

SAUGEEN MOBILITY
and REGIONAL TRANSIT
Box 40 Walkerton, ON N0G 2V0
519-881-2504 1-866-981-2504

saugeenmobility.ca

GENERAL BOARD MEETING MINUTES

Friday, February 21, 2020, 1:00 p.m.

Board Members Present: Councillor Doug Bell, Municipality of Arran-Elderslie
Councillor Dean Leifso, Councillor, Municipality of Brockton
Mayor Scott Mackey, Township of Chatsworth
Councillor Warren Dickert, Town of Hanover
Councillor Ed McGugan, Township of Huron-Kinloss
Councillor Dave Cuyler, Municipality of Kincardine
Councillor Dave Myette, Saugeen Shores (attending for Mike Myatt until 2:40 p.m.)
Mayor John Woodbury, Township of Southgate
Councillor Beth Hamilton, Municipality of West Grey

Board Members Absent: Vice-Deputy Mayor Mike Myatt, Town of Saugeen Shores

Others Present: Roger Cook, Manager
Catherine McKay, Recording Secretary

Vice-President Warren Dickert called the meeting to order at 1:00 pm.

Disclosure of Pecuniary Interest or Declaration of Conflict of Interest

None declared.

1. Approval of the Agenda

Resolution #2020-014

Moved by Dean Leifso; Seconded by Dave Myette

That the agenda for February 21, 2020 be accepted as circulated.

Carried

2. Minutes of the January 14, 2020 General Board Meeting

Resolution #2020-015

Moved by Scott Mackey; Seconded by Beth Hamilton

That the Board approve and adopt the minutes of the January 14, 2020 General Board Meeting as circulated.

Carried

3. Business Arising from the Minutes

Electronic Meeting Attendance and Voting

- It was noted that video links and cell phones would both work and but some cell service providers are better than others. A Bluetooth device is available to connect a speaker and a cell phone. Since municipalities can appoint alternates to attend meetings, it shouldn't be necessary to spend money to connect absent members to Board meetings. It was explained that the issue is voting by email on issues between meetings.
- Prior to the meeting, the Vice-President had sent out information on the Town of Hanover's practice with respect to closed meetings to clarify the issue of when the Board should approve the minutes of closed meetings. About half the member municipalities approve closed minutes in an open session and half in a closed session. The Board agreed that it would approve closed meeting minutes at the next closed meeting, no matter the time elapsed between meetings, although the Board could call a special closed session if necessary.

4. Follow-up on Previous Reports and Recommendations

None.

