Texas A&M University Peer Review of the Parking & Transportation Department at the University of Houston

A review of the University of Houston’s Parking & Transportation Department by administrators from Texas A&M University with expertise in fiscal, functional, and operational aspects associated with university parking and transit systems.

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Doug Williams, Director
Debbie Hoffmann, Associate Director
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**Nature of Peer Review**

1. This review was conducted by an administrative team from Transportation Services at Texas A&M University with immediate oversight of: enforcement, garage operation, construction and maintenance, university fleet, vehicle maintenance, financial reporting, information technology, human resources, internal business operations, customer service, conference and special event parking, marketing and communications, and alternative transportation.

2. During the review, elements of the Parking & Transportation Department of the University of Houston were compared with elements of our own operation as well as best practices from other North American universities we have studied or of which we have personal knowledge of their operations.

3. The review was focused on the following topics:
   A. Customer Service
   B. Permitting Practices
   C. Parking Technologies and Web services
   D. Financial Management/Administration
   E. Operations (Garage and Surface Parking)
   F. Event/Visitor Parking
   G. Planning and Staffing
   H. Enforcement
   I. Communications/Marketing
   J. Shuttle Operations

4. The review panel met with the following members of the Parking & Transportation Team:
   A. Bob Browand, Director
   B. Paul Lazano, Assistant Director
   C. Eric Holamon, Customer Service Manager

5. The review panel met with the following associates of the Parking & Transportation Team:
   A. AFC Transit
      i. John Ferrari
      ii. Kay Horace
   B. University of Houston Department of Public Safety
      i. Angelar Jackson
      ii. Bret Collier
      iii. Cliff Kennedy
   C. University of Houston Athletic Department
      i. James Nicas
      ii. Alan Villavasso
   D. University of Houston Enterprise Systems
      i. Haseen Mazhar
      ii. Fidel Ramirez
   E. University of Houston Facilities
      i. Kieth Ivy

Peter Lange
Review Leader
Texas A&M University, on behalf of the review team
8 August 2011
UH has the opportunity to implement an outstanding parking program. There is no need to reinvent the wheel when it comes to campus parking. The University can take advantage of the experiences of other schools around the country. The campus should realize that at current staffing levels, changes will take time; perhaps three years or more to get the program fully implemented. UH must develop a blueprint for the changes now, in order to sell the changes to the campus.

**Staffing, IT, Operational Complexity, and Interfaces**

**Challenges**

1. Size of the parking organization compared to peers and lack of proper supervision for critical and expensive operational functions.

2. Complex garage configuration and multiple gate access systems.

3. Centralized IT causes disconnection with the parking department.

4. Customers unable to log in to parking system because of forgotten passwords.

**Opportunities**

1. U of H Parking and Transportation staffing levels are less than peer size organizations for example IUPUI, which is located in an urban setting in downtown Indianapolis, has a student population of about 37,000. Their parking department has an annual budget of 12.2 million and 65 staff members; this includes their enforcement staff of 6. Georgia Tech located in downtown Atlanta has a student population of 20,000. The GT parking department has an annual budget of 11.2 million and 70 staff members; this includes their enforcement staff of 12. Positions that could have an immediate impact: Assistant Director, administrative assistant for the director, additional technical person focused on access and revenue control, transit contract manager.

2. Operational issues that add to the complexity of the parking system should be minimized, especially in light of such lean staffing. An example of this is the complex manner in which the garages are configured – consider running the garages with one set of perimeter gates and mixing all customer groups. This would allow for the greatest flexibility during peak times and maximum space for off hour special events. Another example of added complexity is the number of customer service areas that will be in place when the stadium garage is complete. With such a small group, consider consolidating operations into one location. This will allow management to be close to the front line staff and potentially better mitigating issues as they arise. The size of the campus and the transit system would make any single parking office location on campus convenient to the entire community.

3. Having three different access systems adds to the complexity and manual data entry that the parking office must perform. Develop a solid plan to convert all access equipment to Flex over the next few years. As an interim solution develop interfaces between the badge and S&B systems to Flex. Additionally any IT development that can be done to give the frontline staff the information that they need to do business inside of Flex without checking with PeopleSoft or another external
system will be a benefit. Business rules can be applied to the data as it enters Flex in order to make
Flex the authoritative data source for parking information. An example of this would be to check
the business rules to determine if a customer is payroll deduction eligible and then mark a flag in
Flex in order to keep the customer service staff from flipping back to PeopleSoft to find the
information. Another example of interface work that would improve customer satisfaction and gain
efficiency in the parking office is adding the citation and permit numbers to the line items on the
electronic student billing feed so customers can see the itemization of the charges on their accounts
without having to call the parking office to inquire.

