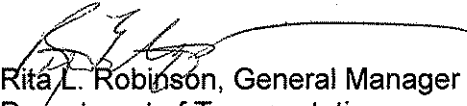


**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: September 2, 2009

TO: Honorable Members of the City Council  
c/o City Clerk, Room 395 City Hall  
Attention: Honorable Bill Rosendahl, Transportation Committee

FROM:   
Rita L. Robinson, General Manager  
Department of Transportation

SUBJECT: **PARKING METER MAINTENANCE STAFFING**  
**(CF 09-0600 S-18)**

The Los Angeles Department of Transportation (DOT) is providing this report at the request of the Transportation Committee to identify the revenue and operational benefits of fully staffing the maintenance of the City's parking meters.

**RECOMMENDATION**

That the City Council, subject to the approval of the Mayor:

1. Authorize exemptions from the City's Managed Hiring Plan for all vacant Parking Meter Technician and Parking Meter Technician Supervisor positions during Fiscal Year 2009-10; and
2. Authorize the City Administrative Officer to make technical adjustments as necessary to implement the intent of the actions of the Mayor and Council.

**EXECUTIVE SUMMARY**

Proper parking meter maintenance staffing levels are necessary to provide reliable operation, generate parking turnover, and realize the associated meter, enforcement, and sales tax revenue to the City. In a recent survey of other large cities, DOT found that parking meter maintenance in Los Angeles is currently 22% understaffed based on standard meter to technician ratios. Even with all technician positions filled, DOT would only have 90% of the maintenance staff being dedicated by these comparable cities, half of which are operated by private contractors (see Table 1 below).

In addition, last fiscal year DOT implemented a significant increase in the City's parking meter rates and hours of operation, resulting in a 50-60% increase in parking meter revenue. This additional demand on the parking meter equipment, combined with increased vandalism and an aging inventory with over 85% of the City's meters operating beyond their useful life, has resulted in an unprecedented demand for parking meter maintenance.

DOT is currently experiencing a 13% vacancy rate, having vacancies for three Parking Meter Technicians and one Parking Meter Technician Supervisor. In the next few months, the Department expects the vacancy rate may rise dramatically to as high as 33% with the loss of additional technicians to promotions to proprietary departments and to retirements, if an early retirement incentive program is implemented. If these positions are not backfilled, parking meter revenue alone is expected to decline by approximately \$1.3 million this Fiscal Year.

DOT recommends immediately filling all vacant Parking Meter Technician and Parking Meter Technician Supervisor positions to quickly improve parking meter operability and reliability, improving service to the public, supporting local business, and enhancing revenue. It is estimated that the benefit-cost ratio of each Parking Meter Technician (PMT) is approximately 2 to 1, based solely on meter revenue. DOT has projected a net increase in parking meter revenue to the SPRF through the remainder of Fiscal Year 2009-10 of approximately \$360,000, assuming that all Parking Meter Technician positions are filled and remain filled after November 1, 2009. Significant additional enforcement revenue to the General Fund may also be realized from increased meter operability, depending upon future meter usage and compliance.

## **BACKGROUND**

On November 10, 2008, DOT requested an exemption from the City's Managed Hiring Plan for the two Parking Meter Technician positions that were then vacant. Exemptions for vacant Clerk Typist and Management Analyst positions were also included, but these two positions have since been deleted for Fiscal Year 2009-10.

In February 2009, the Personnel Department completed the development of an eligible list for the Parking Meter Technician classification, but has delayed certifying this list pending notification from DOT that an exemption from the Managed Hiring Plan for this classification have been granted.

At its June 24, 2009 meeting, the Transportation Committee requested that the Department report back on the necessary resources needed to properly maintain the City's parking meter operation to maximize parking meter revenue.

**DISCUSSION**

The Meter Operations Division currently includes positions for the following 30 parking meter maintenance staff:

- 1 Parking Meter Technician Supervisor II
- 5 Parking Meter Technician Supervisor I
- 24 Parking Meter Technicians

This staff is responsible for installing, removing, and maintaining the City's 40,000 metered parking spaces, including approximately 37,000 single-space meters and 450 pay stations. Of these 30 positions, four are currently vacant due to retirements and promotions outside the division, resulting in a 13% reduction in our maintenance work force.

