



A Regular Board Meeting of the Missoula Parking Commission was virtually held on **Tuesday, June 8, 2021**, at **12:00 p.m.** Those in attendance were Board members Joe Easton, Peter Walker-Keleher, Glenda Bradshaw, Pat Corrick, and JR Casillas. From the Missoula Parking Commission (MPC) were Tiffany Brander, Parking Services Director, and Jodi Pilgrim, Parking Services Manager. Also in attendance, Leigh Griffing, City of Missoula Finance Director; Aaron Wilson, Infrastructure and Mobility Planning Manager, City of Missoula; John Corwin, Downtown Missoula Partnership; and Jim Galipeau and Brenda Peyton from JCCS.

- 1. Call to order**
- 2. Introductions**
- 3. Public Comments & Announcements**

Aaron Wilson is working with a group of consultants on a project for improving Higgins Avenue between Brooks and Broadway. This project came out of finding in the Downtown Master Plan. The DMP made some initial, conceptual, recommendations for that area. The Metropolitan Planning Organization (MPO), which is managed by Aaron, contributed funding and the City contributed the other half to engage consultants to look at a more refined concept for the area. With a concept in place, they will be able to identify funding and implement the plans. Timing is good for this project because the Higgins Bridge will be finished later this year – the first half is already open. They are in the early stages with the consultants – Kittelson and Associates working with DJ&A. Peter Walker-Keleher is also on that project team. The project will go public in July and there will be public meetings. They are planning to look at parking as a component of the improvements on Higgins. There is limited space there, so changing facilities will be looking at travel lanes, parking lanes, and existing curb and sidewalk. They will look for better transit access – there has been discussion of the 15-minute transit service going down Higgins in the future. There will be a role for parking thinking about the North and Southside of Bridge, especially in the Hip Strip. There is a lot of development happening there and we should be thinking about parking with that. This will be a good opportunity to think about transportation and parking holistically. They will reach out to the MPC Board again when they start developing recommendations. There were no questions.

- 4. Adjustment(s) to the Agenda** – Joe Easton suggested that we switch the Director discussion, item 10-b-i, to last, item 10-b-ii.

- 5. Approval of Minutes**

- a. Board Meeting held April 13, 2021

Pat Corrick noted that there were a couple of misspellings in the letters that were attached to the minutes and believes they should be fixed, but he moved to approve the minutes. JR Casillas seconded the motion. Tiffany Brander explained that the words were just copied and pasted directly from the original communications unaltered. We didn't want to change any citizen's words. Pat updated his motion to approve the minutes as they are. Through a roll call vote, the minutes from April 13, 2021, were unanimously approved.

- 6. Communications and Presentations - None**
- 7. Financial Statement – March Financials and April Financials**

Jim Galipeau addressed the dashboard for March 31st financials. On the assets side and liability side, there were no changes. The cash and investments recap at the bottom of the balance sheet showed \$762,000.00 net cash available. Jim indicated the income statement revenues are coming up; meter revenues are at \$74,000.00 and parking ticket revenues are at \$23,000.00. Net income from operations was \$139,000.00, with the year to date at \$695,000.00. When we pull out interest and depreciation, we are at \$131,295.00 for the month which puts us into the black \$57,441.00.

Glenda Bradshaw asked what goes into the short-term parking bucket. Tiffany stated it is mostly anything that is not meter parking, but anything else that is a quick trip – garage revenue from Central Park, ROAM, and Park Place including pay on foot stations. Glenda asked what is included in special parking. Jodi stated that special parking, RPP sales, boot payments, Museum Lot rent, and miscellaneous.

Jim Galipeau presented the April financials and indicated revenues are gradually increasing with meter revenue at \$87,000.00 and ticket revenue at \$20,000.00. Jim covered expenses for the month and noted the payroll expenses were higher due to a third pay period in the month. Jim indicated net income was at \$36,000.00 with a net loss after applying the city contract which leaves the cash available number at about \$821,000.00.

8. Director's Report – Tiffany Brander

Tiffany indicated the majority of what she would normally report on in a Director's report will be touched on later in the meeting so she would just be providing a brief update on staffing. The recruitment for the third maintenance worker was successful and the position would be filled as of June 21 and the Parking Enforcement Officer division will be fully staffed as of June 14th.

