



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: March 19, 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: 2024 Specialized Services Operating Assistance Program



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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. Troy R.Y.D.E. is eligible to receive this funding as it is operating in accordance with SMART's Community Partnership Program.

### **Financial**

The Specialized Services funding through SMART allows the City of Troy to use an additional \$30,676.00 towards the Troy R.Y.D.E. service. The City of Troy received \$27,692 in FY 2023.

### **Recommendation**

It is recommended that the City enter into a contract for the Specialized Services Operation Assistance Program with SMART for \$30,676. These funds are utilized for transportation service for senior citizens and persons with disabilities through the new Troy R.Y.D.E service.

### **Legal Review**

The subject contract or agreement was submitted to the City Attorney and approved with respect to its form and legality pursuant to City Charter Section 12.2 (Contracts).

**SPECIALIZED SERVICES OPERATING ASSISTANCE PROGRAM  
THIRD-PARTY CONTRACT- FY 2024**

**THIS AGREEMENT** (“Agreement” or “Contract”) is made and entered between the Suburban Mobility Authority for Regional Transportation (hereinafter referred to as “**AUTHORITY**”), whose address is 535 Griswold Suite 600, Detroit, Michigan 48226, and \_\_\_\_\_City of Troy\_\_\_\_ (hereinafter referred to as “**SUBRECIPIENT**”), whose address is \_\_\_\_\_.

**SECTION 1. - DEFINITIONS**

<b>PROGRAM</b>	Means the Michigan Specialized Services Operating Assistance Program designed primarily for seniors and persons with disabilities as defined under Section 10e(4)(c)(i) of Act 51, of the Public Acts of 1951, as amended; MCL 247.660e(4)(c)(i).
<b>DEPARTMENT</b>	Means the Michigan Department of Transportation.
<b>BUREAU</b>	Means the Bureau of Urban and Public Transportation of the Michigan Department of Transportation.
<b>AUTHORITY</b>	Means the Suburban Mobility Authority for Regional Transportation (SMART).
<b>PROJECT</b>	Means the providing of SPECIALIZED SERVICES.
<b>SPECIALIZED SERVICES</b>	Means public transportation services primarily designed for persons with disabilities or who are sixty-five (65) years of age or older.
<b>STATE</b>	Means the State of Michigan.
<b>SUBRECIPIENT</b>	Means City of Troy_, which will provide the transit services with funds received under this Contract.
<b>APPLICATION</b>	Means the <b>AUTHORITY</b> ’s application, submitted in cooperation with the <b>SUBRECIPIENT</b> , for funding from this <b>PROGRAM</b> for the period from October 1, 2023, to September 30, 2024.

## **SECTION 2. - PURPOSE**

The purpose of this Contract is to pass through operating assistance funding received from the DEPARTMENT PROGRAM, to the SUBRECIPIENT. The transit services provided shall be as described in the APPLICATION submitted by the SUBRECIPIENT through the AUTHORITY and approved for funding by the DEPARTMENT.

## **SECTION 3. - FUNDING**

The AUTHORITY is only obligated to provide funds under this Contract to the extent that funds for the PROGRAM are made available to it and approved by the DEPARTMENT as outlined in the Contract Authorization provided to us by the DEPARTMENT.

The SUBRECIPIENT is eligible for contract costs in the amount of **\$30,676**.

The maximum amount of the AUTHORITY funds to be given the SUBRECIPIENT shall not be increased without a prior written amendment to this Contract. DEPARTMENT funds made available to the AUTHORITY, through legislative appropriation, are based on projected revenue estimates. In the event that revenue actually received is insufficient to support the appropriation, it may necessitate a reduction in the maximum amount of said funds available to the SUBRECIPIENT. In such event, the AUTHORITY reserves the right, without notice, to reduce the maximum obligation of funds for the SUBRECIPIENT by the amount of any reduction by the DEPARTMENT to the AUTHORITY.

## **SECTION 4. - BUDGET ADJUSTMENTS**

Budget adjustments must be requested in writing by the SUBRECIPIENT. Upon receipt of the request, the AUTHORITY shall have thirty-five (35) business days to provide written approval or disapproval of the budget adjustment. If no action is taken within thirty-five (35) working days, the budget adjustment shall be deemed approved. Expenditure of funds in excess of any line-item will not be considered an eligible PROJECT cost. The addition of any new line-item, or any line-item changes which represent a deviation from the PROJECT as described in the APPLICATION, shall require a prior written amendment to this Contract.

## **SECTION 5. - PROJECT COSTS AND REVENUES**

The SUBRECIPIENT shall complete and submit to the AUTHORITY the information required by the DEPARTMENT, on the quarterly reporting form (available online at SMARTbus.org), within ten (10) days after the end of each state of Michigan fiscal year quarter. Failure to provide the quarterly report within thirty (30) days after the end of each state of Michigan fiscal year quarter, may result in a loss of a portion of or all funding. The AUTHORITY reserves the right to withhold payment of PROJECT funds if the SUBRECIPIENT fails to file reports as required in this paragraph.

If the SUBRECIPIENT also receives funding under 1951 P.A. 51, Section 10e(4)(a); MCL 247.660e(4)(a), as amended as its cost allocation plans must be submitted to the BUREAU for approval. Any PROJECT costs in excess of revenues reported on the quarterly reporting form will **not** be eligible under any other state and federal program administered by the AUTHORITY or the DEPARTMENT.

## **Section 6. - BILLING, PAYMENTS AND QUARTERLY REPORTS**

Notwithstanding the provisions set-forth in Section 3 of this Contract, the AUTHORITY shall provide to the SUBRECIPIENT the STATE funds designated for the eligible project costs incurred in performance of this Contract within ten (10) business days of the receipt of said funds from the DEPARTMENT.