The Department of Transportation recently surveyed the other large cities in the U.S. that operate more than 15,000 metered parking spaces (see Table 1 below). The survey revealed that parking meter maintenance in Los Angeles is currently 22% understaffed based on the standard meter to technician ratio of 1200:1. Even with all technician positions filled, DOT would only have 90% of the maintenance staff being dedicated by these comparable cities, half of which are operated by private contractors. The private contractor for Washington, DC indicated that they had previously experimented with reducing staff below their current ratio, and found that they were unable to maintain their contractually-required levels of service. If the City of Los Angeles were to achieve this standard meter to technician ration, the Department would need to add three additional Parking Meter Technician positions.

**Table 1. Parking Meter Maintenance Staff Survey**  
 U.S. cities with more than 15,000 metered spaces

| City                        | Operator            | Metered Spaces | No. of Maint Techs (incl. Supervision) | Average Meters per Tech |
|-----------------------------|---------------------|----------------|----------------------------------------|-------------------------|
| New York City               | City                | 80,000         | 160                                    | 500                     |
| Chicago                     | Concessionaire (P3) | 36,000         | 30                                     | 1,200                   |
| San Francisco               | City                | 26,500         | 23                                     | 1,200                   |
| Washington, DC              | Contractor (P3)     | 17,000         | 14                                     | 1,200                   |
| <b>L.A. (Current)</b>       |                     |                | <b>26</b>                              | <b>1,500</b>            |
| <b>L.A. (Fully Staffed)</b> | <b>City</b>         | <b>40,000</b>  | <b>30</b>                              | <b>1,300</b>            |
| <b>L.A. (Industry Std)</b>  |                     |                | <b>33</b>                              | <b>1,200</b>            |

In addition to having a smaller comparable workforce than other large cities, there are several additional factors in Los Angeles that justify additional maintenance staff. Last fiscal year DOT implemented a significant increase in the City's parking meter rates and hours of operation, resulting in a 50-60% increase in parking meter revenue, but without the associated increase in staff that was requested. These changes have resulted in approximately 20% more operating hours for the meters, meaning there are more opportunities for jams and any jam results in more hours out of service. The higher rates have generated increased vandalism of the meters and have resulted in a significant increase in the quantity of coins being processed by an aging inventory of meters, over 85% of which are operating beyond their useful life. All of these factors have contributed to an unprecedented demand for parking meter maintenance.

DOT is currently experiencing a 13% vacancy rate for parking meter maintenance, having vacancies for three Parking Meter Technicians and one Parking Meter Technician Supervisor. In the next few months, the Department expects this vacancy rate may rise dramatically if an early retirement incentive program is implemented and if the Department of Water and Power and other proprietary departments continue backfilling. Under these conditions, the Department expects to lose another five Parking Meter Technicians and one Parking Meter Technician Supervisor to promotions and retirements, resulting in a 33% vacancy rate. If these positions are not backfilled, parking meter revenue alone is expected to decline by approximately \$1.3 million this Fiscal Year.

DOT recommends immediately filling all vacant Parking Meter Technician and Parking Meter Technician Supervisor positions to quickly improve parking meter operability and reliability. These positions will require additional funding for salaries and related costs, but the meter revenue generated from full staffing is expected to be twice the full cost of filling these positions. In addition, as a result of the improved parking meter operability, moderate increases in citation revenue to the General Fund may be realized, depending upon future meter usage and compliance.

The Personnel Department has prepared a Civil Service list for Parking Meter Technician and is awaiting DOT's notice to certify the list. At the City Council's direction, the Department is prepared to immediately request exemption from the City's Managed Hiring Process for these positions and begin the hiring process as soon as possible.

#### **FISCAL IMPACT STATEMENT**

The actions described in this report have no negative impact on the General Fund because the costs associated with parking meter maintenance are borne by the Special Parking Revenue Fund (SPRF). However, additional citation revenue, resulting from improved parking meter operability, may moderately increase revenue to the General Fund, depending upon usage and compliance.

DOT has projected a net increase in parking meter revenue to the SPRF through the remainder of Fiscal Year 2009-10 of approximately \$360,000, should all Parking Meter Technician positions be filled and remain filled. Assuming that the administrative process provides for these positions to be filled by November 1, 2009, the following estimates are based on the last eight months of Fiscal Year 2009-10:

|                                                                             |           |
|-----------------------------------------------------------------------------|-----------|
| Estimated Increase in Parking Meter Revenue                                 | \$662,000 |
| Parking Meter Technician Salaries (Direct Costs)                            | - 148,000 |
| Parking Meter Technician Fringe Benefits & Central Services (Related Costs) | - 153,000 |
| Net Benefit of Filling Four Parking Meter Technician Positions              | \$361,000 |

Benefit-Cost Ratio of Filling Four Parking Meter Technician Positions                      2.2 to 1