

SAUGEEN MOBILITY

and REGIONAL TRANSIT

GENERAL BOARD MEETING AGENDA

Friday, October 18, 2024 10:00 a.m., in person at the SMART office,
603 Bruce Road 19, Walkerton, or through Zoom.

1. Call to Order & Roll Call
2. Disclosure of Pecuniary Interest and Declaration of Conflict of Interest
3. Approval of Agenda Motion
Motion: That the agenda be approved as presented
4. Minutes of the Previous Meeting – September 27, 2024 Motion
Motion: That the minutes from September 27, 2024 be approved as presented
5. Delegation – Chris Walker (bank deficit)
6. Business Arising from the Minutes
 - A. Bank Deficit Motion
Motion: That the Manager use \$240,000 from the Gas Tax Reserve to pay for the bank deficit
 - B. October 9, 2024 Virtual Townhall Motion
Motion: That the Townhall report be accepted for information
 - C. Municipal and Not-for-Profit Acts Motion
Motion: That Saugeen Mobility follow the Municipal Act
7. Correspondence – none
8. New Business
 - A. Report on Deadhead Motion
Motion: That the Report on Deadhead be received for information
 - B. Vehicle procurement based on possible funding
9. Reports and Recommendations
 - A. Report on July, August and September 2024 operations Motion
Motion: That the report on July, August and September 2024 operations be accepted as presented.
10. Closed Session Motion
11. Adjournment & Upcoming Meeting Date – November 15, 2024, 10AM Motion
Motion: That the Board meeting be adjourned as of ____ PM.

SAUGEEN MOBILITY

and REGIONAL TRANSIT

GENERAL BOARD MEETING MINUTES

Friday, September 27, 2024, 10:00 a.m.

Boardroom, 603 Bruce Rd 19, Walkerton, ON & via Zoom

Board Members Present: Ed McGugan, Councillor, Huron-Kinloss, Chair
Warren Dickert, Deputy Mayor, Hanover, Past Chair
Cheryl Grace, Councillor, Saugeen Shores
Kym Hutcheon, Councillor, Brockton (via Zoom)
Mike Hinchberger, Councillor, Kincardine (via Zoom)
Jeffrey Shea, Councillor, West Grey
Joel Loughhead, Councillor, Grey Highlands (via Zoom at 11:05)
Scott Mackey, Mayor, Chatsworth
Jennifer Shaw, Deputy Mayor, Arran-Elderslie (via Zoom)
Monica Singh-Soares, Councillor, Southgate (via Zoom at 10:25)

Board Members Absent: Doug Townsend, Councillor, West Grey, Vice Chair

Others Present: Stephan Labelle, SMART Manager

1. Call to Order

The Chair called the meeting to order at 10:00 a.m.

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

None declared.

3. Approval of the Agenda

Motion Moved by Cheryl Grace; Seconded by Warren Dickert
That the agenda be accepted as presented.

Carried

4. Delegation

There were no delegations.

5. Minutes of Previous Meeting – June 28, 2024

Motion Moved by Warren Dickert; Seconded by Cheryl Grace
That the minutes from June 28, 2024 be accepted as circulated.

Carried

6. Business Arising from the Minutes

A. Policy on Charters

The Manager clarified that, from the perspective of Saugeen Mobility's insurer, normal weekly shopping trips can still be handled by SMART without issue. Additionally, Facility, another insurance provider, has offered charter coverage at an annual cost of \$16,641 for the 30-passenger bus and \$7,290 per year for the 9-passenger van.

Motion Moved by Jennifer Shaw; Seconded by Kym Hutcheon

That Saugeen Mobility offer charters with both the 30-passenger bus and one 9-passenger van.

Defeated

During this discussion, the Chair recused himself after declaring a pecuniary interest, and the former Chair, Warren Dickert, took over to continue the conversation.

Motion Moved by Scott Mackey; Seconded by Cheryl Grace

That the Manager revise the wording of SMART's mandate so that if friends and family accompany an eligible member on a charter, they are responsible for covering the associated costs. And that the Manager confirm whether SMART is operating in full compliance with legal requirements and aligns with Ontario's operational guidelines for transporting eligible clients.

Carried.

Ed McGugan resumed his position as Chair to continue the meeting

B. Cancellation Fee Policy

The Manager presented the Cancellation Fee policy and stated that for trips of less than 80km, the fee will be 50% of the ride cost, with a minimum of \$30, and for trips more than 80km, the fee will be 50% to a maximum of \$300. In each instance, the Manager will calculate the cancellation fee. The Manager will also contact a client if a trend in cancellation reasons is identified.

Motion Moved by Scott Mackey; Seconded by Cheryl Grace

That the Cancellation Fee policy be accepted as presented.

Carried

7. Correspondence

There was no correspondence.

8. New Business

A. Ontario Disability Employment Network's "Light It Up! For NDEAM"

Before discussion began, Monica Singh-Soares declared a pecuniary interest and muted her microphone. The Manager explained that the "Light It Up" event is the lighting of the Saugeen Mobility building on the third Thursday of October in order to recognize the many ways people who have a disability contribute to businesses and their communities.

