



BETHLEHEM PARKING AUTHORITY

85 W. North Street

Bethlehem, Pennsylvania 18018

Phone: 610-865-7123 – Fax: 610-865-7124

Email: info@bethpark.org - Website: www.bethpark.org

Board Meeting Minutes

Date: 02/29/2024

Time: 4:30PM

Location: Bethlehem Parking Authority Offices

- I. **Call Meeting to Order** at The Bethlehem Parking Authority Office on Thursday, February 29, 2024 at 4:30pm.
- II. **Roll Call**
 - A. **Present:** Mr. Mark Jobes, Vice Chairperson and Treasurer; Mr. Eugene Gonzalez, Secretary; Mr. Leo DeVito, Solicitor; Ms. Karen Widrick, Board Member; Mr. Steve Fernstrom, Executive Director; Mr. Chris Betley, Buckno Lisicky Financial Consultant; Ms. Tiffany Wells, Deputy Director; BPA Staff; Members of the Press; the public

III. **New Business**

- A. Mr. Mark Jobes made a motion to suspend the agenda and move New Business as the next item and Mr. Eugene Gonzalez second the motion. A motion was passed unanimously.
- B. **Parking Rates**
 - i. Mr. Steve Fernstrom reported in mid-2023, the Bethlehem Parking Authority engaged with THA to perform a comprehensive rate strategy study. The study's findings are summarized in the recommendation memorandum in the Board packet. In it, THA covers recommendations for off-street and on-street price increases. Over the past few decades, we've had an extremely off-balance parking system. We have had high on-street and extremely low off-street occupancy. This produces congestion, lack of parking and general frustration. We cannot solve our parking problems by overbuilding our parking supply, but we can solve our parking problems by efficiently managing our right supply. We do this by implementing a good parking policy and responsible rate strategies. We're going to manage our parkers based on their user groups by short-, medium- and long-term parkers. This is to responsibly price our on-street parking, which currently is extremely underpriced. This is most likely what's leading up to this congestion and the lack of turnover and parking in our high-demand areas. Underpricing street parking leads to two problems: It leads to a decrease in turnover and an increase in the amount of time it takes to find a parking space. To correct this problem, we're going to recommend introducing a demand market rate, which is something that was talked about at a DBA Board Meeting last week and was talked about this week at a



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DBA Merchant Meeting. I also spoke with the leaders of the South Side Arts District on the strategy, which was very well received. Demand rates parking aims to encourage turnover in your high-demand blocks and incentivize parkers to park in low-demand and off-street assets by providing cheaper rates. Our goal in this pricing structure is to finally balance out our parking system and free up multiple spaces per block for those short-term extremely important users to the downtowns. This is publicly pricing a public service to align with public goals to improve the parking system.

ii. Mr. Jim Zullo reported that the BPA and the City of Bethlehem's parking rates have not been adjusted in four to five years. On-street parking is what's most desired and most heavily utilized. There has been 85% to 90% occupancy rate in on-street parking to the point where it causes frustration while your off-street parking facilities have had a lot of occupancy. On-street parking's high-level capacity causes a lot of problems just beyond inconvenience. It causes cruising traffic congestion and frustration. Demand pricing can change the behavior of a handful of people on a block every day and free up enough parking. Steve has prepared maps based on occupancy counts over the last 18 months, which have shown where the high-demand areas are located, which will be priced higher. The overall parking rate adjustments are to focus on redistributing some of the on-street to off-street parking facilities. The on-street parking rates have not been adjusted since 2019 and off-street parking since 2020. Bethlehem has been below the average compared to other peer towns and municipalities. The existing rate in the high-demand areas is \$1.50; we're recommending an increased rate of \$2.50, and in the moderate to low-demand areas, maintaining the existing rate of \$1.50. On the on-street transient rate proposing an increase from \$1.00 to \$1.50 an hour. The Broad Street Lot from \$60 to \$65, other lots from \$40 to \$50, the garage rates from \$70 to \$80 and event parking from \$10 to \$15. Mr. Steve Fernstrom said it is important to note that the Board is responsible for approving off-street parking rates. The motion would be for the Board to recommend an on-street increase to the Mayor's Office. Mr. Mark Jobes asked for a motion to approve the off-street parking rate pricing that was suggested and recommend the suggested on-street parking prices to the City Administration. Mr. Eugene Gonzalez made a motion, and Ms. Karen Widrick seconded the motion. A motion was passed unanimously.



