



# Parking Automation

## & Rules to Live By

### Automation

The parking industry was slow on the uptake but new and old manufactures of hardware and software are offering all types of advances in parking automation. This rapid march forward into the world of managing a parking operation, on-street or off-street with ever far reaching levels of advanced technology and automation requires more of today's parking manager than ever. As we move towards higher levels of parking automation it seems there are three important points that we must be ever mindful of and these are:

- The basic "Rules to Live By" in managing a parking operation are the same today as they were in 1967.
- Purchasing automation without developing a new management plan that takes the strengths and weaknesses of automation and technology into consideration provide a false sense of security and leaves us open to cash control surprises.
- Developing a strong understanding of how automation will change your operation before you make a large investment.



Focus Point Parking (FPP) is the most highly automated parking operation in the country. In developing FPP we quickly realized that the most important lesson learned is that automation is totally changing how parking is managed. Parking that was once dominated by parking operations with some accounting people hidden somewhere behind the scenes should now be split into two different skills with an equal place at the table. Parking operations management is still the eyes and ears of a parking operation but now transaction management, data flow management, and communications management have become the heart of a parking operation. As parking operations move to more advanced and higher levels of parking automation, it is extremely important for the organizations upper level management to review job descriptions, management structure, and human resource priorities to prepare for the new demands automation will require. Being able to mix the new demands of managing transaction and data flow with the interwoven demands of parking operations will be the key to success.

The Parking Network's (TPN) audit division is already beginning to see the difficulties many operations are having with balancing the requirements of the old school operations focus of managing parking with the new school of combined focus operations and transaction data flow management. As one of the most progressive parking audit companies in the country, and recently recognized for discovering one of the largest tax fraud cases in the history of the City of Los Angeles City Attorneys Department, there has been one very basic issue brought to the forefront.

We realized all of the major audit findings even in the most highly automated locations were quickly discovered because we used the first rule to live by in parking. We also realized that if the management in those locations had been taught the importance of the first and second rules to live by in parking then most of our findings would not have occurred in the first place. The most important lesson to learn from this article is that automation does not replace the basics of parking and cash control management. Before we go into the rules, it is valuable to understand the background of the rules and their importance of being in every parking manager's daily life. Furthermore, before we leap into a more highly automated parking world I strongly feel it is imperative for me to stress the basics first.

In a recent review, the customer had decided four years ago to switch to a more automated parking operation. Like many, this customer had decided to leave a little bit of the old parking world in place by continuing to have a parking cashier for cash transactions and letting automation handle contract customers, credit card customers, and validation customers. The parking rates

at this particular facility were so high that most customers chose to use a credit card as their method of payment, however there were still some customers who paid by cash. When the review team arrived they immediately pulled the transaction records from the revenue control software in order to review the automated systems transaction records against the bank deposits. After reviewing these records they immediately found that the automated system was reporting revenue three times greater than the daily reports and bank deposit records. It seemed that the cashier knew management was expecting to see an increase in credit card transactions and was expecting very little cash. Six months after the operation switched to automation the cashier had gradually reduced the amount of cash reported down to the level that was discovered in the review. It is important to understand that if the first and second rule of parking been applied to this operation, this revenue loss would not have continued to be undiscovered for four years.

### **Rules to Live By**

In everything we do, whether it's just living, hobbies, special interests or work, there are those special people who taught us the "rules" in life in order to excel at each of life's challenges. In life, my parents taught me the value of always being nice to others and with my special interest which is flying planes, my mentor was a man by the name of Tom McCartney. Even though I have been flying for 45 years, I still exercise those "rules" on every flight. In parking I had the good fortune of working my first job for Monroe Carrell, the founder of and the former owner of Central Parking System. In my first years in the parking business, Monroe drilled two important rules into me that I still apply everyday in my day-to-day parking life, on every parking audit we do, and even more now that we have moved into automated parking with "Focus Point Parking".

### **Parking Rules to Live By**

- Parking is an on the streets business and if you are not on the street, you are not in the Parking Business.
- Get the tickets on the cars and the money in the bank.

Following these rules will greatly increase your ability to manage parking in the automated world.

### **Not Much has Changed**

In September 1981, I was assigned responsibility for a new city. I decided to visit one of the very busy large surface lots with cars stacked in the aisles and backed into the street waiting for the attendant to get them parked. When I returned to my office I looked at the revenue expecting to see some real numbers. Instead I saw gross revenues reported that were not even close to the simple math of rate times the number of cars I witnessed. I looked back at the revenue history and discovered that the revenue started gradually decreasing in March and in July it really began to drop. I called Human Resources to see if our employees that worked the lot were new and sure enough the attendant had just started in January. The end of the story is that the attendant quickly figured out the manager of the city was not paying attention to detail, so he began reusing tickets to divert revenue and then stopped putting tickets on the cars after 4 pm. This story was solved using both of the rules to live by in parking. Our job is to "get the tickets on the cars and the money in the bank." The city manager was failing to accomplish that rule.