As an introduction to the first action item, Tiffany indicated MPC received a funding request from MRTMA for \$6,000.00 which is the same amount as historical requests. Lastly, she indicated that staff is in support and would recommend approving the funding request.

9. Action Items

a. Missoula Ravalli Transportation Management Association Funding Request - \$6,000.00

Glenda Bradshaw moved that we authorize the grant request for MRTMA for \$6,000.00 for FY2022. JR Casillas seconded the motion. Peter asked if their fiscal year is July to June? Tiffany stated she believes it is. He noticed that it is considerably lower than FY 20 but understands why that would be the case. No public comments were received, and the motion was unanimously approved through a roll call vote.

b. FY22 Budget

Tiffany indicated there are three new CIP items requested in our FY22 budget that amount to \$230,000. The first is for \$80,000 to replace the AT&T modems in MPC's 134 parking meter kiosks. AT&T is switching from 3G to 5G and at that time, our current modems will no longer work. The change will take place in January of 2022, but we need to get them ordered and work on installation as soon as possible. The second CIP request is a core replacement for two of our enforcement scooters. The last replacement moved us from a gas model to an electric model and she intends to continue replacing our older scooters with electric versions to support our sustainability goals. The expense for the two enforcement scooters is \$90,000. Lastly, with the new enforcement scooters, we will also need to add and replace LPR equipment for approximately \$60,000.00. She met with Leigh about how to finance the project.

Leigh pulled up a spreadsheet listing Equipment Lease Financing Options. She stated the financing tool we have on hand is a municipal equipment lease financing structure that the City has used with US Bank for years for core equipment replacement. One great thing about the program is we won't

have to draw up an excessive amount of legal documents each year. This morning we received the most recent indicative rates from US Bancorp which go from 1.15%-2.15% for a ten-year term. This is similar to leasing a vehicle where the bank holds the title for the assets we purchase, and the financing is through a reimbursement structure. The Parking Commission would make the payments upfront, get reimbursed from the bank, then enter into a 3, 5, 7, or 10-year lease with annual payments. The spreadsheet lists annual terms as an example although actual terms will be negotiated with US Bank based on the items being financed. For example, at one point the older scooters were older more mechanical vehicles, and we might have financed them on a 3 or 5-year term; however, because the current electric vehicles have a longer life, they may be eligible for a 7-10 year term.

Peter Walker-Keleher stated the price of the two enforcement scooters jumped out at him and asked Tiffany if she would discuss the due diligence that went into researching options for the enforcement scooters. He understands specialized equipment is often more expensive because they aren't producing millions of them, but he asked to learn more about the \$45,000 per scooter cost. Tiffany explained that the gas options are cheaper, but the life of the vehicle and gas savings over time and repairs to the vehicle make up for it. We choose the Go-4 electric scooters for several reasons but some of the reasons are that they are the preferred vehicle of our enforcement staff and they are much safer in our environment due to their small size agility allowing them to move in and out of traffic easily without blocking traffic. Before purchasing new vehicles, Tiffany goes over a wide variety of options with the City of Missoula Fleet Manager, and they determine the best option together. Peter indicated he will send Tiffany a different option he found for her review. It is essentially an electric tricycle that is covered and probably similar in geometry to the current scooters and are around \$9,000.00 each.

Glenda asked if we capitalize the labor over the life of the asset when we do things like a modem replacement? Leigh explained it is not always expensed. If it is part of the installation offered by the company, that gets expensed upfront. Tiffany explained that in this situation, our maintenance staff will be doing the installation of the modems. Leigh stated that in that case, she would defer to the CPAs, but we would not. Jim agreed that we would not capitalize it.

Peter asked if this is to be voted on today? Tiffany said one singular vote after we finish discussing the overall budget, but if the chair wants two separate votes, we can do it that way.