4. These ideas are examples of fully utilizing the parking management system to extract the most value
and gain efficiencies in the operation. Consider utilizing the immediate email response feature in Flex
to notify appellants of their appeal outcomes rather than printing, folding, sealing and mailing
outcome letters. Other universities have had success in improving attendance of the student appeals
board by paying members for the hours worked.

5. We have observed and been directly involved in many different university based IT organizations as
it relates to the parking operation. Our favorite, by far is to have those IT resources in-house. If
senior administration is determined to have a centralized model, consider imbedding the IT
resources in the parking department rather than separating them into the central group. The
parking offices’ reputation can be improved by providing quick fixes when issues arise with access
equipment, revenue equipment (and the IT infrastructure that supports them), hand held ticket
writers, web pages and e-business. IT supports the parking operation best when it understands the
parking business and enables process improvement through interfaces and automation. Some
additional IT considerations include: Provide a web content management tool to let the parking
office update their web page. Maintaining timely and accurate information is paramount to the
success of a parking web page. Consider modifying the parking office web site location in relation to
the university’s home page with the goal of being no more than two clicks from the home page.
Conducting a search of “University of Houston Parking” from the university’s home page and from
Google should result in arriving on P&T’s page. The parking office URL should be as short and
intuitive as possible such as parking.uh.edu, as opposed to http://www.uh.edu/student-life/parking-
transport/.

6. Consider using central authentication via the university’s server (CAS) for accessing parking account
(reported more than 50% of their calls during the parking permit registration period are customer
requests for password resets). This increases customer satisfaction and the ability to self-serve by
using credentials they are already using to access other university systems.

Everyone Should Contribute

Challenges

1. Debt is a growing concern as the four planned garages are constructed. By lowering the ratio of
less costly surface parking in exchange for expensive garage space, the ability for surface lot permits
to subsidize the system diminishes greatly. This pressure on the permit price will be intense with large increases over a period of time. If we assume that over the next few years 5,300 garage spaces are constructed, this could amount to as much or more than $80,000,000 in debt. If we assume a 4% rate on 20 year bonds, debt service alone would be $6.9 million annually or more at its peak. Any changes in construction cost or interest rates could drastically increase this estimate. At this amount, if 43,000 permits are sold, an increase of over $160 would be required on every permit (all types). This would just cover debt service. It does not include any new operating costs due to the facilities. This is very significant.

2. An attitude of “all users need to contribute” should be promoted by the department. Anytime other revenues are sought the basis of your argument should be that everyone who utilizes the resources should share in the burden. The permit holder should not have to shoulder it all. As such, visitors should bear a greater portion when possible to relieve your permit holder. By enhancing other revenue streams or expenditure savings, the pressure can be relieved somewhat on the escalating permit price. We have identified some opportunities which are detailed in the next section.

**Opportunities:**

1. Charging for athletic event parking is one of the best available mechanisms to develop new revenue in this industry. The current U of H agreement that will take effect Fall 2011 between Athletics and Parking appears to be a good one. The personnel commitment by Parking is minimal and most of the operating expense is borne by Athletics. Our understanding is that Parking will charge at the garages, keeping all of this revenue. Athletics will man and sell parking at surface lots surrounding the stadium. The profit after expense for this activity will be split with Parking.

2. We are suggesting that the department issue parking permits on an annual basis. By annualizing permits, net income will be increased through longer average retention and reduction of expense related to contacting the customer 3 or more times throughout the year.

3. Revenue should be collected on all special events with few exceptions, such as in our case, graduation. Arrangements to simplify the process should be pursued. This could include utilizing per ticket add-on fees rather than “pay at the gate” methods. An example would be for the Theater to add an amount to each ticket and pass this over to the Parking Department. These funds would reimburse for the use of parking resources and any personnel needed to work the event. At the same time the whole process would appear seamless to the patron. Other possibilities include online sales of parking for Special Events.

4. All daily visitor rates on campus should be standardized to the highest one offered at this time. Uniform charges reduce the complexity of programing pay stations and registers as well as customer communications. It also makes projections of expected revenue more straight forward.

5. Visitor rates for night and weekend parking should be charged but could be done at a discounted rate. It should be considered that the cost of the resource is not diminished due to lower use. The
lower rate should be viewed and marketed as a way to increase business at that time, not as an appeasement of those who wish to park for free. No one should park for free.

6. All contractors should be made to seek proper credentials and pay for the ability to park on campus. Strict protocols should be established and enforced to ensure that contractors do not unnecessarily take parking away from the paying customers. Arrangements should be required in advance. These should include remuneration in return for utilizing the resource.

