

PUBLIC WORKS COMMITTEE REPORT

April 21, 2011 1:55 PM

City Council Chambers

Members Present: Jason Wiener (chair), Ed Childers, Bob Jaffe, Dave Strohmaier, Pam Walzer, Cynthia Wolken,

Members Absent: Dick Haines, Renee Mitchell, Stacy Rye, Lyn Hellegaard, Marilyn Marler, Jon Wilkins

Others Present: Anne Guest, Dennis Burns, Ron Austin, Kathy Lathrop, Cyndie Winchell, Mary Ann Skrnich, Cotey Newell, Jinny Iverson, Jim Payton, John Smith, Ellen Buchanan, Scott Sproull

I. ADMINISTRATIVE BUSINESS

- A. Approval of the minutes of [N/A](#)
- B. Announcements – None
- C. Public Comment on Non-Agenda items – None

II. REGULAR AGENDA

- 1. [Discussion Date: 04/21/11] Update from the Parking Commission. ([memo](#))([Parking Fines](#)) ([Policy Review](#)) ([Ltr: Iowa](#)) ([Ltr: Hensley](#)) ([Draft Parking Ordinance](#))—Regular Agenda (Bob Jaffe) (Referred to committee: 03/07/11) (HELD IN COMMITTEE)

Jason Wiener opened the meeting by saying this meeting would be in discussion format with Dennis Burns and the Parking Commission.

Ron Austin, Chair of the Parking Commission introduced Dennis Burns as the Senior Practice Builder and Regional Vice President for Kimley-Horn & Associates, a graduate of the Certified Administrator of Public Parking Program, and he has been in the parking business for over twenty years. He has worked with downtowns from the largest cities in the world to communities like Missoula, he was the parking consultant on the Downtown Master Plan, and he has worked with the Missoula Parking Commission for four years.

Ed Childers said there are concerns about how to predict revenues when the structure of parking fines and fees is changed because we are required to have a certain amount of money to cover our bonds and keep the interest rates low.

Dennis Burns said to protect, grow and diversify the revenue streams is a very important aspect of the Master Plan process. Parking fines are very low in Missoula compared to other cities. The issue is raising the parking fines will generate more revenue, however if it actually has the intended result of changing behaviors it could result in decreasing the enforcement revenues. It could also result in freeing up the parking spaces on the street and overall increasing business revenues. This is a difficult question to answer because the reality is there are so many factors to consider, if you raised the rates \$1.00 an hour and at the same time a restaurant went out of business and the street was closed for construction or fuel prices soared or we went to war, then which of those variables really had more of an impact on the decrease. Parking fines is generally has less than one percent impact, a change from \$2.00 to \$15.00 could change behavior. Other communities that have done similar things have seen a decrease in parking fines of approximately five to ten percent.

Dave Strohmaier said he believes the consensus is for some type of tiered parking fine structure. The conflict is with the "oops" ticket and he asked if there was a way it could be combined with a tiered parking structure and not jeopardize our revenue stream.

Dennis Burns said the need is for the Parking Commission to bolster their revenue and support the debt service ratios with bonds, etc. The reality is the first ticket Missoula has now is so low it is almost an "oops" ticket. The dynamics is pretty much already in place without having to sacrifice the revenue. By taking a conservative approach by changing the rate structures to have lower fines on the first ticket and higher fines on the back end for repeat offenders, and then reassess the rates at the end of a year with actual figures is one way to meet the needs without unduly compromising the revenue stream.

Dave Strohmaier said there is the potential projected loss of \$80,000.00 in revenue, how can we speculate that.

Dennis Burns said the difference is you are actually doing the first ticket now, you know how many tickets are issued so you know what the reduction would be if you eliminated the current \$2.00 ticket.

Bob Jaffe we have experimented with credit card meters and that was vastly more expensive to operate than the revenue they generated, even if we raised the rates to cover the cost why would we want to just "cover the cost" and increase the revenue. Are there other technologies available to generate more revenue?

Dennis Burns said no there is not; there are multi-space meters and credit card meters that have the advantage of appearing more customer friendly.

Bob Jaffe asked if the person paying the on street parking meter rates were subsidizing the leased parking spaces and should we be charging more for the leased parking spaces.

