

# **SAUGEEN MOBILITY**

## **and REGIONAL TRANSIT**

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### **GENERAL BOARD MEETING MINUTES**

Friday, December 2, 2020, 1:00 p.m.

**Board Members Present:** Councillor Dave Cuyler, Municipality of Kincardine  
Councillor Warren Dickert, Town of Hanover  
Councillor Beth Hamilton, Municipality of West Grey  
Councillor Dean Leifso, Municipality of Brockton  
Councillor Ed McGugan, Township of Huron-Kinloss  
Vice-Deputy Mayor Mike Myatt, Town of Saugeen Shores

**Board Members Absent:** Councillor Doug Bell, Municipality of Arran-Elderslie  
Mayor Scott Mackey, Township of Chatsworth  
Mayor John Woodbury, Township of Southgate

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

The meeting was conducted by videoconference in light of the COVID-19 pandemic.

**1. Call to Order**

President Mike Myatt called the meeting to order at 1:08 p.m..

**2. Disclosure of Pecuniary Interest and Declaration of Conflict of Interest**

None declared.

**3. Approval of the Agenda**

**Motion #2020-100**

Moved by Ed McGugan; Seconded by Beth Hamilton

That the agenda for December 2, 2020 be amended to add item 8 B “Human Resources Policies” and that the Board accept the agenda as so amended.

**Carried**

**4. Minutes of the October 23, 2020 Meeting**

**Motion #2020-101**

Moved by Beth Hamilton; Seconded by Warren Dickert

That the minutes of October 23, 2020 be amended to replace the second sentence in the 14<sup>th</sup> bullet point in item 7 E with the following “Dean Leifso suggested that it may not be a change in the partnership agreement since it would only be recognizing that the 2020 statistics were abnormal as result of the pandemic. However we would require approval from the municipalities negatively affected.” and that the Board approve and adopt the minutes of the October 23, 2020 Board Meeting as so amended.

**Carried**

**5. Business Arising from the Minutes**

There was no business arising from the minutes.

**6. Correspondence**

**A. Letter from Peter Loucks, Loucks & Loucks**

The purpose of the letter was to clarify the Employment Standards Act requirement regarding vacation pay and the Board’s jurisdiction to pass resolutions that appear to be outside of the partnership agreement. Mr. Loucks confirmed that the way vacation pay is handled is compliant with the Act. The President asked that in future the Board be consulted before the lawyer is approached.

**B. Letter from the Township of Southgate**

The Chair reviewed the letter which confirmed Southgate's intention to continue in the partnership for another year. Beth Hamilton suggested that the partnership agreement be added to a future agenda to raise any needed changes to the agreement and any issues of commitment to the partnership. The Manager suggested the agreement be reviewed with the municipal Clerks or CAOs.

**C. Committee Report from the County of Bruce**

The President noted that the County unanimously approved the report which proposes it become a partner in SMART. The President raised the issue with the Mayor of Saugeen Shores who approached County Council and the issue seems to be moving forward as a result.

Dave Cuyler informed that Board Kincardine would support a better system and that while there would not likely be any funds in 2021, funding may be available in 2022.

Beth Hamilton said that Stephanie Stewart, Manager of Community Transportation for Grey County, had attended a West Grey Council meeting to provide an update on GTR Transit which is fixed route, not point-to-point and not accessible. Ms. Stewart said that GTR would refer clients to SMART or to Home and Community Support Services and the County would fund the ride. Beth Hamilton suggested that Ms. Stewart should be invited to the January Board meeting. She further speculated that the Ontario Health Team may fund long distance rides to London and Toronto. She suggested inviting a member of the Ontario Health Team (which is to replace the LHIN) to a Board meeting. Ed McGugan suggested writing to the Ontario Health team asking them to enter into discussions, given that government mechanisms turn slowly. Beth Hamilton agreed that now is the time to connect with the Ontario Health Team since it will have jurisdiction over all health services and will determine how all funds are allocated. Beth Hamilton advised the President that West Grey Council would like an update on elevating SMART to the County level and the President said he would be glad to attend.

