

COUNTY OF ONONDAGA
Office of the
Country Comptroller

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## **NEWS RELEASE**

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## County losing \$8,500 per month on Parking Lot Contract

Comptroller criticizes RFP process and recommends contract be cancelled and process restarted, will save \$102,000 next year.

Onondaga County Comptroller Robert E. Antonacci II, CPA, released his report criticizing the awarding of a contract to Cheyenne Realty Corp. ("Cheyenne") for the management of County-owned Parking Lots A, B, & D. Mr. Antonacci questions the wisdom of awarding the contract to Cheyenne when Syracuse Parking Services, LLC was prepared to pay the County more than twice offered by Cheyenne.

"The awarding of this contract to Cheyenne cost the taxpayers of Onondaga County \$8,500.00 a month for a total loss of \$102,000.00 in year one. If the Administration renews this contract, the taxpayers will lose out on another \$102,000.00", said Antonacci.

When asked why the County decided to go with Cheyenne, Chief Fiscal Officer Steven Morgan questioned the credibility of the high bidder because of its relationship to the previous operator of the parking lots. "The fact that the principal behind Syracuse Parking Services, LLC was Murbro's point person in managing Parking Lots A, B & D is highly relevant to this discussion. Whether you consider the \$22,000 that his previous employer promised to pay the County to manage these lots or the \$16,500 that his new company promises to pay, in neither case was it realistic for the County to expect to receive the full amount of the proposed monthly payment," Morgan said in his response.

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Mr. Antonacci pointed out there are multiple ways to ensure performance if the Administration were truly concerned about Syracuse Parking Services, LLC's ability to perform. "Several things could have been done. The County could have said to Syracuse Parking Service, 'lower your bid, we don't think it is realistic'. Or require a performance bond. Or the County could have required a security deposit in the form of the first and last month's payment," Antonacci stated.

What was most shocking to Mr. Antonacci was the process by which the contract was awarded. "The RFP [Request for Proposal] was initially sent to six companies, of which Cheyenne was not included. Cheyenne's omission was most likely due to the fact that it had *no* previous experience in managing parking lots. How was Cheyenne then allowed to bid on the contract? The next glaring omission from the six companies was SMG. SMG already manages many County assets including the OnCenter parking right next to the parking lots at issue with this contract. How was SMG not included?" Antonacci questioned.

"If the Administration renews this contract, it will have to answer to the taxpayers for the lost \$204,000.00 in revenue," Antonacci said. "If the County moves forward on this contract without redoing the RFP process, the County Legislature must step in!" concluded Antonacci.

For further information please contact Robert Antonacci II, CPA, at 435-2130.