




500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: January 15, 2024 

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager  
Megan E. Schubert, Assistant City Manager  
Dee Ann Irby, Controller  
Kurt Bovensiep, Public Works Director  
Ashely Tebedo, Administrative Services Manager

Subject: Fiscal Year 2024 SMART Municipal Credit and Community Credit Contract

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### **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 \$134,883 for Community Credit, which is a total increase of \$6,423 from the previous year.

### **Financial**

The Municipal Credit and Community Credit funding for 2024 through SMART allows the City of Troy to use an additional \$216,583 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 \$134,883 respectively. 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 FY2024

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, 2023 through June 30, 2024 (Section 1 below), and **Community Credits** available for the period July 1, 2023 to June 30, 2024 (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 **\$81,700.00** 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 \$81,700.00**

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, 2026; 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 **\$134,883.00** in **Community Credit** funds available as follows:

- (a) Transfer to \_\_\_\_\_ Funding of: \$ \_\_\_\_\_  
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ \_\_\_\_\_  
(Including Charter and Taxi services)

- (c) Services Purchased from SMART At the cost of: \$ \$134,883  
(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 \$134,883.00**

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 2024, 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, 2027; 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

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Date

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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, 2023 through June 30, 2024

Account Number: 48201

**OPERATING EXPENSES:**

|  |           |                  |
|--|-----------|------------------|
| Administrative Fee: <i>(All employees other than drivers and dispatchers)</i><br>(10% max. of MC & CC funds) | \$81,700  |                  |
| Driver Wages   | \$252,000 |                  |
| Fringe Benefits  | \$60,000  |                  |
| Gasoline & Lubricants  | \$60,000  |                  |
| Vehicle Insurance  | 0         |                  |
| Parts, Maintenance Supplies  | 0         |                  |
| Mechanic Wages   | \$        |                  |
| Fringe Benefits  | \$15,000  |                  |
| Dispatch Wages   | \$83,000  |                  |
| Other (Specify) computers, software, printing, training, phones  | \$23,000  |                  |
| <b>Sub-Total (Operating Expenses)</b>  |           | <u>\$574,700</u> |

**PURCHASED SERVICE:**

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

**CAPITAL EQUIPMENT:**

*(Only list purchases to be made with Community Credits)*

|                                      |       |       |
|--------------------------------------|-------|-------|
| Computer Equipment                   | _____ |       |
| Software                             | _____ |       |
| Vehicle                              | _____ |       |
| Maintenance Equipment                | _____ |       |
| Other (Specify)                      | _____ |       |
| <b>Sub-Total (Capital Equipment)</b> |       | _____ |

**TOTAL EXPENSES**

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

**REVENUES:**

|                                       |                     |           |
|---------------------------------------|---------------------|-----------|
| Municipal Credit Funds                | \$81,700.00         |           |
| Community Credit Funds                | <b>\$134,883.00</b> |           |
| Specialized Services Funds            | \$27,692            |           |
| General Funds                         | \$330,425           |           |
| Farebox Revenue                       |                     |           |
| In-Kind Service                       |                     |           |
| Special Fares (Contracted<br>Service) |                     |           |
| Other (Specify)                       |                     |           |
|                                       |                     | \$574,700 |

**TOTAL REVENUE:**

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