7. Expenditures not traditionally paid by parking departments should be transferred to a more proper funding source.
   a. It is not common in our industry for parking permit holders to fund street repair on a university campus. Streets are normally considered infrastructure and should be funded by the Facilities group on campus. For the most part, auxiliaries should be limited to repairing and maintaining those assets which their customers pay to utilize but this is not prohibited by statute.
   b. It is not common for a growing campus Transit Operation to be funded by Parking Permits. Transit is a unique auxiliary that should be made to stand on its own through a mandatory Transportation Fee. It is detrimental to both Parking and Transit to have such diverse operations linked to the other’s success or failure financially. As debt rises for the Parking Department there will be incentives to reduce the quality of transit service to meet budget limitations. The students should be given the opportunity to consider what they wish to have in the way of service when deciding what the fee should be. This cannot be accomplished effectively with a convoluted system of subsidies from unrelated revenue.

8. Reimbursement should be sought from the University or appropriate departments when buildings are placed on existing parking lots. However, the cost of replacement space should be taken into account when assessing the fee. If a building takes up a large surface lot, creating the need for a garage due to lack of room, then Parking should be reimbursed based on the new garage cost per space. Surface lots run anywhere from $2,000 to $5,000 per space to construct while garage space runs from $12,000 up to as much as $30,000 per space depending on various attributes of the needed parking structure.

9. Currently it is our understanding that there is no charge for the all-access “Master Card” provided to departments. Because a parking facility can never be sure how many all access credentials may be arriving at any given time, allowance for them in number of visitor spaces available must be made. There is a cost to this utilization of the resource. Not only the actual cost of the capital but the opportunity cost of lost visitor revenue. Therefore we recommend that Parking should determine a charge for additional access provided to departments. This serves to ensure all benefiting are contributing and also shrinks the demand for this access which is logistically difficult to manage.
Observations/Recommendations on Transit

Challenges
1. Requiring customers to swipe when getting onto buses, delaying entry and not utilizing data collected.

2. Current transit routes are designed as point-to-point and configured through parking lots.

3. Transit funding is dependent upon parking permit revenue.

4. Lack of proper supervision for critical and expensive operational functions.

Opportunities
1. Card Swipe- One observed item that could be labeled as “low hanging fruit” is to eliminate your policy of asking passengers to swipe identification cards when boarding the bus. Raw passenger count information is already captured via on-board passenger counters. No one is using the swipe data to produce person specific reporting. The current practice unnecessarily duplicates effort without yielding value.

2. Routes- The current routes provide travel to many locations that could easily be covered on foot. Consider modifying routes to offer a campus circulator service. A campus circulator service would likely operate mostly on streets and not attempt to operate in parking lots. Larger buses could be used to serve passenger demand.

3. Connections with METRO- Continue to explore opportunities with METRO to optimize transit use and value.

4. Transit Funding- With parking revenues entirely funding the transit system there will be conflicts in connecting customers with costs. With plans to transition to more garages the debt service will consume greater parking revenues. A transportation fee or some other mechanism for funding transit services will likely be required. Consider how to address transit use by non-students if a student fee is adopted.

5. Transit Supervision-The department is not currently staffed to provide proper supervision of the transit contract. It is recommended that proper resources be allocated to properly supervise this two million dollar enterprise. Institute performance measures to leverage your investment in real-time vehicle reporting.

Observations/Recommendations on Enforcement

Challenges
1. Enforcement reporting structure causing conflicting priorities.

2. High citation issuance rates are indicative of underlying, systemic issues.
3. Customers are unable to differentiate between parking enforcement and security causing conflicts in their expectations of each group.

**Opportunities**

1. Administration- Enforcement currently reports to the university police department. The reporting structure has changed many times between the police and parking units. The enforcement unit is unlikely to have a clear connection to the mission and vision of the parking unit when operated by the police department. Despite the best intentions of all, the parking enforcement unit will function as a police agency. The officers will be tasked with police and/or security functions that do not serve the objectives of the parking unit. The police department will also be less than fully successful by maintaining a parking unit that blurs the lines of criminal law enforcement. Both units will improve their services and value if allowed to focus on their primary missions. The enforcement officers are a natural extension of what would be considered “low level security” for the campus. It is not necessary to blend parking enforcement and law enforcement.