Dennis Burns said lease spaces tend not to pay for themselves, most municipalities subsidize structured parking. The organization of parking is if you have on street revenues, enforcement revenues and off street revenues from surface lots and garages, if all of those revenues are flowing into the same pot it can make a parking system that is totally self sufficient. The system works either by the community subsidizing the parking with bonds and paying for it first; or the better solution is to have a parking commission authority or model that has all those revenue streams. Missoula has a system that is actually paying for itself and is able to build reserve. The Missoula Parking Commission now has the ability to do the most important job of investing in the community to promote additional growth through things such as structured parking programs. The first major project from the Master Plan was a parking garage.

Bob Jaffe asked if the dynamics of two separate ticket structures, meters with a fine structure and the overtime parking with a fine structure was a conflict; these are two separate issues with tickets being written for the same incident; two separate laws. Dennis Burns said that was not unique to Missoula.

Cynthia Wolken asked Dennis Burns about the time reset of six months or a year and would people actually keep track of that personally.

Dennis Burns said it doesn't sink in until they reach a level of \$40.00, \$60.00 or \$100.00 per ticket. Most people would modify their behavior before they reached that point.

Jason Wiener asked what the price of a first ticket should be and at what rate it should escalate.

Dennis Burns said the goal is to manage resources you have, for on street parking the real goal is turnover not revenue or number of citations. One of those resources is the ten hour meter; a ten hour meter becomes important because that is an affordable parking option for employees and those meters are usually on the fringes of downtown. He said you need a balanced program with variable parking times and prices because you are trying to meet several parking needs.

Jason Wiener asked what is the long term financial plan, the goals, and what amount of excess revenue over expenses is required on an annual basis if we should be thinking about building up reserves and the capacity for future investment.

Dennis Burns said you need upgrade your technology because the equipment is antiquated and is not meeting the expectations of the public. For the parking structures you need to be setting aside \$75.00 per space per year for repair and reserve funds, and the Master Downtown Plan calls for building more parking structures so you need to have that ability. You try to keep your rates as low as possible to reach your overall objectives.

Jason Wiener asked if Missoula had that kind of Capital plan and what are the specifics.

Ron Austin said we do not have a specific plan that addresses the issues but for long range plans they will need to talk about it. The current parking structure being built is being under-built because we do not have

enough money to build the size the Master Downtown plan parking strategy calls for, without a parking SID or in lieu program it will be very difficult to plan additional parking structures for the future.

Dennis Burns said you cannot expand businesses in downtown if you do not plan to build more parking.

Jason Wiener said we have been focused on the parking fines as a part of this and the fines are basically an incentive to get people to use on and off street parking appropriately, we do not want to diminish the revenue from those fines but how does the on and off street parking rates fit in with any capital plan. If we are talking about building reserves we are talking about changing those and over what time frame.

Dennis Burns said there is a need for the parking system over time to diversify their revenue structure; Missoula is overly reliant on enforcement revenue as a part of the system.

Pam Walzer said she wanted to clarify the resetting time on a parking fine tier structure, asking if you had to have a clean record every six months.

Jason Wiener said they need some concrete scenarios and until today he understood every six months there would be an amnesty day when all records are clean. We need to have more clarification on this reset and how it works.

Anne Guest said the reset time is six months from the date of the first ticket you receive, at the end of the six months the fine goes back to the original parking fine amount.

Dave Strohmaier said presumably the current parking fine structure is an assumption to service the debt for the new parking structure and what we have in place right now is adequate to service the parking structure debt. If we need excess capacity in reserve we need to bring in diversified revenue streams.

Dennis Burns said Boise did a rate increase and locked it in for four years, they also incorporated a first hour free program. After four years they were able to project revenue for any rate change of the parking meters. Then they outlined long term goals, infrastructure reinvestment, non-routine maintenance (new pickup truck) and the third category listed a whole range of things. They took the total costs of all the goals and divided the cost by four years then raised the rates to generate the revenue. These rates were raised too high and eight months later when the economy tumbled there was a fifteen percent decrease in parking meter revenue. Another option they used was to eliminate the first hour of free parking and the average stay in the parking garage went from 2.11 hours to 3.56 hours and revenue doubled.

Scott Sproull, owner of Hide and Sole, said we are talking about fees but in reality we have a tiered parking fine structure starting with \$2.00 for the first ticket and then subsequent tickets increase by \$5.00 and could tier up to \$10.00, the success depended on the enforcement on the street. We are always blaming the employees, they know how to play the system, if we don't have enough enforcement officers on the street all of this is a moot point. Why aren't we enforcing the current system and how would that change just by changing the parking fine structure.

