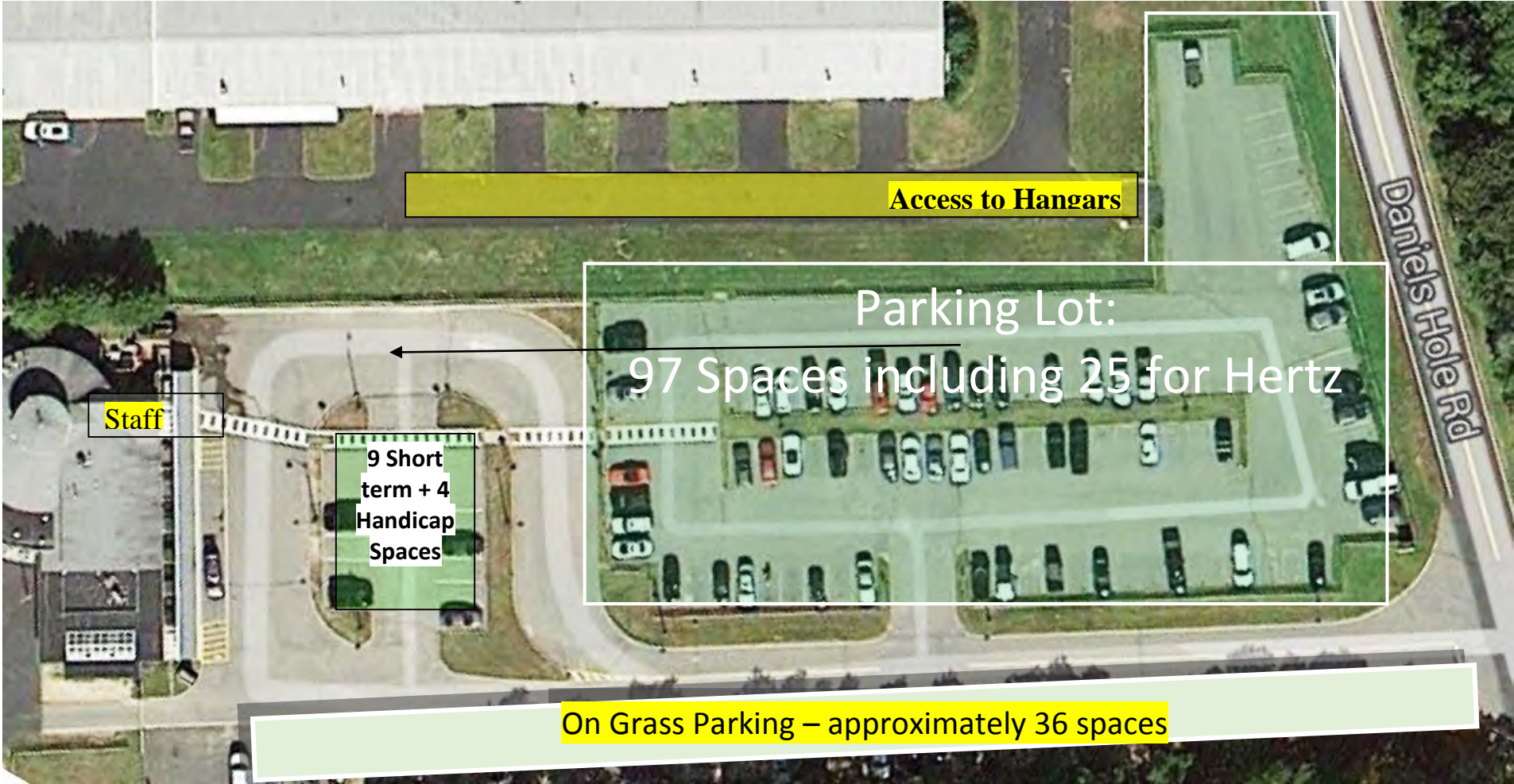


BFAC AIRPORT FINANCE SUBCOMMITTEE RECOMMENDATIONS: PROGRESS REPORT II

- 1. BEGIN PAID PARKING AT AIRPORT [WINTER/SPRING 2015]**
- 2. NEGOTIATE CONTRACTS WITH CAR RENTAL COS. [SUMMER/FALL 2015]**
- 3. ISSUE RFP TO LEASE LAND FOR ADDITIONAL HANGAR SPACE FOR LOCALLY OWNED AIRCRAFT [SPRING/SUMMER 2015]**
- 4. ISSUE RFP FOR COMMERCIAL BROKER TO LEASE 35 ACRES OF VACANT COMMERCIAL/ INDUSTRIAL LAND AT AIRPORT [EARLY 2015]**
- 5. OBTAIN A CHANGE TO NY STATE LAW TO PERMIT 20 YEAR BONDS. [SPRING 2015]**
- 6. ISSUE RFP FOR EXPERIENCED LEASE ADMINISTRATOR [EARLY 2015]**
- 7. IMPROVE COLLECTION OF LANDING FEES. [5/15/15 OR SOONER]**
- 8. UPGRADE FUEL FARM & FUEL OPERATIONS [2015-16]**
- 9. ADOPT ENTERPRISE FUND ACCOUNTING (EFA) OR ALTERNATIVE FINANCIAL REPORTING [WINTER/SPRING 2015]**

PAID PARKING: BACKGROUND

Layout of parking lot and additional parking on both sides of entrance drive to terminal building.



PAID PARKING: BACKGROUND (CONT'D.)

INFORMAL PARKING – GRASSY AREA



Approximately 36 on-grass parking spaces across the entrance drive from the lot.

PAID PARKING: BACKGROUND (CONT'D.)

ILLEGAL & UNREGULATED PARKING

Pervasive illegal parking lends credence to the demand for overnight parking during the summer months as well as the need for effective parking enforcement. During the summer months the parking lot is almost always full, including 20-25 spaces generally used by Hertz, and grassy areas on both sides of the entrance road (bottom of overhead photo) are almost always used to capacity.

In addition, it has been observed that illegal overnight parking takes place along Daniels Hole Road during mid-summer. There has been little meaningful enforcement of existing parking laws. The airport and the Town would share the net income (after enforcement expenses) from tickets written and fines collected on airport property and Daniels Hole Road.



On-grass parking just outside parking lot beside entrance drive to Terminal Building