5. Correspondence

Letter from the Municipality of West Grey

- Beth Hamilton reviewed the letter which was sent out to all member municipalities. Attached to the letter was a resolution passed by West Grey in support of exploring the amalgamation of transit services within Grey and Bruce Counties. This issue will also be on the Town of Hanover's Council agenda to raise awareness of the issue of moving the mobility transit service up to the county level. The Town of Hanover will circulate its resolution to the Manager and all municipalities in Grey and Bruce. Councils of other member municipalities intend to address the issue and Saugeen Shores noted the letter for filing.
- The Board discussed steps to raise the service to the County level, such as a specifically requesting to explore the issue with Grey County. John Woodbury and Scott Mackey will raise the issue with Grey County CAO Kim Wingrove and Transportation Manager Stephanie Stewart the next time they are at Grey County. The Manager has spoken to Ms. Wingrove who is aware of SMART's service.
- The Manager has been to Grey Highlands Council in the past and suggests that the Mayors Mackey and Woodbury initiate discussions with the Town of Meaford, Grey Highlands and Georgian Bluffs. It is not clear what the position of the Town of Blue Mountains is. He has spoken to Owen Sound about their service which is contracted out to First Student, although SMART could also provide a very good and cost-efficient service. The Manager will be making a presentation to Bruce County Council on April 2 and it is believed that interest there is strong.
- The question was presented of developing a proposal setting out the service level and estimated cost to provide service across Grey and Bruce Counties as a means of getting something on the table for a "yes" or "no" answer. If the service was operated and administered across two counties, municipalities would still pay indirectly, but the cost would be less with more municipalities involved.
- How a County service would fit in with Home and Community Support Services (HCSS) and how it would be reconciled with the Province are issues that need to be figured out. HCSS might want to get out of the specialized transportation business and has a six-month waiting list due to high demand, although it provides rides to people who do not qualify for SMART's service.
- All representatives at Bruce County Council are apparently not aware of the issues, so the April 2 presentation is important as an education piece in terms of who the service is provided to, how it is funded, and so on, as well as the creation of a separate mobility transit entity to be supported by the two Counties. The presentation should also focus on the point that SMART is willing to work with everybody to provide a service. It was unclear whether Bruce County's Director of Transportation should be included. It was agreed that the President of the Board should attend Bruce County Council with the Manager on April 2 and that a presentation to Grey County should then be organized.
- A question was asked about what would happen to financial reserves, employees, etc. if the service went to the County level. The response was that SMART is an entity unto itself, and could continue as is, with the only change being that it would be funded by the Counties. This would require rewriting the partnership agreement and the Counties would appoint members to the Board.
- It was suggested that the Board set up a committee or sub-committee to promote SMART to the Counties as the best solution for the handicapped portion of a county-wide transit system. A County system would provide broader service and it would be easier to work with two partners than nine. So the option of raising SMART to the County level means looking at expanding SMART's mandate rather than the Counties building new systems from scratch. There are eight municipalities in the two counties not serviced, three in Bruce and five in Grey. Owen Sound and Meaford each have their own specialized transit.
- Given that there are both political and administrative interests that need to be addressed, there should be a two-pronged approach that addresses each set of issues and works towards creating an amalgamated county service that others will want to get on board with. A liaison committee of Board members was suggested to lobby mayors. It was agreed that SMART Board members should speak to their respective Mayors to get their staffs looking at options and promoting SMART as a good service.

- Mike Myatt, Beth Hamilton and Warren Dickert will work with Roger Cook (by email if necessary) to create a presentation for the March Board meeting that will be used at Bruce County on April 2 and subsequently at Grey County Council.
- It was agreed that Mike Myatt, Warren Dickert and Roger Cook will draft a press release to be issued, noting the Board's decision as set out in the resolution below.

Resolution #2020-016

Moved by Dean Leifso; Seconded by Dave Myette

That the Board of SMART authorize the President and Vice-President to explore, with Bruce and Grey Counties, providing specialized mobility services across Grey and Bruce Counties.

Carried

6. Reports and Recommendations

2020-04 December 2019 Operational

The Manager presented the report noting that in 2019 there were three months with three pays (January, July and December), rather than the usual two which required a financial adjustment. The year ended with a deficit as usual. There was a shortfall in the gas tax reserve which is about \$100,000, but will be less due to the pay adjustment. Last year, it was \$140,000.

Resolution #2020-017

Moved by Doug Bell; Seconded by Dave Cuyler

That the December 2019 Operational Report RAC2020-04 be approved.

Carried

2020-05 2019 Annual Report

The Manager presented the report and discussion covered the following:

- The report will be amended to remove the provincial comparisons in the last five paragraphs on page 2.
- With respect to advertising, it was suggested that from a business point of view, it generates business and therefore revenue, and cancelling it is therefore questionable. SMART however, is a not-for-profit corporation. The Manager will cancel the Yellow Pages advertising given that people now have access to the internet and the 211 service, and member municipalities should have SMART contact information on their web sites. If the Board sends letters to the member municipalities outlining the work it has done so far and what it intends to do in the future, it could include a reminder to add this information.
- A strategy to lower SMART fees as a means to more gas tax revenue could be risky.
- It can be difficult to find the physical office of SMART because there is no sign on the building and perhaps one of the member municipalities might be willing to fund a sign.

Resolution #2020-018

Moved by Dean Leifso; Seconded by Beth Hamilton

That the 2019 Annual Report 2020-05 be approved as amended.

Carried

Health and Safety Policy

The Manager presented the Health and Safety Policy which was received for information. He explained that SMART has a Health and Safety Committee of one management and 2 employee representatives and is compliant as far as he knows with health and safety requirements. He agreed to verify the number of members required for a Health and Safety Committee.