Motion Moved by Cheryl Grace; Seconded by Scott Mackey

That the Manager arrange for Saugeen Mobility to be illuminated in purple on October 17, 2024.

Carried

B. Kincardine Enhanced Service update

The Chair reminded the Board that in the fall of 2023, Saugeen Mobility sent a costing letter to the municipality of Kincardine in response to their request for proposal to provide an accessible van for evening and Sunday transportation services. Subsequent discussions focused on the potential impact of this project on other municipalities, with confirmation that only Kincardine would be affected. It was suggested that an existing Saugeen Mobility vehicle be used instead of purchasing a new one, but the Manager noted that this would increase maintenance costs. The Chair further elaborated, expressing concern that sharing a Saugeen Mobility vehicle with Kincardine could create the perception that other municipalities are subsidizing additional maintenance expenses. He then referenced a conversation with the mayor of Kincardine during the Association of Municipalities of Ontario (AMO) conference, where the mayor proposed that Kincardine could purchase and manage the vehicle independently. The Chair, however, pointed out that placing the responsibility of ride management on current Kincardine municipal staff could present significant challenges. Discussions continued on this project's costing details.

Motion Moved by Mike Hinchberger; Seconded by Scott Mackey

That the Manager provide more detail at the October 18, 2024 Board meeting.

Carried

C. SMART Townhall October 9 (through Zoom)

The Manager stated that, as per the Strategic Plan drafted in the Spring of 2024, there will be a virtual Townhall on October 9, 2024. It will be for one hour. The Manager will provide general information on Saugeen Mobility and will then invite participants to make comments or ask questions.

Motion Moved by Scott Mackey; Seconded by Cheryl Grace

That the Manager hold a virtual Townhall on October 9, 2024 and provide feedback at the next Board meeting.

Carried

D. Report on Municipal and Not-for-Profit Act requirements

The Manager met with Loucks & Loucks, following the receipt of the Ombudsman report, asking that Saugeen Mobility follow the Municipal Act. The Loucks & Loucks representatives recommended that a business case to increase the number of Directors to 30 be passed by each municipality. Then, the SMART partnership will be modified to add Grey Highlands. Finally, the SMART by-laws will be modified. There was general concern about the number 30.

Motion Moved by Scott Mackey; Seconded by Jeffrey Shea

That the Board convene in closed session at 12:00p.m. to address matters pertaining to an ongoing investigation respecting the Board by the Ombudsman appointed under the Ombudsman Act.

Carried

The Board reconvened in open session at 12:15p.m. and the Chair confirmed that the Board had gone in closed session and discussed matters pertaining to an ongoing investigation respecting the Board by the Ombudsman appointed under the Ombudsman Act, and no other matters were discussed.

Motion Moved by Scott Mackey; Seconded by Cheryl Grace

That this issue be deferred until the Manager obtains more information.

Carried

E. Date of Board meetings

The Vice Chair is not available on the current Board meeting dates.

Motion Moved by Cheryl Grace; Seconded by Jennifer Shaw

That Board meetings be scheduled for the third Friday of each month, with no meetings held in July and August.

Carried

F. Recording Secretary

The person originally hired has decided not to move forward with this position. The General Manager will continue taking meeting notes in the interim.

Motion Moved by Scott Mackey; Seconded by Warren Dickert

That this issue be deferred until a future meeting.

Carried

G. Agenda Package

The Chair suggested that Board meeting packages should be sent out during the week of the actual meeting. This would allow for last-minute information to be received and included in the package.

Motion Moved by Warren Dickert; Seconded by Cheryl Grace

That Board meeting packages be sent out on Monday afternoon prior to each meeting.

Carried

H. Report on bank deficit

The Manager explained that (except in two cases) since 2008, on December 31st, there is always a deficit in the bank account. This deficit exists because Saugeen Mobility has historically spent more than it earns. There are several options to get rid of this deficit: the first is to take money from the gas tax reserve, the second would be to make staffing changes and the third option would be to increase municipal contributions. The manager recommended that for 2025, municipal contributions be increased by 7%.

In a discussion with Chris Walker, the treasurer from the Town of Hanover, the focus was on whether the current financial situation constitutes a true deficit. Chris maintained that it is indeed a deficit and should be addressed before the start of Saugeen Mobility's new fiscal year on January 1. However, after

further discussion, Warren Dickert suggested that the situation may not be as critical as it seems, noting significant improvements in Saugeen Mobility's financial operations and expenditures since 2019.

Motion Moved by Warren Dickert; Seconded by Cheryl Grace

That the Gas Tax Reserve be used to secure federal government funding (should it hypothetically be received).

Carried

Motion Moved by Jeffrey Shea; Seconded by Scott Mackey

That the Manager invite Chris Walker to the next Board meeting to discuss deficits.

Carried

9. Reports and Recommendations

A. Report on June 2024 operations

There were 2,286 rides in June, leading to \$37,310 in sales and 35,455 in billed kilometers, an increase of 6% in rides, 15% in fees and a decrease of 5% in billed kilometers compared to the same period last year. There were 34,990 deadhead kilometres driven and the 1:1 ratio for deadhead kilometres is confirmed.

