



Community Van Proposal

Final Report

December, 2011

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1. INTRODUCTION

Jim Smith, District 9 Councillor for HRM, has offered to provide The Public Good Society of Dartmouth with up to \$30,000 for the purchase of a Community Van for the benefit of the residents of his constituency. This offer is contingent on the Society retaining ownership of the van and taking oversight responsibility of its operation.

Extensive research, our experience with the Connections That Work project, and knowledge of individual board members all demonstrate the need for and value of a Community Van in Dartmouth. Ownership and oversight of such a service is consistent with the vision and purpose of the Society.

Currently there are various non-profit agencies operating in the Dartmouth North community. Several of these groups have expressed an interest in having access to a method of transportation on an occasional or regular basis. Church and seniors groups, The Family Resource Center, The Freedom Foundation and Alice Housing as well as others have indicated their interest in an affordable and easily accessible community van. The use of the community van by these agencies would be guided by policies to be established. Appendix A shows a list of non-profit agencies based in Dartmouth North who may have an interest in accessing a Community Van. The list is not intended to be comprehensive and other groups may also be eligible.

There are three key issues that must be resolved in order for the Community Van to be viable:

1. Purchase and maintenance of the van within available funds
2. Adequate insurance coverage
3. Day-to-day storage and operational management of the van.

A Community Van Committee, led by Ralph MacKenzie, was established to carry out the necessary research and develop a series of recommendations for the Society's board to consider.

2. CAPITAL PURCHASE

2.1. Methodology

The committee approached two potential suppliers of the proposed Community Van. Each supplier was requested to develop a package offer that addressed the following components:

- provision of a fully functional basic seven passenger van
- full maintenance and service for three to five years
- additional operating incentives, e.g. gas subsidy, licensing, insurance

Suppliers were advised of the intended use of the van for non-profit organizations as well as the potential for appropriate recognition.

2.2. Dartmouth Dodge

Portland St. at Hwy 111

Contact: Doug Wilson, General Manager

Dartmouth Dodge has offered the following for \$30,000, including taxes and fees:

- 2012 Dodge Grand Caravan CVP
- 5 year/100000km Gold Plan Plus Warranty (includes oil change and tire rotation every 6 months or 10000 km)
- 4 New Winter Tires
- 4 New All Season Tires (extra set)

Undercoating and other weather protection are not included.

Original offer to develop a package by the first week of November was not met. At least three follow-up calls were required before the above offer was received on November 22.

2.3. Kia Motors

402 Windmill Rd

Contact: Brian Ames, General Manager

O'Regan's Kia Dartmouth will make available for purchase a 2011 Kia Sedona. The van in question has been used as an O'Regan's Automotive Group Shuttle vehicle. The original MSRP of the van was \$28,995 plus taxes. O'Regan's Kia Dartmouth will sell the 2011 Sedona for \$23,284.47 plus tax for a total of \$26,777.14

Furthermore this total will include:

- Supply of 1 set of steel rims and winter tires (plus mounting every season)

- 5 year tire storage
- 4.5 years of recommended maintenance (based on 20,000 kms driving per annum)
- 1 set of front brake pads plus rotors to be machined
- 1 set of rear brake pads plus rotors to be machined
- Perma-Guard Rust Inhibitor, Perma-Guard Fabric Protection, and Perma-Shine

The above maintenance is very comprehensive. Typical cost of annual maintenance after 5 years is about \$500 per year, with the cost increasing over time.

Kia Motors may want to add a Proud Sponsor decal. They will let us know.

2.4. **Analysis/Recommendation**

It is recommended that the O'Regan's KIA proposal be accepted for the following reasons:

- it is the best overall value
- the low mileage used vehicle allows for a higher quality van at less cost
- Kia is located in Dartmouth North and seemed keen on becoming involved in the community.

3. OPERATING COSTS

Operating costs were considered under the following categories:

- Service and maintenance
- Insurance
- Licensing
- Daily usage (gas, cleaning)
- Capital Cost Allowance

3.1. Service and maintenance

While this will be a long term cost, for the first four and a half years this cost will be covered by the dealer. After this initial period the annual cost could be expected to be about \$500.