PAID PARKING: ESTIMATED REVENUE POTENTIAL

	Assumptions				
	97 Spaces		Daily Rate		
<u>Time Period</u>	<u>Occupancy</u>	<u>Days</u>	<u>\$5.00</u>	<u>\$10.00</u>	<u>\$15.00</u>
July-Aug.	90%	62	\$27,063	\$54,126	\$81,189
Shoulder (5/15-9/15)	45%	60	\$13,095	\$26,190	\$39,285
Fall/Spring	15%	148	\$10,767	\$21,534	\$32,301
Winter	5%	95	\$2,304	\$4,608	\$6,911
May 15- Sept. 15 Subtotal	67.9%	122	\$40,158	\$80,316	\$120,474
<i>Sept. 15- May 15 Subtotal</i>	<i>11.1%</i>	<i>243</i>	<i>\$13,071</i>	<i>\$26,142</i>	<i>\$39,212</i>
12 Month Avg./Total	30.1%	365	\$53,229	\$106,458	\$159,686

PAID PARKING: ALTERNATIVE CONTROL SYSTEMS

The BFAC has explored paid parking as a revenue enhancement opportunity based on three approaches:

1. **The Automatic Gate Approach:** A national company (LAZ Parking) with substantial experience in airport parking, has proposed a gated system with significant up-front and monthly costs but which permits fine tuning time charges and greatly simplifies enforcement. This system could also better keep traffic flowing outside the terminal with say, a 5-10 minute “free” period for passenger pick up and drop off.
2. **East Hampton Village Approach:** Integrated Technical Systems (ITS) offers a LUKE II system similar to what is currently being used by East Hampton Village at its long term lot. Up-front and monthly costs are much lower than the automated gate approach, but revenue depends to a much greater degree on enforcement.
3. **Paid Attendants:** The committee also considered the use of paid attendants, but the labor costs and difficulties related to receipt and processing of payments persuaded the committee against this approach, despite the fact that it could require the least amount of up-front investment.

The Village Approach offers the least upfront and operating costs by a large margin but depends on continuing enforcement and follow up collect

ALTERNATIVE CONTROL SYSTEMS (CONT'D.)