Motion Moved by Scott Mackey; Seconded by Warren Dickert

That the SL2024-0927-3 Report on June 2024 Operations be received for information.

Carried

10. Adjournment & Upcoming Meeting Dates

Upcoming Meeting Dates

Friday, October 18, 2024, 10:00 a.m. Regular Monthly Board Meeting, SMART Office, 603 Bruce Rd 19, Walkerton, ON.

Motion Moved by Jeffrey Shea; Seconded by Cheryl Grace

That the Board of Directors of SMART adjourn at 1:00 p.m.

Carried

Ed McGugan, Chair

Stephan Labelle, Recording Secretary

Saugeen Mobility And Regional Transit BUDGET

	BUDGET 2025	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030
Individual Rides	17000	17000	17000	17000	17000	17000
Group Rides	4500	4500	4500	4500	4500	4500
REVENUE						
Municipal funding						
Arran-Elderslie	\$ 90,164.45	\$ 96,475.96	\$ 103,229.28	\$ 110,455.33	\$ 118,187.20	\$ 126,460.31
Brockton	\$ 108,313.79	\$ 115,895.75	\$ 124,008.46	\$ 132,689.05	\$ 141,977.28	\$ 151,915.69
Chatsworth	\$ 15,000.00	\$ 16,050.00	\$ 17,173.50	\$ 18,375.65	\$ 19,661.94	\$ 21,038.28
Hanover	\$ 171,831.70	\$ 183,859.92	\$ 196,730.11	\$ 210,501.22	\$ 225,236.31	\$ 241,002.85
Huron-Kinloss	\$ 51,209.98	\$ 54,794.67	\$ 58,630.30	\$ 62,734.42	\$ 67,125.83	\$ 71,824.64
Kincardine	\$ 107,443.35	\$ 114,964.38	\$ 123,011.89	\$ 131,622.72	\$ 140,836.31	\$ 150,694.86
Saugeen Shores	\$ 163,754.11	\$ 175,216.90	\$ 187,482.08	\$ 200,605.83	\$ 214,648.24	\$ 229,673.61
Southgate	\$ 33,943.69	\$ 36,319.75	\$ 38,862.13	\$ 41,582.48	\$ 44,493.25	\$ 47,607.78
West Grey	\$ 130,492.18	\$ 139,626.63	\$ 149,400.49	\$ 159,858.53	\$ 171,048.62	\$ 183,022.03
Grey Highlands	\$ 29,290.49	\$ 31,340.82	\$ 33,534.68	\$ 35,882.11	\$ 38,393.85	\$ 41,081.42
Sub-total	\$901,443.73	\$964,544.79	\$1,032,062.92	\$1,104,307.33	\$1,181,608.84	\$1,264,321.46
User fees - Individuals	\$ 350,000.00	\$ 357,000.00	\$ 362,000.00	\$ 367,000.00	\$ 372,000.00	\$ 377,000.00
User fees - Group Excursions	\$ 35,000.00	\$ 35,500.00	\$ 36,000.00	\$ 36,500.00	\$ 37,000.00	\$ 37,500.00
Donations	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Grants						
School transportation	\$ 19,000.00	\$ 19,500.00	\$ 20,000.00	\$ 20,500.00	\$ 21,000.00	\$ 21,500.00
Miscellaneous income (Accident refund)						
Service charges on A/R	\$ 1,500.00	\$ 1,575.00	\$ 1,653.75	\$ 1,736.44	\$ 1,823.26	\$ 1,914.42
Gas Rebate	\$ 3,000.00	\$ 3,150.00	\$ 3,307.50	\$ 3,472.88	\$ 3,646.52	\$ 3,828.84
NET LOCAL REVENUE	\$1,315,443.73	\$1,386,544.79	\$1,460,062.92	\$1,538,307.33	\$1,621,608.84	\$1,710,321.46
EXPENSES - net of HST						
Audit - not an eligible MTO expense	\$ 25,000.00	\$ 26,250.00	\$ 27,562.50	\$ 28,940.63	\$ 30,387.66	\$ 31,907.04
Advertising & Website	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Account write-off	\$ 1,500.00	\$ 1,575.00	\$ 1,653.75	\$ 1,736.44	\$ 1,823.26	\$ 1,914.42
Bad debts & Collection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank monthly fee&charges	\$ 2,200.00	\$ 2,310.00	\$ 2,425.50	\$ 2,546.78	\$ 2,674.11	\$ 2,807.82
Moneris charges	\$ 2,500.00	\$ 2,625.00	\$ 2,756.25	\$ 2,894.06	\$ 3,038.77	\$ 3,190.70
Bank interest on line of credit	-\$ 300.00	-\$ 315.00	-\$ 330.75	-\$ 347.29	-\$ 364.65	-\$ 382.88
Insurance - liability & property	\$ 10,500.00	\$ 11,025.00	\$ 11,576.25	\$ 12,155.06	\$ 12,762.82	\$ 13,400.96
Legal	\$ 1,000.00	\$ 1,050.00	\$ 1,102.50	\$ 1,157.63	\$ 1,215.51	\$ 1,276.28
Membership fees	\$ 4,000.00	\$ 4,200.00	\$ 4,410.00	\$ 4,630.50	\$ 4,862.03	\$ 5,105.13
Driver Training, Apparel, Misc	\$ 3,000.00	\$ 3,150.00	\$ 3,307.50	\$ 3,472.88	\$ 3,646.52	\$ 3,828.84
Covid-19 Pandemic Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MTO Liason	\$ 8,000.00	\$ 8,400.00	\$ 8,820.00	\$ 9,261.00	\$ 9,724.05	\$ 10,210.25
Office Supplies & Postage	\$ 15,000.00	\$ 15,750.00	\$ 16,537.50	\$ 17,364.38	\$ 18,232.59	\$ 19,144.22
Computer System	\$ 21,000.00	\$ 22,050.00	\$ 23,152.50	\$ 24,310.13	\$ 25,525.63	\$ 26,801.91
Software licensing fees (Spire, Novus)	\$ 30,000.00	\$ 31,500.00	\$ 33,075.00	\$ 34,728.75	\$ 36,465.19	\$ 38,288.45
Office Rent	\$ 16,500.00	\$ 17,325.00	\$ 18,191.25	\$ 19,100.81	\$ 20,055.85	\$ 21,058.65
Telephones	\$ 17,000.00	\$ 17,850.00	\$ 18,742.50	\$ 19,679.63	\$ 20,663.61	\$ 21,696.79
Travel, Meals, Parking, etc	\$ 3,700.00	\$ 3,885.00	\$ 4,079.25	\$ 4,283.21	\$ 4,497.37	\$ 4,722.24
Vehicles						
Fuel - cost less federal rebate	\$ 240,000.00	\$ 252,000.00	\$ 264,600.00	\$ 277,830.00	\$ 291,721.50	\$ 306,307.58
Insurance	\$ 125,000.00	\$ 131,250.00	\$ 137,812.50	\$ 144,703.13	\$ 151,938.28	\$ 159,535.20
Licenses	\$ 1,000.00	\$ 1,050.00	\$ 1,102.50	\$ 1,157.63	\$ 1,215.51	\$ 1,276.28
Maintenance	\$ 75,000.00	\$ 78,750.00	\$ 82,687.50	\$ 86,821.88	\$ 91,162.97	\$ 95,721.12
Board of Director Expenses	\$ 1,000.00	\$ 1,050.00	\$ 1,102.50	\$ 1,157.63	\$ 1,215.51	\$ 1,276.28
Professional Fees	\$ 1,500.00	\$ 1,575.00	\$ 1,653.75	\$ 1,736.44	\$ 1,823.26	\$ 1,914.42
Workshops/Conferences	\$ 4,000.00	\$ 4,200.00	\$ 4,410.00	\$ 4,630.50	\$ 4,862.03	\$ 5,105.13
Wages & Benefits						
Group Benefit Plan	\$ 20,000.00	\$ 21,000.00	\$ 22,050.00	\$ 23,152.50	\$ 24,310.13	\$ 25,525.63
Drivers	\$ 1,003,933.00	\$ 1,054,129.65	\$ 1,106,836.13	\$ 1,162,177.94	\$ 1,220,286.84	\$ 1,281,301.18
Office	\$ 262,937.00	\$ 276,083.85	\$ 289,888.04	\$ 304,382.44	\$ 319,601.57	\$ 335,581.65
Statutory Benefits	\$ 112,000.00	\$ 117,600.00	\$ 123,480.00	\$ 129,654.00	\$ 136,136.70	\$ 142,943.54
NET EXPENSES	\$ 2,006,970.00	\$ 2,107,318.50	\$ 2,212,684.43	\$ 2,323,318.65	\$ 2,439,484.58	\$ 2,561,458.81
NET OPERATING SURPLUS (DEFICIT)	-\$ 691,526.28	-\$ 720,773.71	-\$ 752,621.50	-\$ 785,011.32	-\$ 817,875.74	-\$ 851,137.35

