

**REPORT TO: SAUGEEN MOBILITY & REGIONAL TRANSIT BOARD OF DIRECTORS**

**FROM: ROGER COOK, MANAGER**

**DATE: AUGUST 21, 2016**

**REPORT: RAC2016-18**

**SUBJECT: COUNTY FUNDING OF SMART**

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REPORT:

Currently, SMART provides a vital public transportation service for the vulnerable residents of 9 lower-tier municipalities in Bruce and Grey Counties. There are many vulnerable residents (and families) in other areas of Bruce and Grey Counties who currently have no transit service and could benefit from having a specialized transit service.

Over the past few years, I have become increasingly convinced that the funding and governance of SMART more properly belongs at the upper-tier level where service to residents can be expanded to cover the entire Bruce-Grey area and relieve the lower tier municipalities of the cost of operating this vital service while extending service to areas that do not as yet have specialized transit services for their vulnerable residents.

At the June 2015 CAO Roundtable, the CAOs of the member municipalities discussed this idea and were quite supportive.

Additionally, given the rise of the Bruce Grey Ride initiative, moving SMART to the county level seems more important and imperative. Bruce Grey Ride's long term vision involves (even hinges on) expanding SMART's mandate to provide service beyond the physically and mentally challenged clientele it currently serves. Expanding SMART's mandate will require more funding, something the lower tier municipalities may feel they are not able to afford. The most efficient and effective way for Bruce Grey Ride to achieve its goals and maximize its success is for the two counties to have a transportation system that they control.

Moving SMART to the county level will change nothing about how SMART functions or is structured. SMART would continue to operate as a stand-alone corporation. None of SMART's employees would become county employees. All that would change is the source of funding and governance – Grey and Bruce Counties will provide funding and directors. Presumably, most current directors would return.

While it would be most efficient if SMART took over the specialized transit services in Owen Sound and Meaford that is not critical. At the very least, SMART would be expanded to provide specialized transit to the 3 municipalities in Bruce and 3 municipalities Grey that do not currently have any service.

SMART would continue to provide ridership statistics for each lower-tier municipal area so usage can be seen at the local level.

I would suggest an initial operational funding of \$20.00 per household (2016 dollars) which would amount to \$732,400 for Bruce County and \$925,860 for Grey (assuming Meaford and Owen Sound were included) or \$621,680 if Meaford and Owen Sound are excluded.

I propose subsequent funding be based on a new funding model of 30% households/70% ridership since household counts give a more accurate view of a municipality's ability to raise revenue.

I would also propose a phase-in of county funding over a 3 year period where the lower-tier municipalities would reimburse the upper-tiers to assist in the transition. I propose a 75% reimbursement in year 1, 50% in year 2 and 25% in year 3.

## BRUCE COUNTY

Bruce County would be a very straightforward transition since SMART is the only public transit system in Bruce County.

Expanding service to South Bruce, North Bruce Peninsula and South Bruce Peninsula would require purchasing 2 adapted vans and a 9 passenger adapted bus which would have a one-time cost to Bruce County of about \$200,000.

## GREY COUNTY

Grey County is somewhat more complicated because Owen Sound and Meaford have existing public transit services.

According to Kevin Dowling at the MTO, statistics can only be submitted by one transit service (most likely because local populations would get counted twice). If Owen Sound and Meaford wish to keep their public transit service connections with the MTO, then they must submit all their ridership statistics. This does not preclude SMART from providing the service – SMART could provide the service under contract and provide ridership statistics to them – but any contract would have to include a provision to capture a portion of the Gas Tax funding that would not be flowing directly to SMART.

The benefit to this arrangement would be that SMART would not automatically have to achieve “fee parity” with either municipality as long as the end user enjoyed “fee parity” within that municipality. This would be achieved by invoicing each municipality for the rides provided by SMART.

Expansion of service to municipalities in Grey County with no existing public transit service (Grey Highlands, Blue Mountains and Georgian Bluffs) would be the same as in Bruce County.

Initially, 2 9 passenger adapted buses and 2 adapted vans would be needed to serve these 3 municipalities with a one-time cost to Grey County of about \$280,000. If Owen Sound and Meaford were part of the package, there would need to be some additional equipment purchased.

Transportation is a significant issue in all rural areas and the Bruce-Grey area is no exception. It is fairly well documented that the biggest obstacle to medical care in rural areas is affordable transportation.

If the counties want to have a transportation system that can serve their residents and be expanded in the future then they need to have a transit service that they control and are funding.

A co-operatively operated specialized public transit service in Bruce and Grey Counties could very well be a model for the province and would provide a quality, dependable transportation service to the residents of the Bruce-Grey district.

RECOMMENDATION:

None.

Respectfully submitted,

Roger Cook  
Manager