



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: July 3, 2025

To: Frank A. Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager
Chris Wilson, Assistant City Manager
Robert C. Maleszyk, Chief Financial Officer
Kyle Vieth, Controller
Kurt Bovensiep, Public Works Director
Ashely Tebedo, Administrative Services Manager

Subject: Fiscal Year 2026 SMART Municipal Credit and Community Credit Contract

History

Community Municipal Credits are funds collected by the Suburban Mobility Authority for Regional Transportation (SMART) through property taxes. A portion of these funds are divided among every city, township and village in Oakland, Wayne and Macomb Counties based on the specialized services it provides. The Troy RYDE program is eligible to receive this funding as it is operating in accordance with SMART's Community Partnership Program. The available funding to the City of Troy for Municipal Credit is \$81,700 and \$146,017 for Community Credit, which is a total increase of \$4,387 from the previous year.

Financial

The Municipal Credit and Community Credit funding for 2026 through SMART allows the City of Troy to use an additional \$227,717 toward the Troy RYDE service.

Recommendation

It is recommended that the City enter into a contract for the Municipal Credit and Community Credit with SMART for \$81,700 and \$146,017 respectfully. These funds are utilized for transportation service for senior citizens and persons with disabilities through the Troy RYDE service.

Legal Review

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT FOR FY2026

I, _____, as the _____ of the City of Troy (hereinafter, the “Community”) hereby apply to SMART and agree to the terms and conditions herein, for the receipt and expenditure of **Municipal Credits** available for the period July 1, 2025 through June 30, 2026 (Section 1 below), and **Community Credits** available for the period July 1, 2025 to June 30, 2026 (Section 2 below); and further agree that the **Municipal and Community Credits Master Agreement** between the parties is incorporated herein by reference. A description of the service the Community shall provide hereunder is set forth in **Exhibit A**, and the operating budget for that service is set forth in **Exhibit B**, both of which are attached hereto and incorporated herein.

1. The Community agrees to use **\$81700** in **Municipal Credit** funds as follows:

- (a) Transfer to _____ Funding of: \$ _____
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ 81,700
(Including Charter and Taxi services)
- (c) Services Purchased from SMART At the cost of: \$ _____
(Including Tickets, Shuttle Services/Dial-a-Ride)
- (d) Services Purchased from Subcontractor At the cost of: \$ _____

(NAME OF SUBCONTRACTOR)
(See attached Subcontractor Service Agreement)

Total \$81700

SMART intends to provide Municipal Credit funds under this contract to the extent funds for the program are made available to it by the Michigan Legislature pursuant to Michigan Public Act 51 of 1951. Municipal Credit funds made available to SMART through legislative appropriation are based on the State’s approved budget. In the event that revenue actually received is insufficient to support the Legislature’s appropriation, it will result in an equivalent reduction in funding provided to the Community pursuant to this Contract. In such event, SMART reserves the right, without notice, to reduce the payment of Municipal Credit funds by the amount of any reduction by the legislature to SMART. All Municipal Credit funding must be spent by June 30, 2028; all funds not spent by that date will revert back to SMART pursuant to Michigan Public Act 51 of 1951, for expenditure consistent with Michigan law and SMART policy.

2. The Community agrees to use **\$146017** in **Community Credit** funds available as follows:

- (a) Transfer to _____ Funding of: \$ _____
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ \$146,017
(Including Charter and Taxi services)
- (c) Services Purchased from SMART At the cost of: \$ _____
(Including Tickets, Shuttle Services/Dial-a-Ride)
- (d) Capital Purchases At the cost of: \$ _____

(e) Services Purchased from Subcontractor

At the cost of: \$ _____

(NAME OF SUBCONTRACTOR)

(See attached Subcontractor Service Agreement)

Total \$146017

To the extent that this Contract calls for a payment of funds directly from SMART to a subcontractor, Community hereby acknowledges that it is the party entitled to receive such funds and is affirmatively authorizing and directing SMART to pay such funds directly to the subcontractor on its behalf. Capital purchases permitted with Community Credits are subject to applicable state and federal regulations, and SMART policy, including procurement guidelines. When advantageous, SMART may make procurements directly. Reimbursement for purchases made by Community requires submission of proper documentation to support the purchase (i.e. purchase orders, receiving reports, invoices, etc.). Community Credit dollars available in FY 2026, may be required to serve local employer transportation needs per the coordination requirements set forth in the aforementioned Master Agreement. All Community Credit funds must be spent by June 30, 2030; any funds not spent by that date may revert back to SMART for expenditure consistent with SMART policy.

The Parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. The Parties agree that the electronic signatures appearing on this Agreement are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. Without limitation, “electronic signature” shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

This Agreement shall be binding once signed by both parties.