3.2. Insurance

Macdonald Chisholm Trask Insurance

Contact: M.Ryan Smith – Commercial Account Executive ,CAIB

Tel: (902) 835-4259 ryan.smith@[mcti.ca](mailto:ryan.smith@mcti.ca) www.mcti.ca

Macdonald Chisholm Trask Insurance (MCT) originally quoted insurance, annual premium of \$1,359, on the Community Van as follows:

- \$2 million liability
- \$500 collision deductible
- \$100 comprehensive deductible
- rental vehicle coverage in the event of an accident
- waiver of depreciation for 24 months, i.e. vehicle replacement

The above premium is based on multiple drivers with clean driving records.

Unfortunately, this premium was on the assumption there is only one organization involved. Subsequent inquiries equate the proposed use of the van, especially since there are usage charges, as equivalent to a rental vehicle. Liability insurance alone has been quoted at \$7,500. Additional work will be carried out to determine full insurance costs and coverage.

Elimination of usage charges and reduction of volunteer drivers to be responsible to only one organization would be another alternative. This could add a substantial administrative burden. Another insurance company quoted \$5,700 for such coverage.

Mr. Smith of MTC continued to make inquiries about insurance and was able to provide the following option:

CLASS 73 Public Bus:

\$1,000,000 Third Party Liability

\$1,000,000 Per Passenger for bodily injury

\$5000 per passenger for their property

\$250 Comprehensive Fire & Theft Deductible

\$500 Collision Deductible

Total premium annually is approximately \$1800. The exact amount will be determined following a formal application and quote based on actual details of coverage for the vehicle we acquire. Fidelity Insurance is the company to provide this policy.

This quote is based on the employees or volunteers of The Public Good Society of Dartmouth being the drivers of this vehicle. This means that any drivers approved for using the van would become members of the Society and would be considered volunteers of the Society while operating the van. A maximum of 10 drivers has been suggested.

The Society could pay for the insurance for the first year. It would show our commitment to support the Community Van. More importantly, those people who have made donations to the Society would be able to see a meaningful use for them and it would give the Society greater credibility for moving forward on further fund-raising efforts. Some of these efforts could be to cover insurance costs as well as operating expenses such as gas.

3.3. **Licensing**

Licensing costs \$203.40 for plates and \$12.10 to register the charity name. The cost for plates is for a two year period and the name registration is a onetime cost. HST is included in this amount. It would probably be appropriate for the Society to cover this cost, at least for the first year. It may be possible to include this amount as part of the cost of acquiring the van.

3.4. **Daily usage (gas, cleaning, etc.)**

The projected gas consumption for the recommended model is 8.0 highway/11.5 city litres per 100 kilometres. On the assumption of approximately 1,500 km per month, monthly cleaning costs and gas costs would be about \$250.

4. OPERATIONAL CONSIDERATIONS

4.1. Policies and Procedures

A management committee should be appointed to develop appropriate policies and procedures and day-to-day management of the Community Van. At least the following should be covered, with Society board approval where needed:

- Management Committee with representatives from TPGSD (2), Freedom Foundation, Councillor Smith, and a user representative
- terms of reference for the committee
- statement of acceptable use (what's in, what's out)
 - primary use is for support of activities of qualified non-profit organizations located in Dartmouth North (HRM District 9) or serving residents of Dartmouth North
 - not to be used as a taxi service
 - not for use of individuals, but for qualified organizations
- Application forms and letters of agreement for non-profit organizations and drivers
- MOU between FF and TPGSD
 - who is responsible for what
 - who to notify for any problems

4.2. Day-to-day Management

Freedom Foundation has agreed to be responsible for day-to-day administration of the Community Van and looking after it which includes:

- housing and storage of vehicle
- pre and post usage check
- reservation system
- filling the vehicle with gas

Only approved organizations and drivers will be considered by the Freedom Foundation. Initially, routine access to the van will be Tuesday to Thursday, from 8:30 to 16:30. This corresponds with staff working hours. Use of the van at other times will require special arrangements.

