



# Extraordinary Industry Advisory Committee (IAC) Notes of Discussion

---

**Tuesday, September 18, 2018**

**9:33 am to 10:58 am**

**North Delta Rec Centre**

**11415 84<sup>th</sup> Avenue, Delta, BC**

## **In Attendance:**

John Bourbonniere	Harbourlink Container Services Inc.
Rex D'Souza	Prudential Transportation Ltd.
Dave Hewlett	Loblaws (Alt)
Tom Johnson	KD Trucking Ltd.
Angie Kalhar	KTL Inc. (arrived at 10:08am)
Kellie Kopeck	Damco Distribution
Laurie Kravski	West Fraser Forest Products
Chris Locher	LEI Cartage Ltd. (arrived at 9:38am)
Matthew May	Coast 2000
Frederic Moussette	Canadian Tire
Robert Neild	Loblaws
Harinder Rattan	H. Rattan Trucking Ltd. (arrived at 9:37am)
Greg Rogge	Vancouver Fraser Port Authority
Satnam Sidhu	Gulzar/ Jet Speed Transport
Michael Crawford	OBCCTC; Chair
Karm Jauhal	OBCCTC

## **Regrets:**

Shingara Dhesi	Gurish Trucking
Karl Liu	Intertran Holdings
Gavin McGarrigle	Unifor
Maksim Mihic	DP World
Larry Sargeant	Teamsters
Gagan Singh	United Truckers Association
Eric Waltz	GCT Terminals

The meeting was called to order at 9:33 am

## **• Commissioner's Update**

The Commissioner provided a brief update:

- A quick roundtable introduction of everyone at the table.

Audits/ Investigations

- We have brought on an investigation team to assist with the audit program.

#### Rate Review:

- Report drafting has begun

#### Tag Policy

- Quarterly reviews are ongoing
- A review of the tag management policy will begin in October
- Commissioner will be lifting the moratorium on additional tag requests

#### Regulated Rate Review Update

- Earl Gordon has been conducting a rate review on behalf of the OBCCTC. He has been tasked with considering the following:
  - Fuel surcharge and how often it is calculated
  - The zone structure
  - Rates
- Mr. Gordon walked through his presentation and discussed the following:
  - factors considered as part of his review:
    - Looking at the cost of operating a truck (I/O)
    - How many hours an I/O needs to work to cover just the cost
    - What are the fixed costs for an I/O
    - What are the admin costs for an I/O to run their business
  - Developed a facility list and discovered that there are approx. 500 facilities in the Lower Mainland
  - Reviewed the volume of trips from the Port
  - Looked at the trip model
    - Different steps & models out there
    - Time to complete the different steps
  - Zones
    - Rates how they are set up
    - How they are laid out
    - Size of the zone
    - Definitions – make them clearer
    - Use letters (abbreviations to easily identify the zone)
    - Splitting some of the larger zones and rearranging some
  - Fuel Surcharge (FSC)
    - Reference price used
    - How often it should be calculated (quarterly vs. monthly)
    - Can the FSC be based on the price, if the company gets a discounted rate?
  - Rates
    - Sampled approx. 100 zones vs. 500 zones
    - Average distance travelled
    - FSC at the current price
    - Time to complete the trip
      - Short trips – higher \$
      - Longer trips – lower \$
    - Short Trip Rate (up to 5km)
    - Positioning – separate rates?

- All work an I/O does – picking up a container at the terminal to facility, yard, customer etc.
- What the process to update rates
  - How often... every other year?

Committee members comments:

- The FSC is updated monthly, but only on the following Tuesday after the end of the previous month
- What is the source of Mr. Gordon gps data? – Mr. Gordon used google drive times using different times of the day and factored in traffic on these routes.
- Carriers are adding a licence fee (approx. \$5.00 per transaction)
  - The OBCCTC will not be calling/ regulating what a company charges their customer
- Are you blending the licence cost to a company vs. the cost of an I/O to run that truck?
- Are you looking at a hybrid model (if someone is just sitting there (Live Load) will be a lower rate vs. someone covering further distance)
- We have to balance the fairness of the rate with all the variables in mind, just like when you quote your customer a price, you look at all the variables
- At some loading facilities, waiting time starts after the 1 hour and customers are paying for that hour which the companies do not forward to the driver
- Can a loading or live load schedule can be instituted?
- Have you looked at the bare chassis moves? Companies want and work hard for efficiency, but that is not always possible as there are so many variables (anything from terminals, reservations etc.).
- Dangerous Goods, is that being factored into the rates? Will drivers be getting extra \$ for moving dangerous goods?
  - Is there special equipment required to haul dangerous goods?
  - Special training?
    - There are many variables, usually the rate can be determined by the cost of cleanup
    - Would like to see something in the regulations as it was there prior to 2014 as drivers do need to get dangerous goods certified
    - Carrying dangerous goods, you should acknowledge the risk of carrying such items (i.e., batteries in motorcycles might as well be carrying dynamite).
- **Final Comments**
  - The Commissioner reminded everyone to get any last minute comments/ recommendations regarding the rate review in as he has begun drafting his report
  - On a another note, the VFPA advised the committee that the new reservations fees (\$35/35 model) is working and has been a positive move and will be doing 3 month analysis.
- **Next Meeting – Date and Time - Next meeting date for IAC - TBA**

Meeting adjourned at 11:23 am