2020-07 Staff Christmas Bonus

The Manager spoke to this issue, noting that SMART employees do not have the same level of compensation as municipal employees, and the Christmas Bonus in total costs about \$3,500. Also, SMART hosts a meal once a year for the staff. Discussion covered the following points:

- Historically, bonus money has not be included on employees' T4 slips which it should be. The auditor has flagged the issue every year, but advised that it is not significant.

- A different way of rewarding staff should be found that continues to recognize their contribution and is more consistent with the non-profit sector such as service awards with a monetary value, or an employee recognition program.
- Board members in favour of retaining the bonus pointed out that it is long standing and its elimination could be seen as a change to the terms of employment; many people would not find it so large as to be objectionable; it keeps the staff happy and its removal could have a negative impact; and it could be deferred to the next budget cycle, rather than being decided at the present time.
- Board members in favour of eliminating the bonus pointed out the optics, that SMART is a cost to municipalities whereas companies that give bonuses usually do so when they have a good year financially.

Resolution #2020-019

Moved by Beth Hamilton; Seconded by Dave Myette

That SMART eliminate the Christmas bonus for staff and that the Manager work with the Human Resources Committee to develop a range of recommendations for replacing the bonus.

Carried

Level of Service Committee Recommendations & Report 2020-08, Level of Service Review Comments – Revised

Beth Hamilton circulated a chart summarizing the proposed changes to hours of operation, client eligibility, and rates. Board comments and questions covered the following points:

- If Private Charters are at full cost recovery, why not add a percentage to make additional revenue.
- As for expanding the service to clients 80+ years, peer organizations do this, and the question was asked if there are any human rights issues in doing so. Usually people who are 80 years old or more have mobility issues and the service is meant for such people, along with those having intellectual challenges.
- In response to a question about why the service would be provided on Saturdays but not Sundays, it was pointed out that the adult day program in Hanover is on Saturday, and people want to go to special events, such as shopping, and when their other family members are available.
- In response to a question about the cost savings that would come from the proposed level of service and fee changes, the Manager reviewed Report 2020-08, Level of Service Review Comments – Revised, noting that it is very difficult to estimate the impact of service level and fee changes.
- Service above and beyond the basic mandate should be at full cost recovery which would result in a two-tier service. SMART is a charitable organization and should be raising money for special trips such as shopping, hockey games and so on.
- There are a number of factors, including what “full cost recovery” really means. Does it, for example, include amortization and the cost of paying a driver to wait for a client? If there is a reasonable opportunity for a driver to return home, he or she is expected to do so. Charging a waiting fee is discretionary and it was suggested that if a client wants SMART to wait three hours, he or she should have to pay for that. The Manager asked whether a client is to be charged a fee if their ride goes past 6 p.m. when service would end. It was agreed that a new User Fee Policy would cover such an issue but would not cover group excursions.
- There is some perception amongst member municipalities about the cost of SMART and that it is a “Cadillac” service. The proposed changes could assist in managing that perception.
- Feedback on the new level of service and fees would be useful and they could be re-looked at if necessary in 6 months or a year. SMART is a municipal service and there is no other similar service available 24/7, but its affordability needs to be examined. There should be exceptions medical treatments such as MRIs which go 24 hours a day, and sleep labs for which people need to arrive in the evening.
- Charter Rates could cover a university student coming home for the weekend, although that would not normally be covered by a municipal service. Charter Rates are normally for personal enjoyment trips such as going to a baseball game and it was suggested that if a person can afford baseball tickets, they should be able to afford transportation to get there.
- The Manager estimated that \$0.50 /km is more than full cost recovery including fuel and maintenance.

- The fee changes do not have to be implemented all at once, with, for example, the cost recovery amount being operational cost + 10% this year, and an additional percentage in future years.
- The Board could increase the hourly rate faster. Parallels were made to the milk quota system where overhead and depreciation are covered in the regular rates for production within the quota and a different rate is charged for production above quota. It was suggested that one rate might be feasible.
- “Administration” is 25% of operating costs and covers the office, rent, phones, insurance, wages, etc.
- The rates for 2022 will be revisited at a later time.

