

CITY OF MADISON
INTER-DEPARTMENTAL
CORRESPONDENCE

DATE: July 11, 2018

TO: David Schmiedicke, Finance Department

FROM: Sabrina Tolley, Assistant Parking Utility Manager

SUBJECT: **Parking Utility 2019 Operating Budget Requests**

The Parking Utility's 2019 operating budget reflects goals to maintain and improve on-street and off-street infrastructure, continuously improve customer service and user convenience, and implement technology to improve operations and meet or exceed user expectations related to technology and payment options. The Parking Utility's budget is comprised of four services: Garage Parking, Lot Parking, On-Street Parking, and Parking Operations.

Considerable staff time and effort will be dedicated next year to the Judge Doyle garage project to replace the Government East Parking Garage, refining operations of the new Capitol East Parking Garage opening in fall 2018, implementing operational changes associated with the anticipated fall 2018 installation of new single space smart meters, including integration with a mobile payment option, and work to research options and begin a procurement process for the replacement of aging multi-space meters.

The Parking Utility's proposal includes four supplemental budget requests for new positions, including an additional Parking Maintenance Worker, Parking Equipment Technician, Parking Revenue Leadworker, and Civil Technician. The three field positions are needed to expand hours of service coverage on weekends and nights, and to maintain and repair increasing quantities of technical equipment. The Civil Technician Position is requested to support the Parking Asset & GIS Coordinator to perform day-to-day maintenance of the Parking Utility's GIS data, perform parking studies and field compliance checks, and provide customer service related to on-street parking.

Agency: Parking

Proposed Budget

	Cost to Continue	Proposed	Change
Revenue	-\$15,239,000	-\$15,587,695	-\$348,695
Expenditures	\$15,239,000	\$15,587,695	\$348,695
Net	\$0	\$0	\$0
	2018	Proposed	Change
FTEs	70.65	70.65	0

Request Analysis

2017 Budget

Overbudget	No
2017 Analysis	

2018 Projection

Deficit	No
Projection Analysis	

2019 Request

Budget Request Changes	Revenues are increased to reflect the full year implication of a mid-2018 rate increase and the opening of Capitol East. Building Maintenance was increased \$220,000 based on planned projects for 2019 and the 10 year plan. Credit Card Services was increased \$55,000 to accommodate the opening of Capitol East. Various budgets were moved between services to better reflect where actual expenditures occur.
Change in Service	Yes
Service Impact	The budget reflects the opening of the Capitol East Garage.
Staffing Levels & Payroll Allocations	None

Parking Utility

Function: Public Works & Transportation

Position Summary

	2018			Request		2019		Adopted	
	CG	FTEs	Amount	FTEs	Amount	FTEs	Amount	FTEs	Amount
ADMIN CLERK	20	3.00	168,715	3.00	158,851	-	-	-	-
ASST PKG UTIL MGR	18	1.00	102,973	1.00	111,271	-	-	-	-
CUSTODIAL WKR	16	1.00	55,403	1.00	55,994	-	-	-	-
ENGINEER	18	1.00	98,589	1.00	98,811	-	-	-	-
INFORMATION CLERK	20	2.55	118,198	2.55	119,686	-	-	-	-
MAINT ELECTR	16	1.00	64,571	1.00	64,142	-	-	-	-
PKG ANALYST	18	1.00	69,786	1.00	72,988	-	-	-	-
PKG ASSET GIS COORDINATOR	18	1.00	67,894	1.00	69,814	-	-	-	-
PKG CASHIER	16	31.20	1,339,128	31.20	1,333,479	-	-	-	-
PKG EQUIP MECH	16	3.00	175,707	3.00	176,604	-	-	-	-
PKG EQUIP TECH	16	1.00	60,338	1.00	60,571	-	-	-	-
PKG MAINT SUPV	18	1.00	75,255	1.00	75,545	-	-	-	-
PKG MAINT WKR	16	7.00	390,559	7.00	388,750	-	-	-	-
PKG OPER ASST	20	1.00	68,169	1.00	68,431	-	-	-	-
PKG OPER SUPV	18	1.00	86,358	1.00	86,690	-	-	-	-
PKG REVENUE CLK	20	1.00	51,144	1.00	51,498	-	-	-	-
PKG REVENUE LDWKR	16	3.90	234,198	3.90	236,961	-	-	-	-
PKG REVENUE SUPV	18	1.00	75,255	1.00	75,545	-	-	-	-
PKG SERVICE WKR	16	4.00	228,901	4.00	229,730	-	-	-	-
PKG TECH AIDE	16	1.00	62,339	1.00	62,579	-	-	-	-
PKG TECH AIDE	18	1.00	51,725	1.00	53,270	-	-	-	-
PROG ASST	17	1.00	51,544	1.00	53,051	-	-	-	-
PROG ASST	20	1.00	57,770	1.00	58,081	-	-	-	-
TOTAL		70.65	\$ 3,754,518	70.65	\$ 3,762,340	-	\$ -	-	\$ -

