

Memorandum



To: Ann Arbor DDA Board.

From: Jada Hahlbrock, DDA Parking Manager.

Date: June 3, 2026.

Subject: PCI Municipal Services Contract Year Four 2025-2026.

DDA FY26 is the fourth year of five in the DDA/PCI contract signed in early 2022. As such I thought it would be timely to provide information on PCI's performance in their fourth year.

Overall Assessment

The public parking system consists of 7,475 parking spaces, plays an important role downtown, and serves an average of 13,000 users daily. In the past year, PCI Ann Arbor's staff has demonstrated an ability to respond to changing conditions, advance internal and public facing operations, and deliver contract required elements.

Of note this year are the following:

- Planning for and implementing curb use and off-street operational changes, as well as managing significant meter bag activity related to an extremely busy downtown construction season.
- Continued efforts to increase employee engagement including the launch of an employee wellness platform, town hall meetings for staff, and parking system specific training.
- Coordination with contractors during a busy year of electrical and restoration work across the system, including a substantial painting project at the Maynard Structure.
- Continued attention to safety for both system users and employees. These efforts included the installation of upgraded carbon monoxide detectors, the refinement of bomb threat protocols and an updated emergency procedures flip chart.
- Continued attention to facility cleanliness during daily facility tours attended by management and frontline staff.
- Implementation of a new phone system vendor and successful transition of all phone lines (offices, elevators, call boxes, and equipment) to improve service reliability and support.
- On time submission of all contract required reports and documents.
- A lost ticket percentage averaging .44%, well below the goal of 2% or less.

Metrics for Assessment and Incentive Fee

As per the July 1, 2022, management agreement between the DDA and PCI Municipal Services, PCI is paid an annual base management fee of \$100,000.00. In addition to the base management fee the DDA may, at the DDA's discretion, pay PCI an additional incentive payment not to exceed \$50,000.00 per year. This performance incentive is paid at the end of the contract year and is based on goals established at the beginning of the contract year and/or the following criteria: general satisfaction, special projects, facility maintenance, claim management, technology uptime, management reporting, budget compliance, auditing compliance, and training. Since this amount is within the threshold for staff approval, no DDA Board action is required.

PCI Municipal Services meets and exceeds expectations for the operation of the parking system. In recognition of their performance in the 2025-2026 contract year, the DDA will be paying PCI the full \$50,000.00 incentive payment.