There was consensus amongst Board members on the following:

- To maintain the current fare structure for travel within member municipalities: \$2.00 plus mileage; \$7.50 minimum; short extra stops \$2,50 each; waiting fee may be charged.
- That Charter Rates would be (a) travel to destinations up to 15 km from SMART boundaries; (b) travel beyond 15 km to medical appointments; with “schools, programs, airports” to be deleted.
- There will not be a deadhead fee.
- Private Charter service will be offered any day, time, place, reason at full cost recovery.
- The fee changes as presented for July 2020 will be implemented.
- The proposed expansion to client eligibility by providing service for clients 80+ years of age will not be implemented.

Resolution #2020-020

Moved by Scott Mackey; Seconded by John Woodbury

That SMART adopt rate changes, based on Board consensus, as of July 2020.

Carried

The Manager is to bring a new User Fee Policy to the next Board meeting and work with the Level of Service Committee (by email if necessary) to define “private charter” which is essentially service outside of all other service parameters, and determine an amount that would represent full cost recovery for private charters.

The eleven recommendations under “Other Recommendations” will be added to the agenda for the next meeting.

Resolution #2020-021

Moved by Scott Mackey; Seconded by Ed McGugan

That the SMART Board direct the Manager to develop a new user fee policy.

Carried

2020-09 2020 Proposed Operational Budget

The Manager presented the report, noting in particular the delay in receipt of gas tax revenue and ICIP capital funding. The Board discussion covered the following points:

- Budgetary increases for the next five years should be known now so that the Board can make informed decisions. Questions should be asked about cost containment and whether SMART can justify all of its staff, given that 15% is typical for administration and SMART, at 25%, is above that, with administration being mainly staff costs, and staff increases not having been fully justified in the past.
- It is important to define what “administration” includes before making decisions about cutting it.
- If all revenue including capital and grants are taken into account, there would be a \$30,000 surplus to be put towards the deficit.
- The role of the Board was raised, noting that it has created a direction and needs to rely on its manager to run its transit operation. If the proposed budget is too high, the Board should say so and communicate its expectations to the manager.
- Some Board members want to see steps to reduce costs, as it is difficult to sell a contribution above a certain amount to municipal Council. The decisions made at this meeting are one part of a cost reduction approach, which has to be considered as a work in progress. It is obviously important to SMART to keep

its contributing municipalities within the organization although the budget represents a 13.6% increase in municipal funding.

- In response to a question about whether the maintenance budget is sufficient given the age of the fleet, the Manager pointed out that it is a variable cost and may not be enough.

Resolution #2020-022

Moved by Scott Mackey; Seconded by John Woodbury

That the SMART Board approve the total operational and capital budget as presented.

Carried

7. Other Business

Presentation for Bruce County Council

This item was discussed earlier under **Letter from the Municipality of West Grey**.

HR Committee Update

The Vice-President informed the Board that the HR Committee is working towards providing the manager with clear direction in terms of goals and objectives, and budget, and it is a work in progress.

8. Directors' Recommendations and Directives

There were none.

The manager requested clarification from the Board as to the eligibility for SMART service of people who live in long term care facilities outside of a funding municipality but own property and are taxpayers in a funding municipality. The issue arises from a specific situation which was brought to the attention of a Board member who raised it at Council. The following points were made in the discussion:

- The criterion for service is that a person be a "resident", but it is not clear what the means. It was suggested that the definition for income tax purposes be used and that it be consistently applied, as meaning resident in one of the nine municipalities.
- It was suggested that the person in the specific situation be "grandfathered" and noted that under the new service levels, the person could get a private charter for their ride. The Manager agreed to cover the issue in the new user fee policy.

9. Adjournment

Moved by Dean Leifso; Seconded by John Woodbury

That the Board of Directors of SMART adjourn at 4:20 p.m.

Recording Secretary Meeting Attendance

The Recording Secretary attended the following meetings:

- January 14, 2019
- February 21, 2020



Warren Dickert, Vice-President



Catherine McKay, Recording Secretary