Salary amounts recorded on this page are for total budgeted salaries; this amount may differ from budgeted permanent wages as presented in the Line Item Detail due to payroll allocations to other funding sources (capital projects, grants, etc.) or inter-agency services are not reflected in this summary page.

2019 Operating Budget: Service Proposals

SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Parking Utility

SELECT YOUR AGENCY'S SERVICE:

Garage Parking

SERVICE DESCRIPTION:

This service operates five city garages including Capitol Square North Garage, Government East Garage, Overture Center Garage, State Street Campus Garage and State Street Capitol Garage.

SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-10,426,050	-11,273,807	-11,273,807	-11,481,807	-208,000
Expense	5,179,681	6,721,237	6,569,469	8,814,369	2,244,900
Net Budget	-5,246,369	-4,552,570	-4,704,338	-2,667,438	2,036,900

2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

Adjustments to revenue projections reflect an increase in revenue from the Capitol East Garage opening in fall 2018 as well as adjustments to other facilities based on current and projected occupancy and revenue trends. The estimated expense for PILOT of \$1,630,000 was moved from the Parking Operations Service to the Garage Parking Service to align the expense with the appropriate corresponding service. \$135,000 in snow removal expenses were budgeted in the Garage Parking Service rather than Operations to align the budgeted service with where they will be expensed. The Annual Garage Repair Program which is on a 10-year scheduled structural maintenance/repair plan, was moved from the capital to the operating budget in 2018. Repairs and maintenance costs vary significantly from year to year, based on the scope of required structural work as determined by annual condition evaluations and the 10-year plan. The projected project costs for 2019 are \$220,000 more than the 2018 budget. These costs were in the capital budget in 2017. Additionally, expenses previously budgeted under the Operations service were budgeted under Garage Parking and Lot Parking to better reflect the services that the expenses will be charged. Estimated costs for a full year of an additional parking garage (utilities, credit card processing fees, snow removal, PILOT, etc, are reflected in the expenses for 2019 as well).

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

Annual structural maintenance is required on facilities to maintain safety, prevent more costly future repairs, and extend the useful life of facilities. The proposed changes also reflect a full year of projected costs to operate the Capitol East Garage, whereas the 2018 budget included projected operating costs for 1/2 year.

SERVICE GOALS

1. Who is the recipient of this service?

Residents, visitors, employees, and businesses.

2. What activities are you responsible for providing under this service?

Maintaining and operating public parking garages

3. How do you define success within this service?

Providing a high quality user experience, serving and balancing the parking needs of residents, visitors, businesses, and events, and continuously improving operations and efficiency, in addition to ensuring the long-term financial health of the Parking Utility to fund future operating and capital costs.

4. What strategies are planned for 2019?

Upon completion of the PARCS equipment replacement and software upgrade to the newest version, begin implementing new capabilities to improve convenience and operations. Operation of the Cap East Garage will begin in fall 2018 and the new Judge Doyle Garage will open to the public in 2019.