Meets Strategic Priority #1

✓ Sustainable operations

-\$ 691,526.28 -\$ 720,773.71 -\$ 752,621.50 -\$ 785,011.32 -\$ 817,875.74 -\$ 851,137.35

PROJECTED GAS TAX RESERVE - SMART - 2024-2030

Budget Reserve as of December 31st

<u>\$ 365,909.08</u>	<u>\$ 196,382.81</u>	<u>\$ 215,609.09</u>	<u>\$ 202,987.59</u>	<u>\$ 157,976.27</u>	<u>\$ 80,100.52</u>	<u>-\$ 31,036.83</u>
2024	2025	2026	2027	2028	2029	2030

Meets Strategic Priority #1
 Sustainable operations

REPORT TO: SAUGEEN MOBILITY & REGIONAL TRANSIT BOARD OF DIRECTORS

FROM: STEPHAN LABELLE, MANAGER

DATE: OCTOBER 18, 2024

REPORT: SL2024-1018-1

SUBJECT: REPORT ON DEADHEAD

Introduction

In the context of transportation services, "deadhead" refers to the kilometers driven without generating revenue, either while traveling to a client's pickup location or after dropping them off at their destination. For services such as Saugeen Mobility, where resources and operational costs are closely managed, minimizing deadhead mileage is crucial for improving efficiency and reducing unnecessary expenses. Deadhead directly impacts fuel costs, vehicle wear-and-tear, driver hours, and ultimately, the overall cost-efficiency of the service. Therefore, strategies to minimize deadhead are essential for maintaining a sustainable transportation model.