The President supported writing a letter which the Manager is to draft with the help of Beth Hamilton who agreed to send an email to the Manager outlining the points to cover. The Manager will send the draft letter to the President who will circulate it to the Board.

**7. Manager's Reports and Recommendations**

**A. Report 2020-50 October 2020 Operational**

The Manager presented the report, noting that rides may have plateaued. It is difficult to predict rides in the current COVID environment. The President noted that the numbers are up, although they are down by 50% compared to a year ago. This is to be expected and things may get worse before they get better, causing SMART to have to again make decisions on staffing levels. The Manager acknowledged this and agreed to keep the Board up to date on decisions and trends. He noted that other transit services are down 65 – 70%, and so SMART is in a better situation than some.

**Motion #2020-102**

Moved by Dean Leifso; Seconded by Dave Cuyler

That Report 2020-50 October 2020 Operational be approved as presented.

**Carried**

**B. Report 2020-51 Revised Individual User Fees**

The Manager presented the report, and the President noted that the cost recovery information was well put together. Board members raised the following points concerning the options presented:

- Core hours are 6 a.m. to 6 p.m., for pick up times. There is no more unlimited charter service and are other services are available outside of those hours. Discussion occurred about various scenarios where a person might be picked up before 6 p.m. but wanting to return home later. The Manager said that some drivers travel a distance to get home and if the driver was expected to be home by 6 p.m. to be within the core hours, then service times would have to be adjusted.

- SMART can't be everything to everybody and there are some things that municipal funding should not be expected to support. People want Sunday rides, but this may not be a service SMART can afford to provide.
- The Manager prefers \$0.55/km as the mileage rate as it is easier to work with than \$0.53.
- Out of area medical rides already take people where they need to go, so it is not necessary to change the 15 km "buffer" area, and the Manager noted that the issue may be moot if SMART will be doing unlimited medical rides. He noted that Option 3 includes medical rides.
- The President commended the Manager on his dedication to the service, the staff and the clients and noted that SMART can't be everything to everybody, as it is not affordable. SMART cannot afford to lose municipalities due to increased costs and so must bring costs in line.
- Beth Hamilton summarized noting that: implementing on January 1, 2021 does not allow enough notice and March 1, 2021 would allow three months' notice; \$0.55/km would work, charter trips to be within the 15 km zone; unlimited charter trips are not a good fit with SMART; and perhaps the services should be renamed "core service" and "charter service".
- Beth Hamilton asked if clients are required to show a copy of their tax bill. The Manager noted that this would be the case if a client lives outside of the service area, but owns property in a municipality that is a member of the partnership. The client would be required to show proof of payment of property tax only once a year to establish eligibility.
- The President suggested that the Board move forward with the changes as discussed as of March 1, 2021, and asked for comments.
- Dean Leifso said that clarity is required on the hours of 6 a.m. to 6 p.m. and some discretion should be allowed for extraordinary situation, although it is difficult to put discretion into words. The President suggested that discretion should be allowed until 6:15 or 6:30, and Dean Leifso said that a pick up at 5:00 to go to Owen Sound should be allowed, but not a pick up at 5:30, as this would cause the service to extend too far beyond 6 p.m..
- Notice of changes in individual user fees will be sent to clients with the November and December billings and be posted on SMART's web site.

#### **Motion #2020-103**

Moved by Beth Hamilton; Seconded by Warren Dickert

That the Board approve individual user fees of \$0.55/km as of March 1, 2021 with service to be provided to those residing within 20 km of the SMART boundary who are taxpayers of a member municipality; no service on Sunday or statutory holidays except for dialysis; and no unlimited charter service.

**Carried**

#### **C. Report 2020-52 Proposed 2021 Municipal Contributions**

The Manager presented the report and the President noted that he and the Vice-Chair had reviewed the options with the Manager. He stated that the Board's decision on 2021 contributions could have a significant budget impact in 2022 that should be kept in mind. He also noted that SMART has funds in reserves.

