

Special MeetingFebruary 4, 2000

A Special Meeting of the Municipal Council of the City of Kelowna was held in the Council Chamber, 1435 Water Street, Kelowna, B.C., on Friday, February 4, 2000.

Council members in attendance were: Mayor Walter Gray, Councillors A.F. Blanleil, R.D. Cannan, B.A. Clark, C.B. Day*, B.D. Given, R.D. Hobson, J.D. Nelson* and S.A. Shepherd.

Staff members in attendance were: City Manager, R.A. Born; City Clerk, D.L. Shipclark; Transportation Manager, R.W. Westlake; and Council Recording Secretary, B.L. Harder.

(* denotes partial attendance)

1. CALL TO ORDER

Mayor Gray called the meeting to order at 8:32 a.m.

2. Councillor Cannan was requested to check the minutes of the meeting.
3. Continuation of Discussion with B.C. Transit Representatives re: Kelowna Regional Transit Service

Mayor Gray advised this meeting is for continued discussion of the B.C. Transit recommendation for the award of the management contract for Kelowna regional transit service for the 5 year period to 2005.

Bob Irwin, President and CEO for B.C. Transit:

- Advised that recommendations for a new company in Kelowna were tabled in 1993 because of public controversy and no guarantee of continued employment, wages, etc.
- As a result, the contract with the existing operator was extended and 3 member Task Force was set up to review the RFP process.
- Hearings were held around the province, including in Kelowna, to receive input (i.e. level playing field, job security, seniority, benefits) into the RFP process from interested parties and that input is reflected in the new RFP.

Councillor Day joined the meeting at 8:38 a.m.

Bob Irwin:

- In November 1999, Steve New of B.C. Transit met with City of Kelowna staff to review the new RFP and asked if staff wanted to participate and be part of the approval process. The reply was no.
- To ensure the absolute integrity of the process, B.C. Transit obtained legal counsel that reviewed the criteria and process that would be followed to select a contractor to deliver the service. That person oversaw the selection process itself and also validated that the steps taken would meet all legal conditions.
- Explained how the submissions were scored.
- The proposed contract document provides a guarantee of seniority and the majority of benefits also carry over. What is not guaranteed is continuity of employment and Farwest has subsequently advised they are prepared to guarantee employment to all existing regular and part time employees employed by the existing contractor for both custom and conventional transit services as of a specific date.
- Advised he was prepared to answer the legal questions raised by Council at the January 31st Regular Meeting, In-Camera.

Special MeetingFebruary 4, 20002. RESOLUTION CLOSING THE MEETING TO THE PUBLICMoved by Councillor Day/Seconded by Councillor Given

S86/00/02/04 THAT the Special meeting of Council be closed to the public, pursuant to Sec. 242.2(1)(h) of the *Municipal Act*. (8:50 a.m.)

Carried

Councillors Cannan and Shepherd opposed.

RECONVENING OF SPECIAL MEETING:

Mayor Gray reconvened the meeting at 9:55 a.m.

Moved by Councillor Shepherd/Seconded by Councillor Hobson

S87/00/02/04 THAT Council hear from the union representative for Kelowna Bus and Transportation.

CarriedGord Irish, union representative for Kelowna Bus & Transportation:

- The terms of employment do not include succession rights and lack some of the benefits that were negotiated in the existing collective agreement.
- The wording in the RFP that says the new contractor **shall offer** instead of **will offer** the existing employees a job.
- The union has met with Farwest and Farwest was not prepared to sign the existing collective agreement because of concerns about some of the language in it. The union has received nothing in writing and is concerned that the company could change their position at any time after the contract is awarded.
- There have been labour disputes with Farwest in other communities.
- Is Mayor Gray in a conflict of interest on this matter as a member of the Board of B.C. Transit?
- Asked that Mayor Gray, as a member of the B.C. Transit Board, work to include successorship into the RFP process and that the City of Kelowna, the Regional District of Central Okanagan, and the District of Lake Country form a Regional Transit Authority.

Staff:

- The City Solicitor has provided an opinion that the Mayor is not in a conflict of interest on this matter.

Bob Irwin, B.C. Transit:

- Explained that the B.C. Transit Act clearly contemplates that elected officials would be on the B.C. Transit Board and for that reason those members would not be disenfranchised from doing their duties in the municipalities by being on the Board.
- Interpreted the **shall offer** wording as that the new contractor **shall** offer employment to the existing employees and if it is accepted, it is a done deal.
- Gord Irish will be provided with a copy of the letter from Farwest saying they will employ all existing employees.
- The B.C. Transit Act gives statutory authority to B.C. Transit to select and award the RFP and it would be the Board of Directors that would make that decision. The RFP process was intended to be in consultation with local partners.
- B.C. Transit will meet with the current and new contractor and ensure that the transition for the employees is as seamless as possible.
- B.C. Transit will review the RFP process to see if it can be improved upon.

Steve New, B.C. Transit:

- Explained when service audits were conducted in Kelowna and how service audits are evaluated.

Special MeetingFebruary 4, 2000Moved by Councillor Day/Seconded by Councillor Cannan

S88/00/02/04 THAT since B.C. Transit is responsible for the Request for Proposals, for evaluating those proposals and for settling the terms of the Annual Operating Agreements;

AND, in recognition of the fact that B.C. Transit has entered into this process following a full review of the RFP process several years ago,

AND, in recognition of the fact that B.C. Transit has agreed that the issues Council has raised with respect to the current RFP process will be reviewed by the Board of Directors prior to the next RFP;

THAT City Council therefore receive the recommendation of B.C. Transit.

Carried

Councillor Blanleil opposed.

Moved by Councillor Clark/Seconded by Councillor Shepherd

S89/00/02/04 THAT should B.C. Transit award the management contract for Kelowna regional transit services to Farwest, City Council request that Farwest give favourable consideration to adopting the remainder of the existing collective agreement with the transit union.

CarriedMoved by Councillor Cannan/Seconded by Councillor Nelson

S90/00/02/04 THAT Council hear from the union representative again.

Carried

Gord Irish:

- Explained why the union prefers not to have the collective agreement terminate at the same time as the management contract.

Moved by Councillor Shepherd/Seconded by Councillor Blanleil

S91/00/02/04 THAT the B.C. Transit Board be requested to address the following issues of Council when considering future RFP processes for Kelowna Regional Transit Services:

- timing of the renewal process in relation to expiration of union and management contracts
- more involvement of Council or local government before the RFP and tender
- how existing operating staff are dealt with if a change in operating companies results
- a regular reporting process to Council re benchmarking of performance in relation to other transit operations in the province
- more involvement of the staff of municipal partners in the development (setting up the criteria, weighting, type of questions, etc.) of the RFP and on the evaluation team
- municipal involvement in the review of Transit audits
- recommendations to award transit contracts to be presented for Council comment before proceeding to the Board for approval.

Carried

Councillor Nelson opposed.

Special Meeting

February 4, 2000

4. TERMINATION

The meeting was declared terminated at 11:42 a.m.

Certified Correct:

Acting-Mayor Blanleil

City Clerk

BLH/