2019 Operating Budget: Service Proposals

SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Parking Utility

SELECT YOUR AGENCY'S SERVICE:

Lot Parking

SERVICE DESCRIPTION:

This service operates six parking lots including Blair Lot, Brayton Lot, Buckeye Lot, Evergreen Lot, Wilson Lot and Wingra Lot including hourly and monthly parking.

SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-1,068,504	-1,148,800	-1,148,800	-1,177,000	-28,200
Expense	35,092	71,514	75,744	259,744	184,000
Net Budget	-1,033,412	-1,077,286	-1,073,056	-917,256	155,800

2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

\$40,000 for annual maintenance repair work for Buckeye Lot and Brayton Lot are budgeted under Lot Parking Service; costs for the annual repair program were budgeted under Operations Service in the 2018 budget, and were in the annual Capital Budget prior to the 2018 budget cycle. \$135,000 for annual snow removal contract services were also moved into the Lot Parking Service from the Operations Service where it had been previously budgeted. These adjustments are to align the budget request with the specific services where expenses will be allocated. The increase in revenue reflects a mid-2018 rate change.

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

The request does not reflect any significant changes from the cost to continue budget - certain expenses previously budgeted in the operations service were moved to the Lot Parking Service where the expenses will be reflected.

SERVICE GOALS

1. Who is the recipient of this service?

Surface lots serve a variety of customers, including short-term and longer-term hourly parkers and monthly parkers. Customers and parking behavior vary significantly by facility. Lot parking includes a gated facility (Brayton Lot), permit-only parking, and metered parking.

2. What activities are you responsible for providing under this service?

Maintenance and operation of parking surface lots.

3. How do you define success within this service?

Continue to meet the unique parking demands that each surface lot serves, increase utilization during off-peak timeframes, and encourage the use of surface lots before using on-street parking to accommodate special event parking needs.

4. What strategies are planned for 2019?

Continuing to pursue cooperative relationships with event organizers to accommodate parking for vendor vehicles with limited parking options, which provides greater availability of on-street parking for residents and visitors, and serves the community as a whole, by participating in efforts to attract and encourage local events. Increase utilization during off-peak timeframes.

2019 Operating Budget: Service Proposals

SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Parking Utility

SELECT YOUR AGENCY'S SERVICE:

On Street Parking

SERVICE DESCRIPTION:

This service operates on-street parking through meters in the downtown area and through a residential permit process in the nearby neighborhoods.

SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-2,804,309	-2,810,393	-2,810,393	-2,922,888	-112,495
Expense	946,511	1,395,788	1,402,545	1,531,273	128,728
Net Budget	-1,857,798	-1,414,605	-1,407,848	-1,391,615	16,233

2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

Revenue: Increase of \$74,000 attributed to RP3 permit increase. \$85,000 from citation increase for RP3 budgeted under revenue as a transfer in; the 2018 budget line included this as a reduction to expenses which accounts for \$85,000 of the expense increase compared to the cost to continue. Additional expenses anticipated in 2018 are \$20,000 for credit card fees and \$52,000 for annual software fees related to replacing coin-only mechanical meters with smart meters that can accept coin, credit card, and mobile payment.

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

The additional operating costs related to the replacement of mechanical meters with smart meters will significantly improve the convenience of on-street parking for users, by providing multiple payment options. Additionally, the installation of smart meters will significantly improve and increase the amount of data related to revenue and occupancy for on-street meters, and software analytics tools will improve efficiency and accuracy of reporting.

SERVICE GOALS

1. Who is the recipient of this service?

The primary customers of on-street parking are visitors seeking convenient short-term parking, residents, and contractors.

2. What activities are you responsible for providing under this service?

Management of on-street meter system, on-street permits including the City's Residential Parking Permit Program, and on-street restrictions.