Types of Deadhead

Deadhead mileage is typically categorized into two types:

1. **Pre-trip Deadhead:** The distance driven to a client's location before they are picked up. This is a non-revenue generating trip that can add significant mileage, especially in rural or low-density service areas.
2. **Post-trip Deadhead:** The distance driven after dropping a client off, either returning to the base or heading toward the next pickup location. Like pre-trip deadhead, these kilometers are also driven without generating income.

Both forms of deadhead represent inefficiencies that, if not properly addressed, can erode profits and increase operational costs.

Impact of Deadhead

- **Fuel Consumption:** Every kilometer driven without a passenger means fuel is being consumed without generating revenue. Over time, this adds to the transportation service's fuel expenses, increasing operating costs.
- **Time and Labor:** Drivers are still being paid for deadhead trips, even though no revenue is being generated during that period. This can result in increased labor costs and decreased driver productivity.
- **Vehicle Wear and Maintenance:** Deadhead mileage contributes to vehicle wear and maintenance costs, as vehicles accumulate kilometers faster without earning money.
- **Environmental Impact:** Deadhead trips contribute to unnecessary carbon emissions, affecting environmental sustainability and potentially undermining green initiatives.

Strategies for Minimizing Deadhead

The following are strategies that the transit industry at large uses to optimize deadhead, including specific SMART comments:

1. **Route Optimization:** One of the most effective ways to reduce deadhead is through advanced route optimization software. By using technology to plan more efficient routes, vehicles can reduce the distance traveled between passenger pickups and drop-offs. This software can also consider real-time traffic conditions and service demand, further reducing unnecessary mileage. Tripspark offers a route optimization feature, but it comes with an estimated annual cost of \$5,000. Saugeen Mobility previously evaluated this option and found it impractical due to the nature of its operations. Our drivers cover vast distances, often with significant deadhead miles between trips. This type of software is better suited to urban transit systems, where routes are more condensed and predictable. In contrast, Saugeen Mobility serves a large, rural area spanning over 6,000 square kilometers, the largest service area of its kind in Canada, making such optimization less effective for our needs.
2. **Ride Pooling:** Coordinating multiple client pickups and drop-offs in one trip, known as ride pooling, is another strategy to reduce deadhead. By combining trips for clients who are traveling in the same direction or have similar destinations, the number of pre- and post-trip deadhead kilometers can be significantly reduced. This strategy works particularly well for recurring trips or in areas with high demand. We already coordinate this type of service for clients who go on weekly shopping trips and for some of our clients traveling to community living programs.
3. **Geographic Scheduling:** Implementing geographic scheduling ensures that drivers are assigned to clients within a specific service area or zone. By assigning drivers to smaller, well-defined regions, deadhead mileage can be minimized as they are less likely to travel long distances between trips. This approach also allows for more efficient scheduling and shorter response times for clients. We do this already with our dispatching.
4. **Dynamic Dispatching** Dynamic or on-demand dispatching can help reduce deadhead by sending the nearest available driver to the client. Rather than following a fixed schedule, dynamic dispatching leverages real-time data on vehicle locations and availability, ensuring that the driver closest to the next pickup is dispatched, thereby reducing pre-trip deadhead mileage. We do this with our current dispatching system. We ensure that the closest driver is sent to a call.
5. **Client Grouping** Another potential solution is grouping clients based on location or similar travel patterns. For example, if several clients in the same area are likely to need services within a certain time frame, planning can be adjusted to pick up or drop off multiple passengers in one trip. This approach also works well for regularly scheduled trips, such as medical appointments or work commutes. We already do this.
6. **Using Analytics to Monitor Deadhead** By tracking and analyzing deadhead kilometers through GPS and trip data, transportation managers can gain insights into where and why deadhead occurs most frequently. Identifying patterns in deadhead trips can reveal opportunities for improvement, such as better driver assignments, more efficient vehicle usage, or adjusting service hours to better match demand. This is an option that SMART could implement, though it would come at a cost. After discussions with three different companies, we found that GPS locator and telematics units can be installed in all our vehicles without special modifications, as they simply plug into the OBD2 port. This solution would provide the necessary capabilities, with an estimated annual cost ranging from \$15,000 to \$40,000.