2. Citations- Citation revenue appears unusually large as a percentage of total revenue. This is usually indicative of a problem. Most citations are issued for no permit. Consider requiring photos as part of every citation. Photos serve as an impartial judge and promote greater compliance and collections. The devices are already equipped for this practice. The officers currently capture photos on certain violations but not for all. Citations issued can be analyzed by violation type and issue time or other data points to identify underlying issues that may need to be addressed by improving communication and clarifying rules. An example might be adding signage or verbiage to clarify rules in lots with the highest numbers of citations, or adding paid visitor parking in areas where citations for no permit are repeatedly issued.

3. Uniforms- As part of transferring officers to the parking unit, consider softening the uniform. The softer uniforms promote a less hostile atmosphere. The uniforms contribute to a climate of service instead of focusing on enforcement or punishment. Creating clear distinctions may also elevate expectations for greater quality of service. For example, university security officers are often approached by customers for information. The officers reportedly are less informed on correct parking information. This creates negative customer encounters for the parking department.

**Lot/Zone Specific Parking Assignments**

**Challenges**

1. One goal of the parking assignment process is to maximize the number of customers able to park.

2. Another goal is to limit duplication of parking assignments during peak hours except when specifically tied to a business need.
3. Assigning customers to a specific parking zone or lot properly sets expectations and increases customer satisfaction. In this system, customers can expect to find space within their assigned lot so the time they allot to getting to work or class can be reduced. The success of instituting parking zones relies upon ensuring customers are able to find space to park within their assigned zones.

**Opportunities:**

1. Discontinue selling permits when lots become full. University of Houston has already made great strides in implementing programs so customers have alternate ways to get to campus. Alternate transportation programs already in place are: car sharing; biking; on-campus transit; METRO Vanpool; METRO bus routes that serve campus; discounted METRO transit passes for students; Commuter Club; Park and Ride; Carpool; Emergency Ride Home; pre-tax payroll deductions for METRO fares; and Green Commuter Program. This type of transportation demand management is key in successfully implementing a parking assignment process that discontinues selling permits once all spaces are sold. Consider increasing park and ride locations to meet demand from customers who want a parking permit after lots are sold out.

2. Institute a parking priority system to manage which parking requests are fulfilled first. One model ranks employees with the highest priority, then students in order of classification (doctoral/professional students, then masters students, then seniors, then juniors, etc.) is modeled after many other university assignment processes, such as priority for assigning dorms, availability of access to the class registration system, and football ticket draws. Systems like this are widely accepted as fair and are based upon data within the university system rather than individual judgment.

3. Discontinue the practice where all employee permits authorize parking in student lots ("park down privileges"). Student lots become overcrowded while spaces are empty in employee lots. Continue the established “Master Card” parking program for high level campus administrators and departmental runners. Give flexibility during evening hours by allowing permits to be used in other surface lots from 5:00 pm - 6:00 am. (except occasionally in lots that must be closed/utilized in support of special events). Fees should be instituted for enhanced parking privileges beyond parking in the assigned lot (such as the Master Card program). Giving them for free encourages over consumption of a free good and to frivolously obtain them when there is not a business-related need.

4. Require permits to park in lots during evening hours. All customers who utilize the parking system should bear their fair share of the burden to sustain it. Consider instituting a night permit for a lesser rate. Night permits are often valid in most plain spaces in surface lots.

5. Put marketing campaign and tools in place to ensure customers have permits in hand before the beginning of the academic year. Utilizing departmental parking representatives from across the campus to assist with registering employees in their units for their new parking permits is one tool that can help.
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6. Eliminate the 1-2 week grace period at the beginning of the academic year where enforcement is suspended. Implementing a process so permits are in the hands of customers in advance of the academic year so they can be held accountable for parking in their assigned not only reduces chaos on the campus but helps to fulfill your commitment to ensure space in the assigned lots for those customers who purchased permits to park. Doing what you say and providing what was promised goes a long way in building credibility for the parking operation and building trust within your customer base. If the intent is to continue to void first citations issued, then we recommend formalizing the business rules and issuing no fine warnings using the handhelds rather than requiring customers to contact the customer assistance center. Instituting this practice would enhance customer satisfaction and efficiency in the parking office.

Anticipated Objection:
Some campus administrators and parents may object to “selling out” of parking permits for fear of losing students. Although this may be the end result, the arguments for the benefits of Lot Specific Parking Assignments outweigh the detriments. Additionally, there are other factors that will impact the demand for parking space:

a. the addition of four garages in the next five years will increase the number of parking spaces available

b. discontinuing “park down privileges” increases the number of spaces available because it limits the number of customers with the ability to park in multiple lots

c. the permit price increases planned for the coming years will decrease the demand

d. marketing the alternative transportation programs in place may reduce demand for parking space