the Duncan agreement.

Town Staffing for Parking Operations

With more than 500 metered parking spaces, the Town's parking system runs quite efficiently with minimal staffing. There is one full time and three part time employees dedicated to the parking operation and their schedules are shown below. Additionally, one Public Work's employee assists with collections as necessary.

	Sun.	Mon.	Tue	Wed	Thu	Fri	Sat	Hours
Parking Supervisor			9 AM - 5:30 PM	9 AM - 5:30 PM	40			
Enforcement Officer #1	8 AM - 4:30 PM		2 PM - 10:30 PM	2 PM - 10:30 PM	4 PM - 10:30 PM			30
Enforcement Officer #2	2 PM - 12:30 AM					2 PM - 12:30 AM	2 PM - 12:30 AM	30
Meter Technician	6:30 AM - 1:30 PM	6:30 AM - 1:30 PM		10 AM - 2:30 PM		6:30 AM - 1:30 PM	6:30 AM - 1:30 PM	30
						Total Hours		130

Exhibit 4

Based on industry standards, the staffing levels for the Lauderdale by the Sea parking operation are somewhat low considering the number of meters per enforcement officer. An often quoted rule of thumb for enforcement officers is one officer per 250-300 meters to enforce. Therefore, with 533 metered spaces, the Town would theoretically need 2 enforcement officers when all 533 metered spaces are in demand. The following factors reduce the need slightly:

- ① Many (200+) of the metered spaces are in parking lots with many contiguous spaces.
- ② The pay by space application of much of the high demand spaces also enables more efficient enforcement and thereby increases the number of spaces an officer can enforce.
- ③ Many of the Town's spaces are "dormant" for portions of the day. For example, many metered spaces in the commercial area of West Commercial Blvd. are not heavily used in the late evenings.

With all of these considerations, only a slight increase in the number of enforcement hours is recommended. The ideal schedule would include enforcement hours on Mondays and additional hours to ensure peak periods receive adequate enforcement. The following enforcement schedule is provided for consideration:

	Sun.	Mon.	Tue	Wed	Thu	Fri	Sat	HOURS
Parking Supervisor		9 AM - 5:30 PM		40				
Enforcement Officer #1			2 PM - 10:30 PM		32			
Enforcement Officer #2	9 AM - 5:30 PM	2 PM - 10:30 PM					9 AM - 5:30 PM	24
Enforcement Officer #3						6 PM - 12:30 PM	6 PM - 12:30 PM	12

This schedule increases the number of enforcement hours by 8 from 100 to 108. This modest increase creates consistent enforcement through the week and adds additional hours during peak periods on the weekend.

Considering the meter technician currently collects revenue from the meters and repairs meters, one meter technician/collector is a stretch for the number of meters in the Town. Depending on the age and condition of the meters, one full time meter technician can service and maintain anywhere from 500 to 750 meters. Today, the Town has approximately 332 single space are in service along with 7 multi-space machines. One, part time meter technician is sufficient if the meter collection process is handled separately.

Duncan Solutions Agreement

In November 2009, the Town entered into an agreement with Professional Account Management LLC, a Duncan Solutions Company to receive and process parking citations on the Town's behalf. Duncan is one of the leading companies in enforcement technology and citation processing. Under the agreement, Duncan provides the handheld citation devices and other hardware necessary for the Town's employees to issue citations. Duncan then processes and collects all of the citations for a minimum fee of \$2.62 per citation and up to 40% of collections which are delinquent.

Based on a review of invoices for two months, Duncan's fee average approximately 21% of total collections. For February and March of 2011, Duncan's fees were 25% and 18% of total collections, respectively. The Duncan agreement is for three years with two one year renewal periods and can be terminated upon seven days notice without cause.

Professional Account Management LLC (Duncan Sol.)		
	February	March
Citation Revenue	\$18,509	\$25,677
Management Fees		
Autocite Citations	2,565	2,403
Florida DMV Holds	245	229
Out of State Processing	562	853
AutoCollect Processing	1,224	1,136
Subtotal Management Fees	\$4,596	\$4,621
Fee as % of Revenue	25%	18%

Duncan's specialty, enforcing citation collections, is evident in their management fee structure. Their collection process, incredibly effective across multiple jurisdictions and state lines, is a premium service for which they are receiving a premium fee. Their results in the Town of Lauderdale by the Sea, collection rates that appear to be in the 75-80% range, are in the highest ranges within the industry.

