

## MISSOULA PARKING COMMISSION

### Minutes

April 6, 2017

A Board of Directors' meeting was held in the Jack Reidy Conference Room, 140 W Pine Street at noon. Those in attendance were Board members Heidi Kendall, Pat Corrick, Matt Ellis, and John Roemer. From the Parking Commission (MPC) office were Rod Austin, Director, and Tiffany Brander, Administrative Services Manager. Also in attendance were Brenda Peyton, JCCS, Jan Schweitzer, Partner and Grace McCoy, Lead auditor from Anderson Zurmuehlen.

#### **I. Call to Order:**

#### **II. Introduction and Welcome to those in attendance:**

#### **III. Public Comments and Announcements:**

There were no public comments or announcements.

#### **IV. Approval of Agenda:**

There were no suggested changes to the agenda.

#### **V. Approval of Minutes:**

Heidi Kendall moved to approve the March 2, 2017 meeting minutes with no changes. Matt Ellis seconded her motion and the **Minutes of the Board Meeting held on March 2, 2017, were unanimously approved.**

#### **VI. Financial Statement:**

Brenda Peyton presented the monthly JCCS financial documentation to the Board in Jim Galipeau's absence. Brenda reported that the prior year adjustments have now been completed on the JCCS side with the completion of the FY2016 Audit. Brenda noted that there was a change in accrued City finances which were completed in March but dated for December of 2016. These fees were added to the JCCS spreadsheet as accrued merchant fees and have been added with a monthly fee of \$9,800 with an accrued expense showing as of March 2017. Brenda pointed out to the Board that merchant fees are now included within meter expenses and stated that Jim wanted her to inform us that the ratio of meter expenses to meter revenue with these additional charges is extremely high at 26%. Matt Ellis requested that MPC staff sit down with the City Finance department to discuss these merchant fees and determine how we can get more detailed reports on a quarterly basis if not sooner. Lastly, Brenda informed us that the Business Promotions expense is a bit higher than normal due to two months of payments to the Downtown Partnership coming out at once as well as the TBID Officer contribution.

#### **VII. Communications and Presentations:**

A. Jan Schweitzer & Grace McCoy, Anderson Zurmuehlen (A&Z) – Discussion regarding FY2016 Audit

Grace McCoy presented highlights and notes regarding the FY2016 Audit Report to the Board. She noted that A&Z provides MPC with an auditor's report, which is an unmodified report on the financial statements and identifies any internal control deficiencies or material weaknesses. Grace noted that there were two financial statement highlights in which revenues increased by \$250,967 (14.3%) while expenses increased by \$126,000 (6.5%). In looking at revenues by source the majority of MPC revenue comes from parking revenue and this year's ticket revenue has again showed a decrease as expected. On the expenses side Grace noted an increase in operating expenses which is mostly due to the meter modernization project. Lastly, Grace briefly touched on expense by classification, days of cash on hand, and MPC working capital ratio.

Jan Schweitzer discussed the audit findings with the Board. This year the financial closing process didn't happen as it should or has in the past on the City Finance Department side, which resulted in an audit finding. Jan indicated that based on conversations she has had with Leigh Griffing of the City Finance Department, they will be making steps towards improving on the issues they had this year. Heidi Kendall asked if having our own outside accountant is making things more or less difficult. Jan stated that it just didn't seem like there was a lot of communication between City Finance and JCCS in the past. There is now more communication happening between the two due to the findings. The Board did not have any further questions, but directed staff to set up a meeting between City Finance, JCCS, and staff to discuss this matter further.

**VIII. Director's Report:**

Rod Austin began his report with an update on jurisdictional expansion requests. Rod has been in contact with different groups throughout the City regarding potentially expanding MPCs jurisdiction in the UM Residential area, the Hip Strip and the Brooks Street Corridor. He indicated that he will be working with each group to try to help them decide on jurisdictional expansions and some possible next steps for them to take. Rod indicated that he sees us as the parking commission for the city and not just for the downtown area. He would like us to partner with jurisdictional expansion explorations and offer more support to future projects. Matt Ellis agreed that MPC is a partner in the City of Missoula but also does not want the Parking Commission to spend any money on projects or studies until there is full support of the project from all stakeholders.

Rod briefly discussed an update on security in Central Park. He indicated that he is still waiting to receive a quote from the Sherriff Department Reserves, but at this point it is likely that MPC will proceed with Black Knight Security to provide additional security during the Thursday-Saturday evening/early morning hours.

Lastly, Rod informed the Board that he will be out of the office from May 10, 2017-May 31, 2017 and will be available by phone and email intermittently.