Tiffany moved forward with the rest of the budget requests. There is one baseline adjustment that gets done every year for our utility increases for around \$3,000 for the year. Tiffany shared her screen to go over the FY22 operating budget. She indicated the spreadsheet information is not very different from the other budget discussions we've had in the past few months. She has remained conservative with revenue numbers and are still trying to keep expenses down while still funding our typical items. Overall, we are at 1,034,283 revenues available for debt service which results in a debt coverage ratio of 2.04 which surpassed our 1.25 coverage ratio requirements and allows for a bit of wiggle room for additional expenses.

Peter asked if this was shared with the Board previously? Tiffany stated that it was shared as part of the rate review discussion, but we were focused on revenues at that time. There is not a lot that differs from years prior.

Glenda Bradshaw moved that the Board based on Tiffany's presentation today, authorize the expenditure request to City Council in the amount of \$230,000 for three capital improvement projects for the upcoming year and as well as the request for baseline adjustment from City Council for utility increases of \$3,000 and finally, approval of the revenue and expense worksheet, shared by Tiffany, that shows a debt coverage of 2.04 with a reminder that our bond covenants require us to have a minimum debt coverage of 1.25.

Pat Corrick seconded the motion and asked for it to be read again. After the motion was restated, Pat indicated that he would like to request a modification. Pat asked if there is a window to take

advantage of financing with equipment leases for the replacement enforcement scooters. Leigh responded it is mostly open and the City generally does equipment leases in the spring or the fall. He asked Leigh if we postpone this for a month would we have time to get in on the current purchase option? Leigh indicated there would be enough time to do so.

Pat moved that we further explore options on the enforcement vehicles, but we approve the rest of the budget. Tiffany confirmed that he was wanting her to further explore the Elf vehicle that Peter suggested earlier in the meeting. Pat responded that he would like her to look at that vehicle and other options to ensure we look at a full range of vehicles. Tiffany clarified that during the replacement process, she reviews a large range of vehicle options ranging from single seat and double seat Parks & Recreation vehicles all the way up to sedans and trucks. The requirements for keeping our PEOs safe and comfortable, including heat, air conditioning, a roll cage, steel doors, maneuverability, etc.) are all considerations we look into. Pat indicated he agrees with Peter in that the Go-4's are a bit of a sticker shock and he thinks we should look at the Elf and other available options. Tiffany indicated she would get a presentation ready for our next meeting.

Joe asked for a clarification of the motion and gave options since we don't have an official second on Glenda's motion.

Pat asked the rest of the board if they want an evaluation of the scooters.

Glenda does not think a review should be done based on what Tiffany just said. It seems like Tiffany and the team did their due diligence. She indicated she was certainly happy to take a second review of things but based on the number of vehicles Tiffany referenced she believes we are set.

JR is comfortable with what has already been done in terms of due diligence.

Peter is with Pat in reviewing. I can appreciate the need for comfort but maybe we encourage staff to be thinking more broadly; maybe there is equipment in terms of clothing or fans, or even bonuses, or a lot of ways that those funds could come back to be used to improve conditions for staff. If the Elf was deemed less safe, then to me they are a non-starter; I think that is paramount. It's one thing for staff to say "oh, I need the air conditioning" or whatever but maybe there is a ... I have an electric vehicle I purchased for \$16,000, a Volkswagen Golf, and I just find it tough in terms of our fiduciary responsibility to approve those vehicles for \$45,000.00 so I would be comfortable with a little more due diligence. I can respect staff's choice but until that happens, I think I would have a tough time supporting that CIP request right now.

Joe indicated he was still waiting on a second to Glenda's motion to approve all three budgetary items. No second was received and the floor was opened for a new motion

Peter Walker-Keleher moved to approve the FY22 budget and all CIP items with the exception of the enforcement vehicles. Pat seconded.

JR noted that he did not 2nd Glenda's original motion although he is comfortable and satisfied but given the fact we have the option of waiting, I'm also fine with waiting a month. Since we aren't under the gun timewise, I don't see a problem waiting a month, despite the fact he is okay with moving forward with it now. Glenda added that she does always think it's good to look around but Tiffany's departure and since due diligence has been done, she feels that there are probably other priorities that need to be done. Peter asked from the standpoint of just doing their job, is there any emergency to purchase them? Tiffany stated that we have existing vehicles that can support our operations. There was no public comment received and the motion was unanimously approved through a roll call vote.