Advantages and Disadvantages of Outsourcing

As with the Duncan's service agreement for citation processing, there are many benefits associated with outsourcing other components of the Town's parking operation. These benefits include the following:

- ④ **Technical Know How** - Private service providers focus efforts on their core activities and bring superior systems and processes. These superior processes result in improved customer service and increased efficiencies.
- ④ **Flexibility** - Private operators are typically more flexible than municipal governments in terms of operating practices, labor practices, procurement practices, etc. Often, municipalities can benefit from this flexibility when these responsibilities are handed to a private operator.
- ④ **Lower Cost of Labor** - Generally, pay rates of private sector employees do not start as high and do not accelerate at the rate that municipal employees' pay rates do. The same usually holds true for employee benefits.
- ④ **Economies of Scale** - Private operators can acquire large systems, sophisticated software and employ personnel that can be utilized and paid for from multiple locations. Single municipalities often do not have the same purchasing power.

There are also potential pitfalls to avoid when considering outsourcing. The following disadvantages need adequate consideration:

- ④ **Low Moral** - When certain departments within a municipal system are outsourced, the other departments see these changes and often feel threatened. This can lead to low employee morale and personnel issues within other areas.
- ④ **Aggressive Operating Tactics** - Defining the operating objectives with revenue considerations can both drive performance and create an incentive for aggressive tactics. Incentives for increased revenue can backfire if not controlled properly.
- ④ **Additional Services** - Outsourcing services can reduce costs when the scope of services outsourced is clearly and adequately identified. However, when services are added on after the contract start, they can be more expensive potentially more costly to the municipality.

A successful outsourcing initiative will benefit from the advantages stated above while avoiding as much as possible the disadvantages.

Outsourcing Options

To further consider outsourcing parking services, the method by which the additional outsourcing is completed must be determined. The following alternatives are obvious considerations:

- ① **Formal Bid Process** - The most common process used to select a private operator is a formal bid process such as a Request for Proposal, Invitation to Bid, Request for Qualifications, etc. Given the specific parameters required for this potential project and the technical nature of the services, a Request for Proposal (RFP) is likely the best alternative.
- ② **Existing Town Contract Expansion** - Expanding the scope of services of an existing contract, such as the current contract with Duncan Solutions, is one method to engage additional parking services.

Duncan Solutions is full service company and has the ability and professional experience to provide the services described herein.

- ③ **Other Municipal Contract "Piggy Back"** – Several local governments, including Wilton Manors, Miami Beach and others, have outsourcing contracts that are possibly eligible for a "piggy back" option. Subject to the Town's legal opinion, this is option can be used to procure services similar to those another municipal government has successfully procured and contracted.

The current agreement with Wilton Manors was reviewed for this report. In February 2010, Wilton Manors contracted with Lanier Parking Systems of Florida after a public procurement process. Their 5 year agreement for parking management services broadly covers parking enforcement, revenue collection and meter maintenance (including installation of new meters).

As a typical management agreement, all related personnel and operating expenses are reimbursed by Wilton Manors and the operator receives a management fee for their services. Their stated fee is 4.95% of all Gross Revenue but with some additional charges that are often included in better negotiated management contracts, their fee is tracking closer to 7% of collections based one month reviewed for this report.

Lanier Parking Systems of Florida (Wilton Manors)	
	Oct. 2010
Meter Revenue	27,973
Violation Revenue	18,390
Total Revenue	46,362
Management Fees	
Incentive Management Fee	2,165
Accounting Fees	465
Consulting Services	500
Accounts Receivable	89
Recruiting	70
Payroll Processing	68
Subtotal Management and Related Fees	3,357
Fee as % of Revenue	7%

For Wilton Manors, Lanier’s services also include a shuttle operation. As typical with most management agreements, Lanier’s exposure is low given that 100% of their expenses including insurances are reimbursed.