Beth Hamilton stated her appreciation of having options and the need to be conscious of the "yo-yo" effect, as well as the opportunity to stabilize the reserve. She believes there are opportunities for efficiencies in administrative costs and fleet management in 2022. If the contribution is set at \$650,000, Board members can go back to their Councils and point out that the contribution has gone down, except in the case of Chatsworth and Southgate, who would be in the difficult situation of receiving less service but paying more.

The President asked to hear from each Board member, and comments were as follows:

- Ed McGugan said that costs are up due to COVID, which is surprising since with less service, one would expect costs to be down, but there are additional costs incurred as a result of COVID. The

issue is how to keep the tax rate level with no big increases and how to maximize reductions. He would like to see some reduction in costs to share with municipalities.

- Dave Cuyler agreed with Beth Hamilton and Ed McGugan, and said that it is a “Catch-22” situation, although it is only fair that if savings are found now that more funds should be available next time. He believes that SMART has an opportunity to find savings.
- The President expressed Scott Mackey’s view which is to have a contribution of \$600,000.
- The President would like to see \$650,000 and noted that Saugeen Shores is looking at a zero levy increase which can be dangerous as it can lead to a significant increase in the future.
- Warren Dickert stated that SMART needs to find savings and show Councils that it is doing its best. With a \$200,000 surplus in 2020, SMART is in a good position. He supports setting the municipal contribution at \$650,000 which represents a \$100,000 reduction which is significant, but manageable.
- Dean Leifso agreed with Warren Dickert, noting that he appreciates the positions of Chatsworth and Southgate. Everybody has been impacted by COVID, and he could live with \$650,000 or \$700,000, although \$650,000 is better taking in to account the positions of Chatsworth and Southgate.
- The Manager said that there are very few COVID support programs available to municipal services. The Safe Restart program helps conventional transit but not specialized transit, and conventional transit systems maintain their routes regardless of ridership. As a specialized service, SMART has saved money as a result of ridership being down. There is \$31,000 available in funding for cleaning that SMART will take advantage of. The President noted that Saugeen Shores had received financial relief and he asked the Manager to check with Christine Walker at the Town of Hanover about any other programs.

**Motion #2020-104**

Moved by Ed McGugan; Seconded by Beth Hamilton

That the municipal contribution to the SMART partnership for 2021 be set at \$650,000.

**Carried Unanimously**

**D. 2020-53 Proposed 2021 Operational Budget**

The President noted that the budget assumed a municipal contribution of \$750,000 although it was set at \$650,000. Beth Hamilton asked about the reserves which are shown at \$350,000 in the last minutes and as \$300,00 in the report. The Manager explained that he included savings from 2020, not just 2021. With the municipal contribution at \$650,000, this would leave \$108,656 in the gas tax account plus \$200,000 in savings. 2021 capital for fleet is \$91,344, with \$81,344 for vehicles. In 2022, the plan is to buy three small buses rather than vans. Last year, vehicle purchases were under budget, and the excess funds will be rolled forward along with extra ICIP funds.

Beth Hamilton suggested that the President send a letter on behalf of the Board to the municipal Councils articulating SMART’s financial position. The President agreed to do so, and to send the letter to the Board for review.

Beth Hamilton asked about drivers and the office, noting that there is no weekend dispatch, but \$210,000 is budgeted for office/dispatch. The Manager explained that he extrapolated the numbers from September 2020 so as to leave room in the budget if ridership increases in 2021. He also noted that every ride has a higher labour component due to the COVID cleaning requirements and driver costs have not decreased along with ridership.

The manager asked if in the future, the budget should include only expenses and not revenue. He added that Christine Walker of the Town of Hanover explained that gas tax funds are grant money for specific purposes and cannot be considered revenue.

**Motion #2020-105**

Moved by Dean Leifso; Seconded by Dave Cuyler

That the 2021 SMART operating budget as presented be amended to show a reduction in the municipal contribution from \$750,000 to \$650,000 and that the Board approved the amended operating budget and that it be sent to member councils for their comment and approval.