Dennis Burns said the goal is not to capture one hundred percent of the violations. The productivity of Missoula's enforcement officers is high; they are writing a lot of tickets. Why add more overhead with additional enforcement officers, just raise the amount of the parking fine.

Cyndie Winchell, Parking Enforcement Officer, gave an example of the amount of tickets she had written this morning; she wrote eighty seven tickets, seventy of them were \$2.00 tickets; only eleven were overtime parking tickets. If these seventy tickets were free she would spend most of her time writing "oops" tickets all day, there is no physical way they could write overtime tickets or reach those higher tier offenders to get them to change their behavior. If the rates were higher then she would have more time to write the repeat offenders; more enforcement officers would just mean the additional enforcement officers would also be spending their time writing first tickets.

Pam Walzer asked if we had the technology to enforce a tiered parking fine structure. Anne Guest said yes, but with the handheld devices they cannot compute multiple tickets in one day because they have to be downloaded to the system first, but they do have the ability to tier. Pam Walzer asked about the \$80,000.00 loss of revenue if there were 40,000 vehicles and they got one ticket per year. Anne Guest gave the exact number which was 43,075 and the potential revenue would be \$86,150.00, if they all

received and "oops" ticket we would not get that revenue. Pam Walzer said that revenue would have to be made up in some way. She asked what the rates were for the parking lots.

Anne Guest said it was \$35.00 per month for the lots and \$75.00 per month for the covered parking in the structures.

Dennis Burns said he is not supportive of the "oops" ticket because of the larger need to generate parking revenues to build reserves. There has to be a concerted effort to balance these things. We need to increase the fines of the habitual offenders which doesn't include most of the downtown visitors because they are not the habitual offenders.

Linda McCarthy of the Missoula Downtown Association said there are other things the Parking Commission is doing to mitigate the parking problems. For example they are providing 6,000 downtown employees with free bus passes and the Parking Commission is paying more than fifty percent of those costs. They also pay for the Out to Lunch trolley during the summer and the Saturday morning market trolley. In addition to those things the Parking Commission helps to pay for comprehensive marketing. We have a very educated and knowledgeable staff and board of directors. The long term plan is calling for an additional three parking structures in the core of downtown and we have to find a way to build those. There is more to it than fees and fines.

III. HELD AND ONGOING AGENDA ITEMS

1. Discussion on the sizes of grease interceptors for the restaurant industry ([Grease Interceptor PowerPoint](#)) ([memo](#)).—Regular Agenda (Stacy Rye and Bob Jaffe) (Referred to committee: 04/21/08)
2. Review infrastructure conditions at the locations of serious and fatal traffic accidents: 2007-2009 ([memo](#)).—Regular Agenda (Jason Wiener) (Referred to committee: 01/25/10)
3. T4 America partner support ([memo](#)) – Regular Agenda (Stacy Rye) (Referred to committee: (Referred to committee: 08/16/10)
4. Presentation from Public Works staff regarding proposed process for finding contractors and awarding bids for reconstruction of Russell Street. ([memo](#))—Regular Agenda (Bob Jaffe) (Referred to committee: 11/15/2010)
5. Resolution to change the speed limit on Reserve Street between Brooks and 39th Street. ([memo](#))—Regular Agenda (Wayne Gravatt) (Referred to committee: 01/24/11)
6. Confirm the reappointments of Carol Williams and Theresa Cox to the Missoula Parking Commission for a term commencing May 1, 2011 and ending April 30, 2015.
7. Consider an ordinance amending Missoula Municipal Code Chapter 15.32 Entitled “Building Permits,” Providing for Low Voltage Permits. ([memo](#))—Regular Agenda (Don Verrue) (Referred to committee: 02/07/11)
8. Resolution stating its intention to consider the vacation of portions of Regent Street in the Homevale Addition, the intersection of Brooks and Stephens and the alley in Block 40 of the Union Addition. ([memo](#))—Regular Agenda (Jessica Miller) (Referred to committee: 03/28/11)
9. Consider amendments to Missoula Municipal Code 13.04, Sewer Regulations, related to gray water systems and connection upon property transfer. ([memo](#))—Regular Agenda (Steve King) (Referred to committee: 03/14/11)

III. ADJOURNMENT

Meeting was adjourned at 3:00 PM

Respectfully Submitted,
Peggy Diamond, Program Specialist
City Public Works Department