Now, move forward to 2008 and the wonderful modern parking world of automation. In November a review was conducted in a high transient, 800 parking space, fully automated garage in the core of a major metropolitan city. During reviews, our audit teams takes pictures of the graphics, lanes, equipment, and anything else parking related, so that when we return home we have documented pictures to refer to if necessary. After performing the audit for one week, one of the review team members called to report that every ticket seemed to be mis-priced. They wanted to confirm the accuracy of the rates they had recorded. It turns out that in January of the same year the location had increased the contract and all of the hourly parking rates. The rate signs in the photos confirmed the new hourly rates; however, the automated equipment's fee structure had never been changed - \$260,000.00 later, we conducted a review.

Again the same rules from the operation in 1981 apply to this situation. Being on the street looking at the rate sign and then looking at the transaction records would have caught this problem. Practicing the rule of "getting the money in the bank" would have exposed the problem in February or March, when the bank deposits

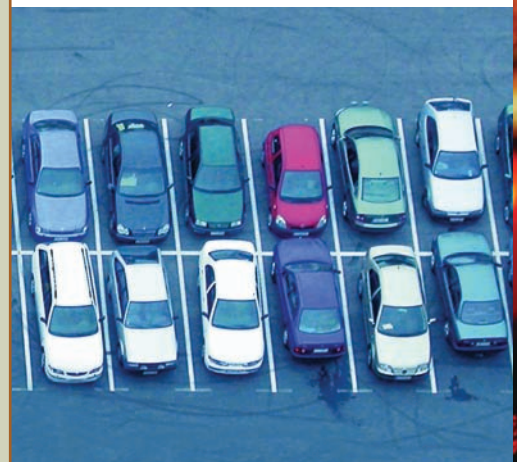
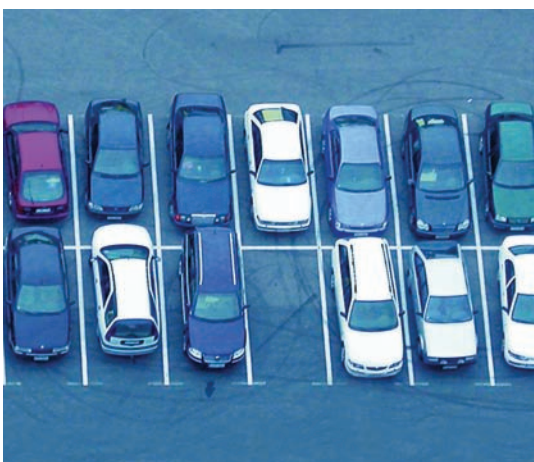
## **PARKING RULES TO LIVE BY**

1

Parking is an on the streets business and if you are not on the street, you are not in the Parking Business.

2

Get the tickets on the cars and the money in the bank.



did not increase from the levels of the prior months.

The “on the streets” part of the parking rules to live by has not really changed much from 1981 to 2008. The main difference today is that the streets may not be just asphalt with yellow or white stripes, but part of the streets may be paved with digits. It does not matter how automated you become; nothing replaces the “on the streets” part of the rules to live by. You still have to walk the facility, walk the market, and observe the traffic levels firsthand.

FPP’s fully automated operations use automated pay stations, voice over IP, video, and Web based applications to remotely manage a parking operation. FPP has developed a Command Center in Austin, Texas with highly trained parking, customer service, and accounting professionals who staff the intercoms, transaction monitoring stations, and video twenty-four hours per day seven days a week. The automation available in 2009 makes much of this appear seamless but the reality is that we still have a long way to go to achieve full automation. FPP’s staff has worked very hard to develop solutions that fill the gaps in technology which will soon be filled with fully automated solutions.

In both the on-street and off-street parking world, all of the major suppliers of parking hardware and software provide the ability to remotely manage all parking transactions in real time. Stand alone pay stations and pay in lane devices have become very simple devices for most customers to quickly master.

Manufacturers, along with the input of many hard working customers have spent a lot of time and money developing the information flow on the face of their machines to ease the learning curve of most customers.

## **Conclusion**

In writing this article it would have been easy to talk a lot about the different levels of technology that are in place to assist with full automation, but I don’t believe that is the most important lesson. Technology is changing so fast that before this article is published this information could be outdated. One thing that never changes is the “rules to live by”. When change is coming this fast the only way to survive and thrive is to practice the basics. How they are applied may change slightly but my concern is with letting automation cause them to be overlooked.

Deciding to move to a higher level of parking automation requires much more than just doing your homework to learn about what kind of automation is out there and which equipment has the best performance record. Making the decision to go to a higher level of automation means you will have to completely restructure your operation from Human Resources, training, to policy and procedures. Purchasing equipment and software is but one phase of the transition. ■