7. **Adjusting Vehicle Fleet Size and Type** Right-sizing the vehicle fleet can help minimize deadhead. For instance, assigning smaller vehicles for trips with fewer passengers can result in cost savings during deadhead mileage compared to using larger, less fuel-efficient vehicles. Additionally, deploying vehicles strategically throughout service areas at the start of the day can reduce unnecessary driving to pick up clients. I recommend acquiring vehicles that are smaller than our current 9-passenger models, but larger than a standard minivan. These vehicles offer significantly better fuel efficiency, consuming only 11-15 litres per 100 km, compared to the 20-30 litres per 100 km used by our current 9-passenger vehicles.
8. **Pre-positioning Vehicles:** In areas with high service demand, pre-positioning vehicles at strategic locations before peak times can reduce the need for long pre-trip deadhead. This is particularly useful for known peak times, such as morning commutes or afternoons when medical appointments are frequent. Pre-positioning reduces the distance vehicles must travel to reach clients, lowering fuel consumption and time spent on the road without passengers. This option could benefit Saugeen Mobility by reducing deadhead, as drivers could remain in the general area where their next ride is scheduled. However, SMART would need to pay drivers for their time spent waiting in the region rather than allowing them to return home if there's a gap in their schedule. The cost of paying drivers to stay in the area would likely outweigh the savings from reducing deadhead.
9. **Partnerships with Local Services:** Partnering with local taxi companies, rideshare services, or other transportation providers can allow you to outsource short trips or handle client pickups when your fleet is not in the area. By outsourcing these trips, you reduce the need for long deadhead miles, especially for one-off or emergency trips that are out of your fleet's regular service area. SMART could consider outsourcing certain trips, though options are limited, as a town like Hanover has only one or two taxi services available, and no other organizations provide this type of service in our area. The cost we would pay these providers might exceed what we charge clients. However, when factoring in the operational costs of running our own vehicles, outsourcing could potentially be cost-neutral or even more economical. Further analysis is recommended to explore this option in detail.
10. **Optimizing Service Zones:** Regularly analyzing and refining service zones based on client demand patterns can help further reduce deadhead. By dynamically adjusting zone boundaries based on real-time demand or anticipated need, Saugeen Mobility can reduce travel distances between pickups and drop-offs, ensuring that vehicles are operating closer to where they are needed most. This option is much like option 8. As was mentioned, the cost to keep the driver in a zone includes their hourly rates which would be higher than the cost of driving to their residence to wait for their next ride (if there is a gap).
11. **Shared Dispatch with Neighboring Agencies:** Collaborating with neighboring transit services or mobility providers for shared dispatching can reduce deadhead miles, especially in border areas where services overlap. By coordinating vehicle movements across multiple service areas, you can dispatch the closest available vehicle regardless of service jurisdiction, reducing pre-trip deadhead. I am exploring this option in collaboration with Home & Community Support Services (HCSS). I am currently drafting a grant application to hire a consultant who will evaluate various ways to integrate SMART and HCSS operations. Dispatching is the most promising area for potential integration, as it could significantly reduce deadhead and improve overall efficiency.
12. **Using Electric or Hybrid Vehicles:** While this doesn't directly reduce deadhead miles, deploying electric or hybrid vehicles can mitigate the environmental and fuel cost impacts of deadhead trips. These vehicles have lower operational costs during deadhead miles, making them a more sustainable option when deadhead reduction is not possible. SMART operates in rural areas covering over 6,000 km², with drivers often traveling more than 250 km in a single

day. This exceeds the range of most current electric vehicles. Additionally, Grey and Bruce counties have limited charging station infrastructure, and the high cost of electric vehicles makes them less viable for procurement at this time. While federal grants can cover up to 80% of the purchase price, with electric vehicles starting at \$300,000, the strain on SMART's budget would still be substantial. Instead, I recommend purchasing hybrid minivans to replace our current accessible transportation fleet. These vehicles offer significantly improved fuel efficiency and greater reliability. Specifically, the Toyota Sienna hybrid, known for its fuel economy and Toyota's strong reputation for reliability, would be an ideal choice for our operations.