The management agreement between Lanier and Wilton Manors is a broadly written document and many performance measures are not clearly specified within the agreement. For example, unlike the Town’s agreement with Citation Management, the citation collection process for Wilton Manors is not detailed in the agreement. While Lanier may be doing all of the sophisticated collection processes that the Town’s operator is doing, they are not contractually obligated to do so.

Similarly, Lanier’s agreement with the Wilton Manors includes meter maintenance in the scope of services. However, no reference is made to minimum performance (90% or better per day) levels as other management agreements typically do. If a piggy-back option requires the Town to accept the Wilton Manor’s contract “as is”, it is not recommended that the Town do so.

- Ⓧ Public-Public Partnership – The City of Fort Lauderdale provides the parking services described herein for their on-street parking program. It is possible that a public-public partnership could be negotiated where the City of Fort Lauderdale provides these services for the Town. Detailed negotiations to create a solid inter-governmental agreement are required to exercise this option.

Recommendation

Based on the information contained herein, it is recommended that the Town issue a Request for Proposal to determine the actual benefits of outsourcing parking services. As with most RFP processes, this should include the Town's right to reject all proposals and include detailed specifications to ensure a fair comparison of responses is possible.

The following RFP components are presented for consideration:

☛ Agreement Type

- Management Agreement with 100% Reimbursable Direct Operating Exp.
- Detailed Restrictions on Reimbursable and Non-Reimbursable Exp.
- Base Fee Plus Incentive
- Incentive Based on Net Operating Income Preferred
- Consider Reverse Management Agreement with Flat Fee for All Services Plus Incentive

☛ Scope of Services

- Overall Parking Operations Management
 - Local Experience and Management Preferred
- Parking Enforcement
 - Local Experience Preferred
 - Provide Necessary Hardware
 - Provide Necessary Software
 - Hours of Enforcement Defined
 - Holidays Defined
- Customer Assistance Services
 - Experience with Ambassador Program Preferred
- Parking Revenue Collection
 - Local Experience and Management Preferred
 - Include Requirement for Strict Cash Controls
 - Use Town's Equipment and Provide Other
 - Collect Single and Multi-Space Meters at least Once Weekly and before 95% Full (no downtime)
- Parking Meter Maintenance
 - Local Experience and Management Preferred
 - Include Up Time Requirement 90%
 - Include 24 Response Time
 - Include Preventive Maintenance
 - Include Paper Replacement (no downtime)
 - Include Meter Repair Log Requirements
 - Use Town's Equipment and Provide Other
- Citations Collections
 - National Experience and Scofflaw Collections Across State Lines Preferred
 - Include Collection Requirements (1st Notice, 2nd, etc.)

- Include Scofflaw Requirements and Procedures
- Include Out of State Collection Requirement
- Include DMV Hold Requirement
- Include Electronic Payment Options (web and phone)
- Cashier Staffing and Services (as needed)
 - Local Staff Preferred
- Facility Evaluations, Inspections, and Reviews
 - Local Experience and Management Preferred
- Parking Management Reporting
 - Local Experience and Management Preferred
- Permit Processing
 - Option to Maintain In-House
- ④ Experience Requirements
 - Municipal Experience in Florida
 - Citation Collections Experience Nationally
 - Meter Collection Experience
 - Meter Maintenance Experience
 - Duncan Experience Preferred
 - Enforcement Experience in Florida
- ④ Personnel
 - Include Enforcement Schedule Only
 - Include Cross-Hire Preference for Existing Personnel
 - Include Cross-Hire Exclusion for other Town Personnel
 - Include Employee Training Requirement
 - Include Cross Training Requirement
 - Include Background Testing and Exclusions
 - Include Special Event Staffing Requirement
 - Include Local Management Preference
 - Uniform Requirement Subject to Town Approval
 - The Town Reserve's the Right to Adjust Staffing at its Discretion
 - Persons Writing Citations are Authorized to Do So.
- ④ Submittals
 - Price Proposal Separate from Operating Plan
 - Company Experience
 - References from Similar Projects
 - Detailed Operating Plan and Approach to the Project
 - Capital Expense Plan
 - Staffing Plan and Management Structure
 - Employee Screening Programs
 - Employee Training Programs
 - Enforcement Technology
 - Enforcement Process
 - Citation Collections Technology

