



Request for City Council Committee Action From the Department of Public Works

Date: October 9, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Subject: Impound Lot Change in Operating Hours

Recommendation: Receive and File

Previous Directives: None

Prepared by: Mike Sachi, P.E. Parking and Skyway Systems Engineer 673-2159

Approved by:

Steve Kotke, P.E., City Engineer, Director of Public Works

Presenters: Mike Sachi, P.E. Parking and Skyway Systems Engineer

Permanent Review Committee (PRC) Approval _____ Not applicable X

Policy review Group (PRG) Approval _____ Not applicable X

Financial Impact (Check those that apply)

- X No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
____ Action requires an appropriation increase to the Capital Budget
____ Action requires an appropriation increase to the Operating Budget
____ Action provides increased revenue for appropriation increase
____ Action requires use of contingency or reserves
____ Business Plan: X Action is within the plan. ____ Action requires a change to plan.
____ Other financial impact (Explain):

____ Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable
City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

Public Works has been reviewing the Impound Lot operation and is planning to implement changes to the operating hours that will become effective October 14th, 2007. These changes are part of our ongoing Parking Fund Workout Plan Initiatives. We wanted to make you aware of those changes and give you the opportunity to request additional information:

Snow emergencies – There will be no changes to impound lot hours during snow emergencies. We remain open 24/7 for the first 2 days of the snow emergency, and then back to 8:00 a.m. until 1:00 a.m. on day 3.

Current Hours Open to Public:

8:00 a.m. until 1:00 a.m. 7 days a week, including all holidays.

New Hours Open to Public:

8:00 a.m. – 10:00 p.m. Monday – Saturday

9:00 a.m. – 5:00 p.m. Sunday

Closed all City Holidays

Based upon a review of the number of vehicle releases we perform on an hour-by-hour and day-by-day analysis, the change in hours will still allow us to meet our customers needs and achieve our budgetary goals, and in addition, make our operating hours consistent with other municipal impound operations locally and nationally.

Our analysis indicates that the number of vehicle releases performed between the hours of 10:00 p.m. and 1:00 a.m. amounts to 7% of the total releases during the current open hours. This equates to approximately 8 vehicles per day that would not be released if we continued to remain open the additional hours. In comparison, the proposed new hours would reduce the number of open hours by 23%. From a business rationale it does not make sense to be open 23% more time to serve 7% of the customers. Adjusting the open hours will also allow staffing levels to be more focused where they are most needed, during the busiest times of the day.

We believe a substantial number of the customers currently using the impound lot after 10:00 p.m. will adjust to the new hours. The certified correspondence we send to the owners indicates the open hours available for pick up.

We also reviewed the number of customers that have vehicles towed into the impound lot between the hours of 10:00 p.m. and 1:00 a.m. and pick them up the same night amounts to an average of 1 per night.

The number of vehicle releases performed on City Holidays was 38% of our normal volume in 2006, and is 31% of normal volume so far in 2007. This 62%/69% reduction from our normal day does not make it cost effective to be open on a holiday. This would equate to approximately 30 vehicles per day. .

The resultant impact to staff is that all certified full time and part time personnel will still be offered the full complement of available hours (40 hours and 20 hours, respectively), while our intermittent part time staff will be called upon for fill-in and snow emergency work. Our temporary permit staff will be used on an as-needed basis only.

In order to maintain the current hours of operation, the current impound fees of \$138 per vehicle would need to increase by \$4 per vehicle to \$142 for all vehicles released. This is based upon staffing costs of \$100 per hour and 38,000 tows per year. In past situations where we adjusted either hours of operation or fees, the public was much more upset with any increases in the towing fees than reduction in operating hours. Rather than charge everyone an increased fee to pay for hours that are used by a small percentage of impound lot customers, it is our recommendation is to reduce impound lot hours.

Overall, we feel that these changes will benefit the citizens of Minneapolis by not staying open longer than necessary, and maintain our fiscal responsibility for operating within our approved expense budget, and maintaining existing tow fees at current levels.

We will be working closely with our Communications Department to announce the change in operating hours to the public.