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C. 2024 Budget

i. Off-Street Parking

i. Increase due to

i. Rate increases.

ii. Retaining more revenue from equipment uptime.

iii. Added user experience conveniences, like, Scan to Pay

iv. Increased Social Media awareness.

ii. On-Street Parking

i. Increased due to

i. Increase on-street usage.

ii. Rate increases.

iii. More uptime because of

i. New and efficient equipment

ii. Mobile app usage

iii. Increased social media awareness.

iii. Investments – increased – following new policies.

iv. Salaries – increased – high due to a new CBA. Wages are now in line with surrounding organizations.

v. Healthcare – Same – Negotiated favorable rates and lot claims in 2023.

vi. Pension – Decreased – Market driven.

vii. Repair and Maintenance and Maintenance Supplies Decreased

a. No Walnut Street Garage

b. New updated equipment

c. Cost awareness

i. Creating policies on internal quote thresholds

ii. Monthly P&L meetings

viii. WSG Consultants – Decreased due to WSG demolition.

ix. Lot Leases and Shuttle Services – Increased due to additional Parking Lot Leases and WSG Shuttle Service

x. Debt Service – 2.4 million dollars increase due to Polk Street Garage and Walnut Street Garage

xi. \$9.3 million in revenue, \$8.1 million in expenses, a net surplus of \$1.2 million. After transfers and City contributions, our total is \$48,670.25.

xii. 2024 Capital Items - \$320,000.00

a. Multi-space pay stations and signage – continue the annual replacement of end-of-life space meters and improve signage by \$250,000.

b. Static License Plate Recognition in Parking Lots – Implement technologies to improve the customer experience, obtain real-time and historical data, and increase operational efficiencies. - \$70,000



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xiii. 5-Year Capital Repair Program

- a. We started year two repairing the Commons Garage, which is about \$1.3 million.
 - b. Riverport Garage repair cost is \$134,000.00.
 - c. Total repair cost \$697,000.00 funded by our Capital Reserve Account
- ii. Mr. Mark Jobes asked for a motion to pass the 2024 Budget. Ms. Karen Widrick made a motion and Mr. Eugene Gonzalez second the motion. A motion was passed unanimously.
- D. Mr. Scott Shearer from PFM reported that they have been working with Fulton Bank on a permanent loan for \$30,180,000.00. It is split between two components, a taxable piece and a tax-exempt piece. The taxable piece is \$6,055.00 and the tax-exempt piece is \$24,125,000.00. No City guarantees for the loan. It will be a variable-rate loan. Ability to prepay the loan.
- i. Mr. Mark Jobes asked for a motion for the bank loan and approve the resolution. Ms. Karen Widrick made a motion and Mr. Eugene Gonzalez second the motion. A motion was passed unanimously.

III. Minutes

- a. Mr. Mark Jobes asked for a motion to approve the December 5, 2023 Board Minutes. Mr. Eugene Gonzalez made a motion to approve the Minutes, and Ms. Karen Widrick seconded the motion. A motion was passed unanimously.

IV. Courtesy of the Floor

- a. None

V. Director's Report

- a. New Walnut Street Garage Project
 - i. Mr. Steve Fernstrom reported that 80% of the brick veneer has been removed from the structure, 40% has been demolished, 20% of materials have been removed from the site. In the next 30 days, we hope to have 80% of the structure demolished and 40 to 50% of the materials cleaned up and sorted. Currently, we are working on relocating a transformer with PPL that's within the existing structure. We continue to work in collaboration with Verizon regarding their duck bank.
 - ii. As you were aware, on Friday, a partial collapse resulted in cosmetic damage to an adjacent building. The Bethlehem Parking Authority and Vollers Construction sent a joint statement addressing the incident. Our team has strategically positioned 9 vibration monitors adjacent to the project site, including three in the Verizon building, at their request. Following last Friday's incident, the vibration data from each of these monitors was reviewed by our third-party vibration experts. None of the vibration levels exceeded the assigned vibration limits for the respective monitoring locations.
 - iii. The project is in two phases. As far as the new design is concerned, we have moved past the legislative process with approvals. The engineers have finalized the bid package for precast.



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VI. Solicitor's Report

- a. Mr. Leo DeVito reported that the Bethlehem Parking Authority is engaged in litigation concerning the Commons Garage. Our claim was roughly \$175,000.00. We were able to resolve that with the Authority of the Board for \$150,000.00. We need authorization for Mr. Steve Fernstrom to sign the general release and settlement agreement. Mr. Mark Jobed asked for a motion to have Mr. Steve Fernstrom sign the general release and settlement agreement. Mr. Eugene Gonzalez made a motion and Ms. Karen Widrick second the motion. A motion was passed unanimously. Mr. Leo DeVito asked for an Executive Session after the meeting to discuss Polk Street.

VII. Financial Report

- a. Mr. Chris Betley reported in December 2023, there was \$831,117.80 in cash. In investments, \$9,254,299.23. Restricted cash: \$7,572,251.20. Unrestricted cash: \$2,513,165.83. The final cost of the Polk Street Garage Project was \$18,910,642.49. Walnut Street Garage Project as of December 2023, \$494,871.49. Total revenue was \$8,756,390.00. Total expenses before transfers were \$6,059,875.00. Net income was \$485,483.00. Mr. Mark Jobes asked for a motion to approve the December 2023 Financials. Mr. Mark Jobes made a motion, and Mr. Eugene Gonzalez seconded the motion. A motion was passed unanimously.

VIII. Old Business

- a. None

IX. Adjournment

- a. Mr. Mark Jobes asked for a motion to adjourn the meeting and go into an Executive Session³. Ms. Karen Widrick made a motion to adjourn and Mr. Eugene Gonzalez second the motion. A motion was passed unanimously.