The Society, through its appointed management committee, will be responsible for:

- cleaning and maintenance of the vehicle

- designing and establishing appropriate forms and systems for the above
- all financial transactions and usage statistics reporting related to the van
- providing gas cards to Freedom Foundation for the gas
- approving organizations, and their proposed drivers, for use of the van
- conflict resolution on van use
- enforcing terms and conditions of use.

Ralph McKenzie and Dennis Pilkey are willing to take the lead on the Society's responsibilities.

4.3. **Volunteer Drivers**

Only drivers who are sponsored by an eligible non-profit organization and who have been approved by the Management Committee will be allowed to drive the van. All approved drivers will be considered volunteers of the Society while operating the van. Appendix B and Appendix C include proposed Volunteer Driver Application and Volunteer Driver Agreement forms.

Detailed screening criteria need to be developed and reflected in the forms.

4.4. **Board Liability**

Doug Livingstone has offered the following comments/questions for consideration:

- Is \$2 million in liability insurance sufficient? If, for example, the driver were negligent and drove over a cliff, or into a petroleum truck, and there were six passengers on board, each of whom is severely injured with totally disabling lifelong injuries and then several of them have assessments of their damages at \$600,000.00 each and, in total, the damages exceed \$2 million. The Society would be liable for the excess amount. The Societies Act provides that directors are not liable for the debts of a society. However, if it were found that the society was culpable by not having adequately supervised the screening of the driver, or was otherwise negligent in operating the program there might be a possibility that the directors or members of the society might be found liable for the excess.
- What happens if we decide (1) that the program isn't working or (2) that we want to get out of it or (3) if the van becomes too old?
- Should the organization be required to provide a driver's abstract from the Registry of Motor Vehicles and a criminal background check? I note a reference to these in the Driver Application form but should we require the organization to provide these since there is a cost? (I note there is a reference to a driver's abstract in the Driver's Agreement).

- Will there be 'vulnerable people' on board --- such as minors or people with mental disabilities who might be susceptible to abuse? If so, this might give rise to potential for liability to the Society and its directors and members etc. as the owner.

Each of the above needs to be considered and adequately dealt with. Changes to the insurance may now satisfy some of these concerns. Does it raise other issues?

The report includes undertakings by sponsoring organizations to be responsible for their drivers. It will be necessary to make sure it covers the Society so that it is not seen to be liable for vulnerable (or non-vulnerable) clients of other non-profit groups. With the drivers now to be considered volunteers of the Society, this may be an issue.

A driver's abstract is to be included with the application. Through the Freedom Foundation, basic criminal record checks are available at no cost.

Wrap-up provisions have not been documented at this point. The Society is not entering into a formal contract with the city for this. It would be a board decision to determine how to handle this, at such time as it becomes an issue. Some preliminary discussion around this would be in order.

Board liability insurance should be pursued independently of any van considerations.

5. FUNDING CONSIDERATIONS

There is no free use, it is only a question of who pays. The following principles should drive the funding and use of the van:

- there should be no subsidy of operating costs by The Public Good Society, other than those suggested above (first year insurance and licensing)
- qualified non-profit agencies should pay a onetime \$50 initiation fee which will be kept to help cover any insurance deductible
- a usage charge of 20 to 25 cents per kilometre will be billed to agencies on a monthly basis. This charge is to cover the cost of gas and cleaning.

The Society would be responsible for gas and external cleaning.

Other funding sources include:

- dealer incentives/donations - this is reflected in the purchase of the vehicle.
- advertising on van (sponsors/politicians)
 - two to four sponsorships/advertisements should be sought. The van should not be cluttered with advertisements.
 - Councillor Jim Smith has committed to placement of an ad on the back of the van.
- grants (United Way, CHB, etc)
 - direct grants towards van operations could be sought to cover ongoing insurance, licensing and service costs.
 - agencies could include the prospective cost of using the van in any grant applications they make
- individual/business donations, e.g. for purchase of gas cards
 - some organizations have volunteer drivers who use their own vehicles, at personal expense. We could give tax receipts for any donations they might make toward use of the van.

