

Port Transportation Association

Date: January 24, 2024

Time: **6:00PM** Commissioner Q&A Session

6:45PM PTA Annual General Meeting

Location: Maharaja Banquet Room #407-8148 128 Street, Surrey (second floor)

Meeting Minutes:

- 1) 6:00PM: Meet with Commissioner MacInnes for a Comments/Question and Answer Session

This portion of the evening is open to PTA and non-PTA TLS members - no attendance was taken.

Take Away Points:

A. Tags

There may be potential for a Spring/Summer Tag application.

The Commissioner is looking for more frequent application periods, however this means the office is doing a more frequent review of unused or under-utilized tags.

In terms of applying for tags, there needs to be less focus on pictures or non-useful information and focus more on performance. Better explanations of how the 5 least used trucks in your fleet are being used. Give details that can SHOW how new tags will and can be used - details or numbers that the OBCCTC can measure against if tags are awarded so that carriers are held accountable for their requests.

Tag redistribution process - there are 3 letters involved before tags are removed. These letters give Licensee opportunity to explain why tags may be idle or underused before they are removed. IF there is a reason such as a truck is down, or there is a decrease in work, etc. the Commissioner is willing to work with companies for provisional tags - temporarily moving tags for a 90 day period to a carrier that can prove use. At the end of the 90 days, if the carrier who lost tags cannot show they will be used, then they will remain as removed, if they can show that

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they can/will be used, they are returned and likewise if the carrier who has the provisional tag can show use they will also keep tags, if not they will be removed. Both licensees have the opportunity to win, or lose tags in this situation.

B. Audits

There is a change in how audits are being done - the office is moving towards a quicker audit process. The goal is to have random audits of 1 small, 1 medium and 1 large company occurring at the same time. Audits will be less lenient than under the last Commissioner, where audits became multiple audits over a lengthy timeline in order to push companies into compliance - we are moving into a system of audit, order of compliance with deadline + any necessary fine, and if found not in compliance by the deadline, there will be second significant fine. The Commissioner is not afraid to take funds from company Bonds moving forward if companies purposely disobey orders of compliance deadlines.

IF a company has received a complaint or complaints, this will trigger an audit, and will push a random audit of another company.

Companies will always be told if the audit is stemming from a complaint.

Turn around time for an audit - 6 months. As we move into fully electronic data, and away from boxes of paper to sort through, this should shorten.

C. 2024 Licences

There will not be an overall tag count change with the new 2024 licences. There is an ongoing shift to a system of continued performance reviews and tag redistribution instead (see notes under TAGS above).

The Commissioner noted that there is not necessarily a focus on a dictated number of trucks required, he feels the market will eventually dictate this. Commissioner is more focusing on recognizing service of those who have been in this industry a long time, but at the same time holding companies accountable for issues of non-compliance.

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New companies will be eligible to apply in the 2024 Licence term, however existing companies will be given a 'leg-up' for their years of service. The example was given that a company has 10 years of service, they start at 10, where as a new company starts at 0 - BUT for each major issue of non-compliance/large penalty, points for the licensee are taken away from the initial 10, in some cases potentially bringing them into the same playing field as a new applicant.

Under the previous Commissioner, new tags were not awarded to those in audit, as 'compliance could not be confirmed' - the new Commissioner understands that this is unfair, those in audit won't see licence applications be denied.

*When asked about the 2024 Summary of changes, under "Off-Dock" and the new language will prohibit "loaning chassis, sharing dispatch services or utilization of premises" - the Commissioner does note that this is going through the courts so that will ultimately provide some guidelines however, at this time, is pushing companies to "pick a lane." He feels that there is a blurring of TLS licensed activity and off-dock untagged work, which he finds challenging for enforcement and wants to see clearer boundaries. If we feel wording is incorrect or want to explain unintended consequences to the wording, the **onus is on submissions to fully explain and give examples of this.***

*For "approved off-dock facilities" as noted in the summary of changes, the Commissioner understands this is vague, he again notes the pending court challenge as to the the definition of 'what is a facility' as to why it was left that way. He notes that some facilities are unwilling to work with his office to provide details if asked to confirm if illegal off-dock work is taking place. Again, the **onus will be on submissions to fully explain that off-dock facilities are usually set by SSL so limiting may have unintended consequences. There is also a concern this may affect street-turns, so this should also be noted.***

The 2024 Applications are being rolled out in three distinct steps for submission and review; the Licence changes have been released, with a February submission deadline. Expect to see details on the actual application come March, and tag management will follow closer towards the end of the process.