**Carried**

**E. 2020-54 5-Year Capital Expenditure Budget (2021 – 2025)**

The President reviewed the report, noting that it includes vehicle replacement for five years only. Beth Hamilton suggested that the Manager work with the Level of Service Committee to revisit the size of the fleet to ensure it is appropriate to the service and present a fleet rationalization report to the Board in March. The Manager pointed out that a 5-year capital budget exists which would be replaced by any newly passed 5-year capital budget.

**Motion #2020-106**

Moved by Beth Hamilton; Seconded by Ed McGugan

That the 5-year capital expenditure budget be deferred until after the Manager has completed a fleet rationalization report in consultation with the Level of Service Committee to be presented at the Board's March 2021 meeting.

**Carried**

Dean Leifso left the meeting at 3:00 p.m.

**F. Report 2020-55 Revised Capital Asset Disposal Policy**

The Manager presented the report noting that it maintains flexibility in disposing of assets and that any vehicle with a value of less than \$1,000 would have value only as scrap. The previous policy from 2012 was similar but required items to be delivered to auction, which was often not worth it. He confirmed that the revised policy would allow him to sell a vehicle appraised at \$1,000. Beth Hamilton suggested that the details of surplus vehicles be provided to the Board and only then should action be taken to dispose of them. She also suggested that the policy should state that vehicles with a value of up to \$1,000 must be sold for scrap.

Dave Cuyler suggested that perhaps vehicles could be for parts and if they can go on the road, they could be sold at auction. He raised the issue of liability and the Manager noted that any vehicles sold would be on as "as is" "where is" basis with no warranty. This provision is to be added to the policy.

Warren Dickert noted that the Board's concern at the last meeting related to the disposal of vehicles, and how it appeared. He said that the existing policy is better than the revised one since it required vehicles to be delivered to auction, giving everyone an opportunity to buy them. He noted that it is important to be mindful of the public perception of favourable treatment which is what generated the issue. He said that the previous concern was that SMART was not following its own policy.

Ed McGugan suggested that the policy should cover capital assets valued at more than \$1,000, and that for those valued at less than \$1,000, the manager should have discretion as to the disposal and that there would then be no opportunity for misuse.

**Motion #2020-107**

Moved by Beth Hamilton; Seconded by Dave Cuyler

That the Revised Capital Asset Disposal Policy as presented in Report 2020-55 be amended to require the Manager to submit a report to the Board prior to the disposal of any capital asset valued at more than \$1,000 including details of the asset and recommendations for its disposal.

**Carried**

**G. Report 2020-56 Weekends**

The Manager presented the report.

**Motion #2020-108**

Moved by Ed McGugan; Seconded by Beth Hamilton

That the Board receive Report 2020-56 Weekends for information.

**Carried**

**8. Other Business**

**A. Recording Secretary Fees**

**Motion #2020-109**

Moved by Dave Cuyler; Seconded by Warren Dickert

That the Board appoint Catherine McKay as Recording Secretary for SMART until December 31, 2021 and that she be paid \$125.00 for minute taking at each meeting and \$25.00 per hour for additional work requested by the Board.

**Carried**

**B. Human Resources Policies**

The Board agreed that the human resources policies be deferred until John Woodbury and Scott Mackey are in attendance.

**9. Adjournment**

The President wished the Board members a Merry Christmas and Happy New Year.

Discussion occurred about possibly moving meetings from Fridays, but it was not possible to find another day of the week that suited all Board members.

The Manager advised the Board that Bruce County requested a “more fulsome” report and he requested clarification on this from Board members. Dave Cuyler agreed to consult with Mayor Eady to obtain further information

Moved by Warren Dickert; Seconded by Dave Cuyler  
That the Board of Directors of SMART adjourn at 3:36 p.m.

**Carried**

**Recording Secretary Meeting Attendance**

The Recording Secretary attended the following meetings in the fourth quarter of 2020:

- October 23, 2020
- October 30, 2020 (HR Committee)
- December 2, 2020

*Original signed by Mike Myatt*

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Mike Myatt, President

*Original signed by Catherine McKay*

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Catherine McKay, Recording Secretary