1. UPDATED EH VILLAGE APPROACH (LUKE II)

LUKE II is a multi-space pay station, as contrasted with individual parking meters, with a colored screen that accepts cash, credit and debit cards and (optionally) coins with wireless communications and printing capability that facilitates efficient enforcement. It is a newer generation than those used in the village, are programmable and can

- As an alternative to receipts on the dashboard accepts the following, thereby reducing cost of enforcement
 - pay by license plate number or
 - numbered parking space, entered by the customer.
- Accept cash, debit and credit cards, contactless payments, such as MasterCard PayPass, and pay-by-phone.
- Send parking expiration reminders to cell phones and allow recipients to extend time by phone (Extend-by-Phone service).
- Print out, on demand, a list of parking spaces (by number or license plate) for which payment is current.

	<u>Solar</u>	<u>NonSolar</u>
Equipment & Freight	\$11,784	\$11,152
Training	<u>\$1,180</u>	<u>\$1,180</u>
Total	\$12,964	\$12,332



INVESTMENT: SITE PREP & EQUIPMENT

	LUKE II		Automatic Gate (LAZ)	
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
Striping/Repaving	\$5,000	\$15,000	\$5,000	\$26,370
Signage	\$3,000	\$5,000	\$1,000	\$3,000
Rental Car Parking	\$14,210	\$28,420	\$14,210	\$28,420
New Fencing	\$0	\$0	\$0	\$48,000
Parking Equipment	\$12,800	25,600	\$80,000	\$100,000
Communications hookup	\$7,500	\$15,000	\$7,500	\$15,000
Total Investment	\$42,510	\$89,020	\$107,710	\$220,790

OPERATING COSTS

	LUKE II	Automatic Gate (LAZ)	
	<u>Est.</u>	<u>Low</u>	<u>High</u>
Operating Costs			
Enforcement	\$16,000	\$16,000	\$16,000
Remote Monitoring	\$600	\$12,000	\$12,000
Parking Control:			
Equipment	\$600	\$28,000	\$28,000
Maintenance and Misc.	\$5,000	\$5,000	\$10,000
Total Operating Costs	\$22,200	\$45,000	\$66,000

ENFORCEMENT CRITICAL TO REVENUE GENERATION

Regular enforcement is critical to the successful generation of Paid Parking revenue.

➤ Police Department

➤ Justice System

➤ Excess revenues from fines & enforcement returned to Airport

LONGER TERM POTENTIAL

➤ Surrounding hamlets lack adequate overnight/longer term parking.

- Wainscott
- Sagaponack
- Bridgehampton

➤ Additional parking along Industrial Road could generate significant revenue.

Lot Size (Acres)	<u>Lot Coverage</u>	<u># of Spaces</u>	<u>Daily Rate</u>	<u>Monthly Rate</u>	<u>Assumed Utilization</u>	<u>Annual Gross Revenue</u>
2.0	40%	174	\$5.00	\$150.00	50%	\$158,775
2.47	40%	215	\$5.00	\$150.00	50%	\$196,188
3.1	40%	270	\$5.00	\$150.00	50%	\$246,375

Operating and enforcement costs not included.

All assumptions, e.g. utilization and pricing, should be evaluated in more detail.

➤ Transportation Center recommended Governor’s committee led by Tom Twomey in the 1990s

- LIRR Station
- Jitney stop

FIRST RECOMMENDATION

1. BEGIN PAID PARKING AT AIRPORT [WINTER/SPRING 2015]

a. **Board Resolution:** Authorize expenditures to

i. Pave grassy area to left of entrance to terminal for 2015 rental car parking

ii. Number the parking spaces and put up appropriate signs

iii. Purchase and install Luke II multi-space parking machine

b. **Board Resolution:** Establish overnight/hourly parking rates and fines.

c. **Board Resolution:** Prohibit parking and put up no parking signs along Daniels Hole Rd. and entrance drive to terminal building.

d. Finalize enforcement arrangements and manpower needs with Police Department

e. Adjust justice system processes to segregate fines for airport parking to flow back to Airport Fund and for Daniels Hole Road parking fines to the Part Town Fund

SECOND RECOMMENDATIONS

2. NEGOTIATE LONG TERM CONTRACTS WITH CAR RENTAL COS. [SUMMER/FALL 2015]

- a. Assess demand and identify interested parties (Survey Form)
- b. **Board Resolution:** Issue RFP for up to 10-year leases of spaces to rental car companies (whether or not they presently have rental desks at the terminal)
- c. Negotiate leases, including parking, servicing and storing of vehicles
- d. Coordinate approvals with FAA and Town planning and other departments
- e. Build longer term rental car facilities as specified in signed leases