D. General Questions for the OBCCTC / Open Floor

Understanding PERFORMANCE - right now the OBCCTC is using KMs, specifically the least 5 used units, with an onus on the licensee to explain the data both to keep or gain tags. In the case

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of gaining tags, there is a need to build a case as to why and what issues are creating a need for more tags. The Commissioner understands fleet location to terminals/customers does reflect in total KMs. Right now Licences need to fully explain these details, but eventually he is looking at increased sophistication on how a truck is used in order to determine removal/addition of tags, such as operating decisions and Payroll records to show drivers are being paid to offset things like location advantage that come with just using KMs.

The Commissioner noted that he is open to listening to arguments on how use/performance is judged.

Licence Terms - The goal is to eventually get to extended terms like a 4/6/10 year term to account for those who are invested in the industry and especially those investing into infrastructure over long periods however Commissioner feels the industry is not there yet.

This is a regulated industry, that won't change, but he also feels that unless there is the ability for the industry to sort itself and demonstrate consistent compliance the OBCCTC must rely on the smaller terms to weed out the 'bad' and the industry will suffer the longer we have to maintain the shorter terms. He feels there needs to be a shift into higher efficiency and compliance to let the market decide who survives. Compliance will dictate renewal periods.

There was comment on working with the OBCCTC for issues surrounding terminals, etc. as ultimately terminal issues lead to the continued request for additional tags. There seemed to be some room for continued communication on this.

As for PTA - the Commissioner made it clear that he has no problem with the PTA. He enjoys the opportunity to speak to the companies in a group setting, and values the option as a stakeholder in the industry. Tags and License renewals are based on a company's performance, compliance and application only.

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2) 7:48 PM; End the Q& A with Commissioner MacInnes; allow for any Non-Members to depart

3) Call to Order for PTA Annual General Meeting: 8:03PM

4) Debrief from Q&A

*The overall consensus was that the session went well. Members enjoyed being able to hear from the Commissioner in this setting. PTA Admin reminded all at the meeting that if they are not in compliance, or they know a non-member who is not in compliance with current licence terms to please reach out immediately so we can assist. **The PTA stresses full compliance for all members.***

5) PTA 2024 Planning

Due to the delayed start, this item has been pushed to February

6) February 23, 2024 I/O Overtime Consultation Review

The PTA will submit by the deadline. Group consensus was to maintain the previous position of past submissions. I/Os should be receiving overtime, as they run a company's logos, work is distributed by the company, and in most cases, I/Os run company fleet insurance and NSCs. We are striving for equality in the industry and to ensure I/Os are not being taken advantage of. PTA will once again maintain the position that I/Os should all be paid hourly to simplify the process.

7) February 26, 2024 CTS License Consultation

PTA will submit a response prior to the February 26th deadline. PTA asks for members to submit concerns prior to February 5th to allow time to properly draft a response. PTA was asked to have the package reviewed by a lawyer prior to the meeting; as such this was reviewed and a member vote must be held.

***Vote: Lawyer Review Costs -**

The PTA has received two quotes for legal fees, one for under \$10,000 with a new firm and one for \$20,000 with the current PTA firm. Tom proposed a quote from Simard lawyer be obtained. The costs were put to membership, the majority voted \$20,000 was too much for this submission.

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Gurveen put forward the motion to spend up to \$10,000 with a firm TBD, motion passed with majority.

8) New Bond Options - Update

Due to the delayed start, this item has been pushed to February.

9) Leadership Review / Vote

Mr. Sangha has stepped down from both the board of directors as Association president. Jag Nahal has also stepped down from his role as director.

Tom, Sucha, Harry, Gurveen and Sharn have agreed to stay on.

PTA opened the floor to new directors - at this time there were no new nominations. The opportunity for new or change in directors will be opened again mid-year.

*Tom was nominated to move into the position of president. At 8:45 an amendment to this was created to allow for Sharn to move into the role. Due to the amendment occurring after the meeting as adjourned, some members had already left. **The PTA will hold off on naming a president until a proper vote can be held in February.***

PTA will advise the OBCCTC of the delay and continue filter all correspondence to correct parties.

9) New Business:

It was suggested that the PTA move forward with another driver appreciation event. Kailee to email Andy at VFPA to ask about use of staging areas. Events to be held around Vaisakhi.

GPS Verification was brought up, with a reminder to monitor the Port provided GeoTab to ensure the data is pulling. Tom is leading additional concerns surrounding unnecessary trips to staging for verification.

9) Meeting Adjourned: 8:38

Amended vote: 8:45 - voided due to missing members.