6. RECOMMENDATIONS

The following are recommended:

1. The Public Good Society of Dartmouth agree to assume the ownership and operation of a Community Van for Dartmouth North
2. The Public Good Society of Dartmouth cover the insurance and licensing fees (if not covered by acquisition grants from HRM) for the first year of operation.
3. That a management committee be appointed to
 - a. acquire the Community Van from O'Regan's Kia
 - b. arrange licensing and insurance
 - c. oversee the operation of the van
 - d. develop appropriate policies and procedures
 - e. develop a communications strategy and plan
 - f. develop committee terms of reference

For the communications plan:

- Councillor Smith would arrange a press release
- an article in Dartmouth North Echo would provide a good opportunity to introduce the van
- letters to and meetings with key organizations should be considered

7. APPENDIX A - POTENTIAL COMMUNITY VAN CLIENTS WITHIN DARTMOUTH NORTH

- Alice Housing
- Boys & Girls Club of Dartmouth
- Church of Nazarene
- Dartmouth Family Centre
- Dartmouth North Community Centre
- Dartmouth Seniors Centre
- Demetrias Lane Residence Association
- Farrell Hall Benevolent Society
- Freedom Foundation
- HRM – Youth Advocate Workers
- Metro Community Housing Authority
- Metro Regional Housing Authority
- Son Life Church
- St. Anthony's Church
- St. Paul's Church
- Stairs United Church Food Bank
- The Dartmouth North Echo
- The Take Action Society
- Trinity United
- United Way Action for Neighbourhood Change
- Young at Heart Seniors Club

8. APPENDIX B - VOLUNTEER DRIVER APPLICATION FORM



Applicant's Name:

Address:

Phone:

e-mail:

Sponsoring Organization:

Sponsor Contact:

Address:

Phone:

e-mail:

Drivers License and Insurance Information

Driver's License #:

Expiration Date:

License Class:

of years driving:

Any license limitations:

Name of Automobile Insurance Company:

| | Yes | No |
|-------------------------------------------------------------|-----|----|
| Have you ever been refused automobile insurance? | | |
| Has your license ever been suspended, revoked or cancelled? | | |
| Have you ever been denied a license to operate a vehicle? | | |

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------|--|--|
| Have you ever been convicted of a criminal offense involving operation of a vehicle, fraud, violence, abuse, weapons, alcohol or drugs? | | |
| Have you been involved in a traffic accident in the past 5 years? | | |

If you answered yes to any of the questions above, please explain:

| |
|--|
| |
| |
| |
| |

Areas requiring additional explanation or description can be completed on a separate sheet.

| | Yes | No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| Have you ever attended a driving safety course? If so, when and who sponsored the program? | | |
| Have you ever attended a first aid, CPR, or medical emergency training course? If so, when and who sponsored the program? | | |
| Are you aware of any health conditions that may affect your vision, hearing, perception, reflexes, flexibility or judgement? If yes, please describe: | | |

| |
|-------------------------------------------------------------------------------------|
| Please provide two references who are familiar with your driving ability and skill. |
| 1. |
| 2. |

I give The Public Good Society of Dartmouth permission to collect information, e.g. criminal record check, regarding my qualifications relevant to the position of volunteer driver and to update this information as needed. I have attached a copy of my Driver's Abstract to this application. I certify that the above information is true and complete.

Signature: _____ Date:

The above applicant is recommended as a volunteer driver for The Society's Community Van.

Signature of representative: _____ Date:

Organization: _____

9. APPENDIX C - DRIVER AGREEMENT

I understand that my organization is not responsible for insuring the Community Van. Insurance coverage is provided by The Public Good Society of Dartmouth (The Society).

I agree to abide by the policies and procedures established by The Society for the operation and maintenance of the Community Van.

I agree to operate the vehicle that I use while driving as a volunteer of The Public Good Society (the Society) in a safe responsible manner.

I will ensure that all vehicle occupants wear seatbelts at all times.

I will check road conditions before each drive and contact my organization office if I am concerned about safety due to these conditions or any other conditions.

I agree that I will not drive the Community Van if there is any condition that may impair my ability to drive safely.