13. **Centralized Staging Areas:** Instead of having vehicles return to a central base after every trip, establish multiple staging areas or mini-bases in high-demand regions. Drivers can wait at these locations between trips, reducing the distance they need to travel for their next assignment. This option is similar to pre-positioning vehicles in designated zones. However, the cost of keeping a driver in one location, instead of allowing them to return home during schedule gaps, would be higher. Paying the driver to remain on standby in the area would outweigh the savings compared to having them return home and not being paid during those idle times.
14. **Client Flexibility:** Offering clients some flexibility in their pickup and drop-off times can allow for more efficient route planning. By slightly adjusting service times for clients willing to accommodate other trips, you can create more optimized schedules that reduce deadhead kilometers. Saugeen Mobility already uses this option. For example, if a client is dropped off at Walmart and will be there for an hour and ½, the driver can be reassigned to another ride and then go back to get the original client.
15. **Smart Ride Matching Algorithms:** Invest in advanced algorithms that automatically match drivers and passengers based on real-time conditions such as proximity, route patterns, and traffic data. These algorithms can dynamically adjust ride assignments to ensure the closest vehicle picks up the next passenger, reducing deadhead time. This option is ideal for a taxi service, where rides are not planned but are ad hoc. But it could be applied to SMART's Novus system, at a cost. More work is recommended on this.
16. **Reduce End-of-Day Deadhead:** Assign end-of-shift trips to drivers who finish their shifts near their home, allowing them to end the day closer to their residence. This reduces the need for vehicles to return to a central base at the end of the day without passengers. Saugeen Mobility already dispatches based on rides that are closest to the driver's residence.
17. **Real-Time Client Notifications:** Implement a notification system to alert clients of available ride pooling opportunities. When two clients are heading in the same direction, notify them of the option to share a ride, improving route efficiency and reducing deadhead. SMART already utilizes ride pooling, with over 90% of our rides being subscriptions that occur on a regular basis, allowing us to efficiently plan for ride sharing. For the remaining 10% of non-regular rides, we could implement ride sharing as well, provided we had a notification software system in place to coordinate these trips effectively.
18. **Onboard Vehicle Telematics:** Equip vehicles with advanced telematics to monitor driver behavior and route efficiency in real-time. This system can provide feedback to drivers on how to reduce deadhead by choosing more efficient routes, maintaining speed, and avoiding unnecessary trips. This is a great idea, if significant investment is made. This option includes a real-time capability for drivers, so we would need to purchase tablets and a software (with licence fees and user fees).
19. **Reverse Deadhead Utilization:** Encourage drivers to pick up passengers during a return trip to base rather than driving empty. Even if the trip is slightly out of the way, the extra time and distance may be justified to reduce deadhead mileage. SMART already dispatches its drivers to

allow for least distance to home. However, that last trip would still lead to deadhead when heading home.

20. **Fuel Monitoring and Efficiency Programs:** Implement a fuel efficiency monitoring program. By tracking fuel consumption and providing training on eco-friendly driving techniques, you can mitigate the cost of deadhead mileage even when it cannot be avoided entirely. This is a good option, if monitoring devices are procured. It may be worth further study.
21. **Shared Vehicle Ownership with Partner Agencies:** Co-own vehicles with neighboring transit agencies or similar service providers. By sharing the costs and usage of these vehicles, you can better distribute fleet utilization across multiple agencies, reducing deadhead for both. If SMART secures federal funding to hire a consultant, further exploration of partnership opportunities between SMART and HCSS could be conducted in greater detail.
22. **Improved Driver Communication:** Ensure drivers are in constant communication with dispatch via mobile apps or GPS-enabled devices. This allows dispatchers to immediately assign the nearest available driver to a trip and adjust routes on the fly, minimizing deadhead. This is already being carried out by SMART. We are in constant contact with the drivers through email, text and phone. This allows us to modify rides on an as-needed basis.
23. **Zero-Emission Vehicle (ZEV) Policy:** Adopt a policy to progressively transition deadhead trips to zero-emission vehicles, such as electric cars. While not directly reducing deadhead mileage, this will lower the environmental impact and long-term operational costs. SMART's long-term plan is to move in that direction. By preparing for the future purchase of electric vehicles—once our Reserve fund permits, the range of electric vehicles improves, and charging infrastructure expands—we aim to reduce costs associated with deadhead. While this won't completely eliminate costs, as vehicle maintenance will still be impacted by mileage, the savings on fuel will be significant.

Conclusion

Deadhead is a significant contributor to operational inefficiencies in the transportation industry, and reducing it should be a priority for improving cost-effectiveness. By leveraging route optimization, ride pooling, geographic scheduling, and other strategies, transportation services like Saugeen Mobility can minimize deadhead mileage, thereby reducing fuel costs, labor expenses, and vehicle wear. In turn, this improves overall service efficiency, increases driver productivity, and helps to maintain an environmentally sustainable operation. Adopting some of these strategies will lead to a more streamlined and financially sustainable service, benefiting both the organization and its clients.

Respectfully submitted,

//signed//





Stephan Labelle
Manager

Meets Strategic Priority #1






Sustainable operations

BIG VAN PURCHASE RECOMMENDATION

	Overland (172K) 	Silver Cross (130K) 	Creative Carriage (160K) 	Move Mobility (175) 
Price				
Entry	Lift & walk-on	Lift & Walk-on	Ramp	Ramp a little too steep
Gas consumption	Good	Good	Good	Good
Ride	Stiff	Good	Good	Good
Maintenance	OEM	OEM	OEM	Local mechanic
Reliability	Reasonable	Good	Good	Good

MINIVAN PURCHASE RECOMMENDATION

	Overland (100K) 	Silver Cross (107K) 	Creative Carriage (109K) 
Price			
Gas consumption	Good	Good	Great (Hybrid)
Ride	Good	Good	Good
Maintenance	OEM	OEM	OEM
Reliability	Good	Good	Great

REPORT TO: SAUGEEN MOBILITY & REGIONAL TRANSIT BOARD OF DIRECTORS

FROM: STEPHAN LABELLE, MANAGER

DATE: OCTOBER 18, 2024

REPORT: SL2024-1018-2

SUBJECT: JULY, AUGUST AND SEPTEMBER 2024 OPERATIONAL REPORT

July: July 2024 saw 2135 rides with \$37,376 in user fees and 33,863 billed kilometers. This is an increase of 9% in rides, an increase of 35% in fees and an increase of 6% in billed kilometers compared to July 2023. There were 34,215 kilometers in deadhead kilometers in July.