## **IX. Action Items:**

### **A. Kimley Horn Contract for gate arm equipment and LPR**

Rod Austin informed the Board that the next step to replacing malfunctioning gating equipment in Central Park, Park Place and Caras Lot as well as purchasing new equipment for the Student Housing project is to enter into a consulting contract with Kimley Horn for a total cost of \$48,000.00. Rod requested that the Board approve the contract so he could present a Budget adjustment to City Council to have the contract amount added into MPC's FY17 budget. Rod indicated that MPC has the funds available, and is going to Council for a budget amendment so the contract can begin before FY18 as time is of the essence for this project. **Heidi Kendall moved to approve the contract with Kimley Horn in the amount of \$48,000.00 for consulting services. Matt Ellis seconded the motion and the request was unanimously approved.**

### **B. Leased Parking Increases**

Rod informed that Board that after their request for further information on lease parking increases at the last meeting, he prepared a recommendation. Rod recommended increasing lease rates in our structures (Park Place, Central Park and Bank Street) by \$10/month and all lots and all on-street leases by \$5/month beginning in July of 2017. Rod indicated that he is presenting this request to the Board as an effort to provide additional revenue for a variety of reasons. The increased revenue could be used to support increased costs for maintenance and enforcement staff as well as answer the supply and demand needs of our jurisdiction. The increase in rates will also allow the MPC to keep up with the rising costs of business and continue providing parking and parking alternatives within the downtown area.

Lastly, Rod noted it is the responsibility of MPC to provide adequate parking within our jurisdiction and we currently do not have sufficient revenues to keep up with demand. In reviewing our current lease waiting lists, staff determined that we have a need for well over 600 spaces with approximately 350 of those spaces being within our three structures. Essentially, if MPC were to build another garage the size of Park Place, it would easily be filled with our current waitlists and still leave others in need of parking. Increasing lease rates would allow MPC to once again accumulate cash reserves to assist in providing the necessary parking to keep pace with the growth Downtown is currently experiencing.

Heidi Kendall asked Rod how seasonal traffic such as snowbirds affect the waitlists and empty spaces that can be seen in some of the lots. Rod indicated that this is something we consider when leasing and do have a policy to over lease certain areas with that information and usage in mind. Pat Corrick indicated that he feels this would also be a great time to look at reworking our

lease document. Rod agreed and stated that staff would send the draft they have been working on for Board review and discussion with the hopes of finalizing the policy at the May or June Board meeting. John Roemer indicated that he is anxious to get the increases going but wonders if a \$10 per month increase at once might be too much. Pat Corrick felt that \$10 and \$5/month was not an unreasonable increase and asked Matt Ellis, as a Downtown Business owner, what his thoughts would be? Matt indicated that any increase is tough as parking is already a big expense for him at approximately \$6,000 per year. The increase would add another \$600 to that, but he also understands the need for it and supports the increase.

**Heidi Kendall moved to approve FY2018 increases as proposed to include a \$10.00 monthly increase in all structures (Central Park, Park Place, and Bank Street) and a \$5.00 monthly increase for all other lease areas. Matt Ellis seconded the motion and the request was unanimously approved.**

C. Right of Way (ROW) Use Policy

Rod presented staff's ROW Use Policy draft to the Board for review, and explained that the fee schedule would include short-term, mid-term, and long-term use. Short-term would be any use for a period of 1-6 business days with a rate of \$10.00 per space per use, mid-term would be any period of 7-29 business days with a rate of \$7.00 per space per use, and long-term would be any period of 30+ business days with a rate of \$4.00 per space per use. Rod indicated that this policy is what he had previously discussed with Development Services during an initial exploration of a need for a ROW use policy, and would like the Board's approval of the financial portion of this policy.

Pat Corrick asked Rod what is the rationale for the cost reducing the longer a space is being used? Rod answered that in short, it would be so as to not hinder development in our Jurisdiction. Pat Corrick stated that if you want to take up parking you need to pay for it and as long as the customer was informed of the cost before a project began he would like to see the rate stay the same as a daily rate. Pat indicated that he would like us to have more conversations with the Mayor's office, MRA and Development Services before going forward with a vote to approve the policy. **Pat Corrick moved to table the approval of the ROW Use Policy until our next Board meeting. Matt Ellis seconded the motion and the motion was unanimously approved.**

**X. Non-Action Items:**

A. New Business

1. FY2018 Budget Updates/Requests to Council

Rod briefly touched on the requests that staff would be presenting to City Council for the FY18 Budget process. The requests will include an additional maintenance worker, a higher training and travel budget, an increase to the office supplies budget, and the addition of a budget line item

for yearly parking consultant fees and Accredited Parking Organization fees. The Capital Improvement Program requests for this year will include lighting and paint upgrades in Central Park, gating equipment, License Plate Recognition; and a new office printer.

B. Old Business: N/A

**XI. Setting of next meeting date and adjournment:**

Next Meeting is scheduled for Thursday, May 4, 2017 (Jack Reidy Conference Room).

Respectfully submitted,

Tiffany Brander  
Administrative Services Manager