**SUBURBAN MOBILITY AUTHORITY
FOR REGIONAL TRANSPORTATION**

CITY OF TROY

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

EXHIBIT A

PROJECT DESCRIPTION

Overall Project Description (Provide a descriptive narrative):

The Troy Transportation Service provides transportation to seniors (60 years and older) and persons with disabilities who are residents of the City of Troy. Door to door transportation is available for eligible riders. Transportation to the following destinations include but are not limited to: Doctor and other medical appointments, physical therapy, shopping, salon appointments, employment and other locations deemed appropriate by the City of Troy.

This is a shared ride service and scheduling is arranged on a “first-come, first-served basis”. Reservations are made through various means detailed by the City of Troy and must be made 24 hours prior to the requested pick up time. Rides are prioritized with medical trips the highest ranking and other requests granted accordingly.

Per special request, the Troy Transportation Service may be utilized for transporting the general public to specific community events. These requests are reviewed on a case by case basis.

Service Area (Provide geographic boundaries):

NORTH – Auburn Road including Barclay Circle;

SOUTH – 12 Mile Road;

EAST – Mound Road;

WEST – Southfield Road, Adams Road.

Service Times (Provide days and hours of service):

Monday through Friday, 8am – 4pm

Eligible User Groups (Users eligible to use the service):

Residents of Troy who are seniors (60 years and older) and persons with disabilities

Fare Structure: (Cost to use service)

There are no direct fare fees to riders.

Service Mode (Describe the amount and type of vehicles available, and whether they are wheelchair lift-equipped):

All vehicles are wheelchair lift equipped. There are six (6) 13-passenger vans and one (1) van.

EXHIBIT B
PROJECT OPERATING BUDGET

Municipality: City of Troy

Contract Period: July 1, 2025 through June 30, 2026

Account Number: 48249

OPERATING EXPENSES:

Administrative Wages/Salary: <i>(All employees other than drivers and dispatchers)</i>	
(10% max. of MC & CC funds)	100,000
Driver Wages	285,000
Fringe Benefits	75,000
Gasoline & Lubricants	80,000
Vehicle Insurance	
Parts, Maintenance Supplies	
Mechanic Wages	
Fringe Benefits	
Dispatch Wages	25,000
Other (vehicle/building rent)	60,000
Other (computers, ipads, data)	30,000
Other (operating supplies)	11,500

Sub-Total (Operating Expenses)	<hr/>
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PURCHASED SERVICE:

Taxi Service	<hr/>
Charter Service	<hr/>
SMART Bus Tickets	<hr/>
SMART Shuttle Service	<hr/>
SMART Dial-A-Ride	<hr/>
Other (Specify) _____	<hr/>

Sub-Total (Purchased Service)	<hr/>
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CAPITAL EQUIPMENT:

(Only list purchases to be made with Community Credits)

Computer Equipment	<hr/>
Software	<hr/>
Vehicle	<hr/>
Maintenance Equipment	<hr/>
Other (Specify) _____	<hr/>

Sub-Total (Capital Equipment)	<hr/>
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<u>TOTAL EXPENSES</u>	Operating
Expenses, Purchased Service, and	
Capital Equipment:	666,500

EXHIBIT B, continued (Page 2)

REVENUES:

Municipal Credit Funds	<u>81,700</u>
Community Credit Funds	<u>146,017</u>
Specialized Services Funds	<u>30,676</u>
General Funds	<u>408,107</u>
Farebox Revenue	<u> </u>
In-Kind Service	<u> </u>
Special Fares (Contracted Service)	<u> </u>
Other (Specify)	<u> </u>

TOTAL REVENUE:

666,500

(Note: ***TOTAL EXPENSES*** must equal ***TOTAL REVENUE***)

Suburban Mobility Authority for Regional Transportation

EEO COMPLIANCE REPORT A

COMMUNITY PARTNERSHIP FORM

Agency/Community Information

Program Type: Community Partnership Program (CPP) ☐ Specialized Service ☐ New Freedom ☐ JARC ☐ 5310 ☐

Name of Agency/Community: City of Troy

Address: 500 W. Big beaver

City: Troy State: Michigan Zip: 48085

Agency/Community Data

1) Has your agency/community completed in excess of \$1,000,000 in

DOT federally-funded contracts from SMART in the past year? Yes ☐ No ☒

2) Does your agency/community employ over fifty (50) transit related employees? Yes ☐ No ☒

If the answers to the previous two questions were both "Yes", Please forward

your agency's/community's Affirmative Action plan to the address below:

Buhl Building
535 Griswold Street, Suite 600
Detroit, MI 48226

Attn: EEO Coordinator

Have all subcontractors been informed of their responsibility to file an EEO Compliance Report A form? Yes ☐ No ☐ N/A ☒

Drug and Alcohol Testing Program Requirements

Does your agency/community have a DOT Drug and Alcohol testing program for

Safety-sensitive employees? (Vehicle operators, dispatchers, mechanics and armed security) Yes ☐ No ☒

Name of drug and alcohol testing manager? Jennifer Lee Title: HR Deputy Director

Phone Number: 248.524.3340 Ext: Email: Jennifer.lee@troymi.gov

Please Proceed to Employment Data Section on Back