3. How do you define success within this service?

Managing on-street parking restrictions, rates, and programs to address the unique needs and demands of the location and users, with the goal of providing convenient and available parking, and in accordance with transportation policies.

4. What strategies are planned for 2019?

Research and analyze options for replacing aging multi-space machines and begin competitive selection process for the desired system specifications for installation to begin in late 2019 or early 2020. Continue to test smart meter sensor capabilities and reliability for potential future expansion of sensor technology for occupancy and wayfinding.

2019 Operating Budget: Service Proposals

SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Parking Utility

SELECT YOUR AGENCY'S SERVICE:

Parking Operations

SERVICE DESCRIPTION:

This service includes the overall management and supervision of maintenance and revenue staff and the administrative staff in the Parking Utility, as well as all areas of parking not included above.

SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-116,000	-6,000	-6,000	-6,000	0
Expense	8,253,579	7,050,461	7,191,242	4,982,309	-2,208,933
Net Budget	8,137,579	7,044,461	7,185,242	4,976,309	-2,208,933

2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

\$1,630,000 for PILOT expenses moved from Parking Operations to Garage Parking Service. \$135,000 for snow removal moved from Operations into Garages. \$250,000 for annual maintenance program moved to Garage and Lot services.

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

No significant changes in Operations Service Budget are reflected; the \$2.1M decrease is offset by increases in other services where the expenses will be reflected. Most expenses were originally budgeted under Operations with the transition to MUNIS; the budget continues to be refined to align budget requests with the individual services and facility locations where expenses will be allocated.

SERVICE GOALS

1. Who is the recipient of this service?

The Parking Utility serves the parking needs of residents and visitors, and plays a vital role in the community and economy. Through the deliberate and conscientious implementation of on-street and off-street parking management strategies to adapt to continuously changing parking demand and behavior, the Parking Utility's primary customer is the community as a whole. The management of parking not only serves the users of parking facilities, but influences parking and driving behaviors and directly impacts residents, businesses, area development, and visitors. Careful consideration is given to balance the needs of all members of the community and anticipate the potential impacts of decisions.

2. What activities are you responsible for providing under this service?

Management and administration of the Parking Utility including financials, programs, policies, and administration of all services.

3. How do you define success within this service?

Continuous improvement and flexibility to adapt to changes in transportation demand and behavior, changing technology, and user expectations. Maintaining financial sustainability, while balancing strategies to provide affordable access, encourage the use of other forms of transportation, balance parking demand across the system to provide reliable availability, and generate sufficient revenue to fund operating and capital costs.

4. What strategies are planned for 2019?

Opening of Judge Doyle parking garage in 2019 and Capitol East District Garage in fall 2018, operation of approximately 650 new single space smart meters expected to be installed in fall 2018 and development of mobile payment option for these meters, and research and analyze options for the replacement of aging multi-space meters.

Supplemental Request

Agency:

Parking Utility

Enter Your Agency's Service:

Parking Operations

Supplement Title:

Civil Technician I

Amount:

FTE:

- Expansion to Existing Service
- New Initiative

Provide an overview of the supplemental request.

Request for 1.0 Civil Technician FTE (\$51,312 salary and \$17,009 benefits) to support the Parking Asset & GIS Coordinator position to gather parking related field data and perform day to day maintenance of the Parking Utility Geographic Information System. The Civil Technician 1 position will also work with the Parking Technical Aide position to perform parking studies, review applications and issue street occupancy permits, issue meter hoods and signs, and perform field checks on contractors' use of no parking signs and hoods to ensure compliance and efficient use of on-street space to limit the duration and quantity of spaces out of service to the extent possible.

What is the desired outcome of the request?

More timely updates to Parking GIS data, expanded use of GIS and asset management system to improve efficiency of work order process and inventory tracking, and improved customer service and staff coverage.

How will the desired outcome be measured?

Improved customer service and coverage when other staff are out due to vacation or field studies, reduction in the number of spaces out of service unnecessarily, and increase in parking studies and data for decision making.