




500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: September 30, 2020 

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Robert C. Maleszyk, Chief Financial Officer
Lisa Burnham, Controller
Kurt Bovensiepe, Public Works Director

Subject: Fiscal Year 2021 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 from communities opting in to regional transportation. 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. Prior to the city starting the Troy RYDE (Reach Your Destination Easily) program, Municipal Credit and Community Credit funds were distributed directly to Troy MediGo. The Troy RYDE program is now 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 \$79,648 and \$122,169 for Community Credit, which is an increase of \$2,278 from the previous year.

Financial

The Municipal Credit and Community Credit funding for 2021 through SMART allows the City of Troy to use an additional \$201,817 towards 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 \$79,648 and \$122,169 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 FY2021

I, Ethan Baker, as the Mayor 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, 2020 through June 30, 2021** (Section 1 below), and **Community Credits** available for the period **July 1, 2020 to June 30, 2021** (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 **\$79,648.00** in **Municipal Credit** funds as follows:

- (a) Transfer to City of Troy Funding of: \$ 79,648.00
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ _____
(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 \$79,648.00**

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, 2022**; 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 **\$122,169.00** in **Community Credit** funds available as follows:

- (a) Transfer to City of Troy Funding of: \$ 122,169.00
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ _____
(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 \$122,169.00

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 **FY2021**, 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, 2024**; any funds not spent by that date may revert back to SMART for expenditure consistent with SMART policy.

This agreement shall be binding once signed by both parties.

THE CITY OF TROY

By: _____

Date _____

Its: _____

By: _____

Date _____

Its: _____

**SUBURBAN MOBILITY AUTHORITY FOR
REGIONAL TRANSPORTATION**

By: _____

Date _____

Its: _____

EXHIBIT A

TROY PROJECT DESCRIPTION

Overall Project Description (Provide a descriptive narrative): The Troy Transportation Service shall provide transportation service to seniors (60 years and older) and persons with disabilities who are residents of the City of Troy. Transportation is available to locations within boundaries of the City of Troy with limited service outside the city limits.

The Troy Transportation Service shall provide door to door transportation for eligible riders. Riders will be picked up and returned to their originating location. Transportation to the following destinations include but are not limited to: doctor and other medical appointments, physical therapy, shopping areas, salon appointments, employment and other locations deemed appropriate by the City of Troy. This service will not accommodate children younger than 18 years of age.

The Troy Transportation Service is a shared ride service and scheduling is arranged on a “first-come, first-serve” basis. Reservations are made through the various means of communication announced and detailed by the City of Troy and must be made 24 hours prior to the requested pick up time. The City of Troy will prioritize rides with medical needs a priority and other requests will be granted accordingly.

Per special request, the Troy Transportation Service may be utilized for transporting the general public to specific community events. This will be a case by case decision made by the City of Troy and the Troy Transportation Service staff.

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 thru Friday 8am- 4pm

Eligible User Groups (Users eligible to use the service): Seniors (60 years and older) and persons with disabilities who are residents of the City of Troy.

Fare Structure (Cost to use service): \$0

Service Mode (Describe the amount and type of vehicles available, and whether they are wheelchair lift-equipped): Six 14 passenger busses and 1 van. All are wheelchair lift equipped.

EXHIBIT B

PROJECT OPERATING BUDGET

Municipality: City of Troy

Contract Period: July 1, 2020 through June 30, 2021

Account Number: 48249

OPERATING EXPENSES:

Administrative Fee: *(All employees
other than drivers and dispatchers)*

(10% max. of MC & CC funds) 82,250

Driver Wages 200,200

Fringe Benefits 49,950

Gasoline & Lubricants 30,000

Vehicle Insurance

Parts, Maintenance Supplies 20,000

Mechanic Wages 40,000

Fringe Benefits 18,000

Dispatch Wages 45,030

Other (Specify)- Computer and
software 22,862

Operation Supplies 11,500

Sub-Total (Operating Expenses) \$519,792

PURCHASED SERVICE:

Taxi Service

Charter Service

SMART Bus Tickets

SMART Shuttle Service

SMART Dial-A-Ride

Other (Specify)

Sub-Total (Purchased Service)

CAPITAL EQUIPMENT:

(Only list purchases to be made with Community Credits)

Computer Equipment

Software

Vehicle

Maintenance Equipment

Other (Specify)

Sub-Total (Capital Equipment)

TOTAL EXPENSES:

**Operating Expenses, Purchased Service,
and Capital Equipment**

\$519,792

Troy EXHIBIT B, continued (Page 2)

REVENUES:

| | |
|---------------------------------------|-----------------------------|
| Municipal Credit Funds | <u>\$ 79,648.00</u> |
| Community Credit Funds (FY19) | <u>\$122,169.00</u> |
| Specialized Services Funds | <u> </u> |
| General Funds | <u> </u> |
| Farebox Revenue | <u> </u> |
| In-Kind Service | <u> </u> |
| Special Fares (Contracted Service) | <u> </u> |
| Other (Specify) | <u> </u> |
| | <u> </u> |
| | <u> </u> |
| | <u> </u> |

| | |
|------------------------------|----------------------------|
| <u>TOTAL REVENUE:</u> | <u>\$201,817.00</u> |
|------------------------------|----------------------------|

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