10. Non-action Items

- a. New Business**
- b. Old Business**

i. Discussion regarding daily contractor codes

Tiffany introduced the discussion indicating that Pat had mentioned he would like us to have a general overview of our contractor codes so she asked Jodi to pull together some information from our last few years including the number of codes, the number of uses, and the revenues attached to that to present to us today. Tiffany asked Jodi to go ahead and present that information to the Board and she began by sharing a spreadsheet labeled Contractor Code Info for Board.

Jodi stated currently our contractor rate \$10.00 per space, per day and the information shown is from Fiscal Years 19, 20, and 21. The spreadsheet shows the number of codes issued; the way that we give out contractor parking is typically through a code that the contractor can enter into the meter to give them the discounted rate. You can see those numbers as 525 for 2019, 490 in 2020, and 305 to date in 21. Some businesses use one code multiple times, others use one code per job, it varies by user, so number of uses was added to the spreadsheet with a "use" translating to a \$10.00 charge. One thing to make clear is the distinction between the codes and the right-of-way. They are the same cost per space per day but with right-of-way agreements, we don't give a code for businesses to enter into a kiosk, they are charged by invoice. An example of right-of-way use would be Northfork Builders who have set up temporary sidewalks surrounding the hotel construction at Pattee and Main which are parking spaces that are not able to be utilized by transient parkers during the construction process, so the contractors pay in advance to block off those areas and spaces. Lastly, there are our revenue totals on the end.

Joe asked if there were any questions for Jodi. Pat asked if we have a progressive rate where depending on how long a project lasts we increase the rate over time? He indicated he would like Jodi to circulate the spreadsheet so we can spend some time thinking about it and then perhaps make a proposal for the next meeting or the meeting after that to possibly restructure our contractor rates. Jodi indicated that as of now we do not have a progressive rate, it's just the \$10.00 per space per day but she would circulate the spreadsheet to the Board after the meeting. Pat asked what the average meter generates per day. Jodi responded that the total rate per space per day would be \$18.50 for a whole day although most meters are not used the whole day. She asked Tiffany what the average is. Tiffany indicated that pre-Covid our most common park was \$2-3 per park but she does not have that number currently. Pat said he was just curious if we were to take the meter revenue for short term and divide it by the number of days, what would it be? It may be lower, but it would be interesting to see. Tiffany said they could get that number for their next meeting to add to the discussion.

ii. Parking Services Director Recruitment Update

Joe addressed the Director recruitment. The search began in April, we solicited and received candidates, and Joe reviewed the submissions and selected a pool for interviews. We had a panel of Joe, Glenda, Aaron Wilson, and Tiffany. We talked with six candidates and narrowed that pool down to a smaller pool for the second round of interviews which are taking place this week. After the second interviews are completed, in consultation with City HR, Glenda, and potentially another one of the three board members, we will work to make a selection and begin conversations on compensation, benefits, and a start date. The process will be to reach a consensus, discuss a start date that meets our needs as a commission, and also considers Tiffany's needs, and a background check. Generally, the timeframe will be the second round this week, hopefully reaching consensus at the end of the week, offering next week, and discussing a start date with that. Joe stated he is confident the process has been good so far and we will have a candidate to recommend.

Glenda added that Joe provided a good summary, and it has been a good process. There were six great discussions and there were a couple that rose to the top. There was near-unanimous support for those top candidates, and she looks forward to furthering discussions with them tomorrow. She thinks it would be great if another board member wanted to participate and thought the partnership with the City was great as they were very supportive. Having Aaron on the panel was great for looking at parking and transportation holistically and overall felt the process went well.

Joe asked for any questions.

Peter plans to meet one of the top candidates tomorrow and offered his support if another board member's participation is needed.

Joe is happy to have additional board participation that does not result in a quorum.

11. Setting of next meeting (July 13, 2021, Jack Reidy Conference Room or via virtual meeting) **and adjournment**

Respectfully submitted,

Jodi Pilgrim
Parking Services Manager