I will inform the Community Van Co-ordinator or the Chair of the Community Van Management Committee immediately of any moving violations or at-fault accidents, criminal conviction under the Highway Traffic Act, or any condition that may impair my ability to drive safely.

I understand that the Society can request a Driver's Abstract at any time there is a change of circumstance or cause for concern.

I understand that if I do not abide by The Society's policies and procedures, or if my qualifications for the position of volunteer driver are not maintained, The Society has a right to immediately terminate my involvement as a volunteer driver.

Signature of Volunteer: _____ Date:

The above person has been recommended as a driver volunteer to represent our organization. Our organization agrees to ensure that the use of the Community Van will be in accordance with the established policies and procedures for its use.

Signature of representative: _____ Date:

Organization: _____

Approved by: _____ Date:

on behalf of The Public Good Society of Dartmouth

10. APPENDIX D - NON-PROFIT AGENCY APPLICATION FORM

The _____ would like to apply for access to the Dartmouth North Community Van.

Authorized Organization Representative:

Name:

Contact information:

Organization's statement of purpose (this may be attached as a separate document):

Overview and location of clients served:

Intended uses of van:

Expected usage of van (best estimate):

Hours per month:

Kilometres per month:

Our organization has read and accepted the conditions and terms of use of the Dartmouth North (District 9) Community Van.

Authorized representative(s):

Signature(s)

Organization:

Date:

11. APPENDIX E - CONDITIONS AND TERMS OF USE FOR DARTMOUTH NORTH COMMUNITY VAN

These need to be developed and should include such things as:

- organizations should provide their own driver for the use of the Community Van in support of the organization's activities and clients.
- all drivers, once approved, are considered volunteers of the Public Good Society of Dartmouth while driving the Community Van
- The Community Van must be picked up from and returned to the van's formal storage place
- accept responsibility for any drivers recommended by their organization
 - safe responsible drivers
 - return van in clean condition, on time
 - do not use the van if driving conditions are not safe
 - complete the required record of use
- use the van only for clients, members and staff involved in activities of the organization
- pay a \$50 fee, to be included with the application. Refundable if application not accepted, or van not used within the first year. This fee is to help cover the cost of any insurance deductible.
- agree to pay monthly invoiced usage charges of 20 to 25 cents per kilometre within 30 days of receipt of invoice
- The Society is recognized as the owner of the van and has the sole right to determine who is allowed to use it and who may drive it.
- The Society has the right to deny use of the van. Conditions under which this may happen would be mostly:
 - weather conditions
 - driver concerns
 - breach of terms of use by either a driver or an organization
- As a community resource, respect for the van and others who use it must always be taken into account. Return of the van clean and on-time must be honoured.

Use of the Community Van may be denied if these conditions and terms of use are not followed.

12. APPENDIX F - COMMUNITY VAN RECORD OF USE

A form containing at least the following information should be completed at the beginning and end of each use of the Community Van.

This form would be used to make the reservation and as a check-out and check-in record. When completed it would be forwarded to the treasurer for financial and general reporting purposes.

The final form should include usage information such as type of usage and number of passengers.

The Public Good Society of Dartmouth Community Van Reservation and Record of Use

| | | | |
|------------------------------------------------------------------------|-----------------|---------|--------|
| Date reservation made: | | | |
| Person taking reservation: | | | |
| E-mail confirmation sent: | | | |
| Reservation # | Date (dd/mm/yy) | Time | |
| | | From | To |
| Reserved for: | | | |
| Organization: | | | |
| Driver: | | | |
| Special needs/ comments | | | |
| Date: | Checkout | Checkin | |
| Time | | | |
| Kilometres | | | |
| Condition: | Yes | No | Yes No |
| Interior | | | |
| Clean | | | |
| Damage | | | |
| Exterior | | | |
| Clean | | | |
| Damage | | | |
| Scratches | | | |
| Dents | | | |
| If van is not clean or there are damages, please provide details here: | | | |
| | | | |
| Reportable Incidents, if any | | | |
| | | | |
| | Checkout | Checkin | |
| Driver initial: | | | |
| For Society initial: | | | |