




500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: August 12, 2021 

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 2022 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. 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 \$79,648 and \$124,361 for Community Credit, which is an increase of \$2,192 from the previous year.

Financial

The Municipal Credit and Community Credit funding for 2022 through SMART allows the City of Troy to use an additional \$204,009 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 \$124,361 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 FY2022

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, 2021** through **June 30, 2022** (Section 1 below), and **Community Credits** available for the period **July 1, 2021** to **June 30, 2022** (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 _____
<small>TRANSFeree COMMUNITY</small> | Funding of: \$ _____ |
| (b) | Van/Bus Operations
(Including Charter and Taxi services) | At the cost of: \$ <u>79,648.00</u> |
| (c) | Services Purchased from SMART
(Including Tickets, Shuttle Services/Dial-a-Ride) | At the cost of: \$ _____ |
| (d) | Services Purchased from Subcontractor

(NAME OF SUBCONTRACTOR)
(See attached Subcontractor Service Agreement) | At the cost of: \$ _____ |

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, 2023**; 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 \$ **124,361.00** in **Community Credit** funds available as follows:

- | | | |
|-----|--|--------------------------------------|
| (a) | Transfer to _____
<small>TRANSFeree COMMUNITY</small> | Funding of: \$ _____ |
| (b) | Van/Bus Operations
(Including Charter and Taxi services) | At the cost of: \$ <u>124,361.00</u> |
| (c) | Services Purchased from SMART
(Including Tickets, Shuttle Services/Dial-a-Ride) | At the cost of: \$ _____ |
| (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 \$ 124,361.00

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 **FY 2022**, 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.

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

ETHAN BAKER

Printed Name

Title

MAYOR

Title

Date

Date

Additional signature for Troy: _____

AILEEN DICKSON, CLERK (Printed Name, Title)

_____ (Date)

EXHIBIT A

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*):

There are no direct fare fees to the participants.

Service Mode (*Describe the number and type of vehicles used and if 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, 2021 – June 30, 2022**

Account Number: **48249**

OPERATING EXPENSES:

Administrative Fee: <i>(All employees other than drivers and dispatchers)</i> (10% max. of MC & CC funds)	\$80,230.00	
Driver Wages	\$114,480.00	
Fringe Benefits	\$29,230.00	
Gasoline & Lubricants	\$50,000.00	
Vehicle Insurance		
Parts, Maintenance Supplies	\$12,360.00	
Mechanic Wages	\$50,000.00	
Fringe Benefits	\$12,000.00	
Dispatch Wages	\$67,710.00	
Other <i>(Specify)</i> Computers, Software, Phones, Printing, Training	\$22,390.00	
Sub-Total (Operating Expenses)		\$438,400.00

PURCHASED SERVICE:

Taxi Service		
Charter Service		
SMART Bus Tickets		
SMART Shuttle Service		
SMART Dial-A-Ride		
Other <i>(Specify)</i>		
Sub-Total (Purchased Service)		

CAPITAL EQUIPMENT:

(Only list purchases to be made with Community Credits)

Computer Equipment		
Software		
Vehicle		
Maintenance Equipment		
Other <i>(Specify)</i>		
Sub-Total (Capital Equipment)		\$438,400.00

TOTAL EXPENSES:

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

EXHIBIT B, continued (Page 2)

REVENUES:

Municipal Credit Funds	\$ 79,648.00	
Community Credit Funds	\$124,361.00	
Specialized Services Funds	\$ 27,692.00	
General Funds	\$206,699.00	
Farebox Revenue		
In-Kind Service		
Special Fares (<i>Contracted Service</i>)		
Other (<i>Specify</i>)		
		\$438,400

TOTAL REVENUE:

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