- Citation Collections Process
 - Meter Collections System and Controls
 - Meter Maintenance Plan
 - Quality Control Program for Customer Service and Revenue Integrity
 - Reporting Samples
- ④ Scoring
- 30% Company Experience and References
 - 30% Operating Plan and Approach to Project
 - 40% Fee
 - Include Cost for all Direct Employees
 - Include Cost for Enforcement Hours as Defined by Town
 - Include Cost for Collection Staff as Recommended by Operator
 - Include Cost for Maintenance Program as Recommended by Operator
 - Include Cost for Citation Processing based on Current Data
 - Include Acknowledgment of Reimbursable and Non-Reimbursable Expenses
 - Include Estimate with Not to Exceed Amount for All Estimated Expenses
 - Include Management Fee
 - Include Incentive Fee



Exhibit 5

MEMORANDUM

TO: Bud Bentley
FROM: Fred Bredemeyer
RE: Meter Upgrade Recommendations
Date: August 18, 2011

With the successful implementation of multi-space parking meters in the commercial core of the Town, ConsulPark recommends that Lauderdale by the Sea consider replacing other single space meters currently in service. The following details the estimated cost of this project to be \$290,000 with a payback period of 2.88 years based on increased operating income estimated at \$79,062.

Background:

Previously, there were 434 single space meters in service throughout the Town. Recently, approximately 102 were replaced by the 5 Digital Multi-Space machines. Most of the remaining 332 single space meters are very old and missing critical control features. Today, single space and multi-space meter technology is advanced and capable of audit and reconciliation within 99% accuracy. The Town of Lauderdale by the Sea is benefitting from these features in less than 50% of the regulated parking spaces.

In the event the Town continues to install multi-space meters, it is important to note that single space meters will always be necessary. There are certain areas that do not generate sufficient revenue or contain a small number of spaces and therefore would not justify multi-space machines.

Evaluation:

Multi-Space meters and single space electronic meters were both considered in this evaluation. It is estimated that the cost of 360 single space meters, electronic meters would be \$62,901. This cost is compared to approximately \$290,000 for 24 new multi-space meters. The evaluation looked at the pay-back period for the entire system including the previously purchased 5 machines. The incremental operating income from these and the remaining 24 machines is estimated to be \$79,062. As the following table explains, the payback period is estimated to be less than three years.

Estimated Incremental Income from Full Multi-Space Deployment		
Income from Metered Areas	2012 Rate	2012 Projected Revenue
Beach Parking Meters	\$1.50	\$ 22,158
Town Hall Parking Meters	\$1.50	23,562
Business District Meters	\$1.50	303,507
Commercial Blvd. Meters	\$0.50	34,182
El Mar Parking Lot	\$1.50	84,482
A1A Parking Lot	\$1.25	27,951
Single Space Meter Revenue		495,842
Less Recommended to Remain Single Space	7%	(33,132)
Projected Meter Revenue from Recommended Multi-Space		462,709
Increased Rev. from Multi-Space Meters	30%	\$ 138,813
Expenses		
Communication Costs (\$41 per Multi-Space per Month)	\$41	\$ 14,268
Software for Machines (\$100 per Multi-Space per Month)	\$100	34,800
Increased Credit Card Fees (40% of collections via CC)	5%	9,254
Paper Costs (\$25 per roll - 3,500 txns per roll)	\$25	1,429
Increased Operating Expenses for Multi-Space		\$ 59,751
Incremental Operating Income from Multi-Space Meters		\$ 79,062
Estimated Number of Multi-Space Machines	29	
Purchase Price (price depends on options and quantity)	\$ 9,500	
Installation Price	\$ 500	
Total Cost of Multi-Space Machine Purchase	\$ 290,000	
Less Alternative Cost of Single Spaces Meters	\$ (62,901)	
Total Real Cost of Multi-Space Machine Purchase	\$ 227,599	
Payback Period in Years (Est. CapX/Incremental Inc.)	2.88	