As can be seen from the PPT slide, July 2024 numbers are increasing when compared to July 2023 and other recent years.

Numbers for individual municipalities are as follows:

	Rides July 2023	Rides July 2024	Billed Kilometers	Billed Kilometers Year to Date (2024)	Clients
Arran-Elderslie	159	117	2,754	34,902	14
Brockton	345	383	3,896	26,368	270
Chatsworth	103	114	2,346	19,563	38
Hanover	400	438	6,341	38,665	368
Huron-Kinloss	116	57	501	7,407	49
Kincardine	238	264	3,800	19,433	159
Saugeen Shores	277	359	8,290	61,547	95
Southgate	19	84	1,694	12,731	4
West Grey	232	250	3,327	27,886	64
Grey Highlands	14	17	838	4,730	3
Other/Grey Bruce STS	34	52	76	7,944	52
Total	1,937	2,135	33,863	261,176	1,178

There were no incidents involving vehicles or drivers during this period.

August: August 2024 saw 2310 rides with \$36,677 in user fees and 32,677 billed kilometers. This is an increase of 2% in rides, an increase of 15% in fees and a decrease of 6% in billed kilometers compared to August 2023. There were 32,025 kilometers in deadhead kilometers in August.

As can be seen from the PPT slide, August 2024 numbers are increasing slightly when compared to August 2023.

Numbers for individual municipalities are as follows:

	Rides August 2023	Rides August 2024	Billed Kilometers	Billed Kilometers Year to Date (2024)	Clients
Arran-Elderslie	179	176	3,909	38,811	14
Brockton	396	395	4,270	30,638	168
Chatsworth	82	60	2,299	21,862	8
Hanover	479	538	5,014	43,679	384

Huron-Kinloss	143	144	2,099	9,506	123
Kincardine	269	380	2,257	21,690	183
Saugeen Shores	350	242	6,185	67,732	64
Southgate	22	74	1,194	13,925	4
West Grey	300	223	4,062	31,948	24
Grey Highlands	19	30	1,388	6,118	2
Other/Grey Bruce STS	30	48	0	7,944	48
Total	2,269	2,310	32,677	293,853	1,022

There were no incidents involving vehicles or drivers during this period.

September: September 2024 saw 2266 rides with \$37,365 in user fees and 36,397 billed kilometers. This is an increase of 18% in rides, an increase of 35% in fees and an increase of 21% in billed kilometers compared to September 2023. There were 36,924 kilometers in deadhead kilometers in September.

As can be seen from the PPT slide, September 2024 numbers are increasing when compared to September 2023 and recent years.

Numbers for individual municipalities are as follows:

	Rides September 2023	Rides September 2024	Billed Kilometers	Billed Kilometers Year to Date (2024)	Clients
Arran-Elderslie	202	278	4,656	43,467	13
Brockton	267	356	3,298	33,936	121
Chatsworth	107	146	4,244	26,106	34
Hanover	360	403	3,961	47,640	220
Huron-Kinloss	109	59	877	10,383	33
Kincardine	153	231	3,329	25,019	142
Saugeen Shores	335	337	9,195	76,927	67
Southgate	41	108	1,917	15,842	5
West Grey	257	251	3,037	34,985	43
Grey Highlands	12	67	1,774	7,892	21
Other/Grey Bruce STS	71	30	109	8,053	20
Total	1914	2266	36,397	330,250	719

There were no incidents involving vehicles or drivers during this period.

RECOMMENDATION:

That the board approve SL2024-1018-2 July, August and September 2024 Operational Report as presented.

Respectfully submitted,

//signed//

Stephan Labelle
Manager

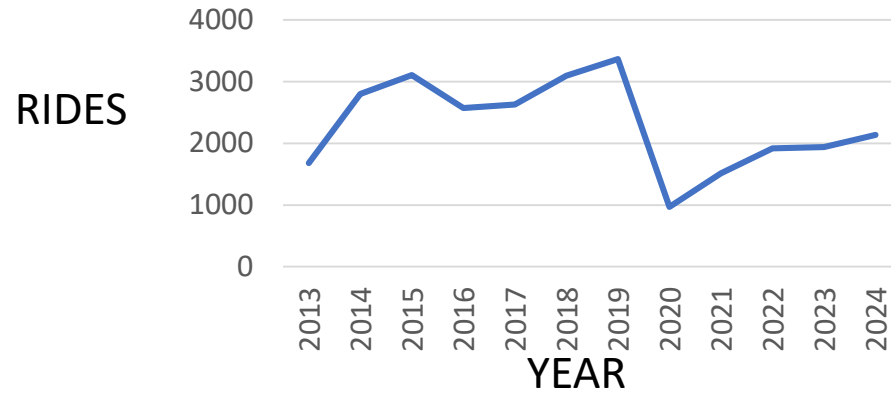
Meets Strategic Priority #1



Sustainable operations

SAUGEEN MOBILITY RIDERSHIP

JULY 2024



AUGUST 2024



SEPTEMBER 2024