The AUTHORITY may appropriately reduce payments if written reports submitted by the SUBRECIPIENT as required under this section indicate that the level of service described in the APPLICATION has been reduced.

Actual reimbursement shall be based on a rate per mile, or one-way passenger trips of SPECIALIZED SERVICES up to the maximum amount provided for herein.

The actual reimbursement method selected by the SUBRECIPIENT is \$1.76 per mile, but subject to change.

Should the per-mile rate method be selected by SUBRECIPIENT, actual reimbursement may be subject to change, per DEPARTMENT and/or BUREAU reimbursement rate modifications.

## **SECTION 7. - TERMINATION OR SUSPENSION**

For any violation of this Contract or legislative change, the AUTHORITY may, by thirty (30) days written notice, suspend any and all of the rights and obligations under this Contract until such time as the event or condition resulting in such suspension has ceased or been corrected, or the AUTHORITY may, by thirty (30) days written notice to the SUBRECIPIENT, terminate any and all of the rights and obligations under this Contract.

## **- ACCOUNTING RECORDS, AUDITS, AND DOCUMENTATION**

### **(a) Establishment and Maintenance of Accounting Records**

The SUBRECIPIENT shall maintain books, records, documents, and other accounting records in accordance with generally accepted governmental accounting principles. Said records shall be sufficient to properly reflect all costs of whatever nature claimed to have been incurred or anticipated to be incurred in the performance of the identified PROJECT. To facilitate the administration of the PROJECT, separate records shall be established and maintained. The SUBRECIPIENT shall assure that the records to support the miles traveled and the passengers carried as reported pursuant to Section 6 of this Contract are established and maintained.

### **(b) Audit**

The SUBRECIPIENT shall permit the AUTHORITY and/or the DEPARTMENT or the authorized representatives of the AUTHORITY to audit all data and records relating to the performance of this contract. The SUBRECIPIENT shall retain and allow access to, and require its contractors to retain and allow access to all data and records pertaining to the PROJECT for a period of not less than six (6) years after the final payment by the AUTHORITY pursuant to the Contract.

The period of access, examination, and retention of data and records which relate to litigation or the settlement, of claims arising out of the performance of this Contract, or costs of this Contract as to which exception has been taken by the AUTHORITY or the DEPARTMENT or the authorized representative of the AUTHORITY or the DEPARTMENT, shall continue until such litigation, claims, or exceptions have been disposed of.

### **(c) Costs Supported by Documentation**

PROJECT costs shall be supported by properly executed canceled checks, invoices or vouchers evidencing the nature and propriety of the charges.

### **(d) Accuracy of Financial Documentation**

If a third-party contract is required for rendering of the services herein, then the SUBRECIPIENT is responsible for the accuracy of the financial and non-financial data and reports submitted for reimbursement.

(e) Revenue Expense Guidelines

If the SUBRECIPIENT also receives funding under 1951 P.A. 51, Section 10e(4)(a); MCL 247.660e(4)(a), as amended, determination of PROJECT costs shall be in conformity with the criteria set forth in the DEPARTMENT'S Office of Passenger Transportation's "Local Public Transit Revenue and Expense Manual." All other providers of service shall use the "Specialized Services Manual" (effective October 1, 2015, and any subsequent revisions, amendments and replacements).

**SECTION 9. - THIRD-PARTY CONTRACT PROCEDURE**

The SUBRECIPIENT shall **not** enter into contracts with third parties for provision of services herein without prior written approval from the AUTHORITY; notice of potential third-party contracts shall be submitted to the AUTHORITY for approval in writing. Approval or denial of said third-party contract will be submitted, in writing, to SUBRECIPIENT by the AUTHORITY. The AUTHORITY shall approve any third-party contracts at its sole discretion.

Approval does not constitute an assumption of liability, a waiver or an estoppel to enforce any of the requirements of this Contract, nor shall any such approval by the AUTHORITY be construed as a warranty of the third-party's qualifications, professional standards, ability to perform the work being subcontracted, or financial integrity.

**SECTION 10 - ACCESS**

SUBRECIPIENT agrees to provide, and will require its contractors to provide, access by the AUTHORITY and/or the DEPARTMENT to all technical data, reports, documents and work in progress pertaining to the PROJECT. Copies of technical data and reports shall be provided by the SUBRECIPIENT or its contractors to the AUTHORITY upon request.

**SECTION 11. - INDEMNIFICATION**

**Notwithstanding any other provision in this Agreement, SUBRECIPIENT shall indemnify, defend and save harmless AUTHORITY, its officers, agents, employees, and members of its Board of Directors from any and all claims, losses and damages, including costs and attorney fees, occurring or resulting from any act or omission the SUBRECIPIENT or its officers, agents, employees, subcontractors, successors or assigns arising out of and/or pursuant to this Agreement without regard to the negligence of the SUBRECIPIENT.**

**This Agreement is not intended to alter or increase SMART or SUBRECIPIENT's liability for tort claims, to other third-parties. Nor is this indemnity provision intended to be a third-party beneficiary contract, and therefore it confers no rights or third-party status on anyone other than the parties hereto.**

**SECTION 12. - ENTIRE AGREEMENT**

This Contract, along with any exhibits, addendums, schedules, and amendments hereto, merges and concludes the entire agreement of SUBRECIPIENT and the AUTHORITY. Any previous communications, whether oral or written, are superseded through by this document. The SUBRECIPIENT and AUTHORITY acknowledge, by

executing this document that said parties have not relied on any representation, assertion, guarantee, warranty, ancillary contract or other assurance, except those set out in this AGREEMENT. SUBRECIPIENT hereby waives all rights and remedies, at law or in equity, which may arise as the result of said party's reliance on such representation, assertion, guarantee, warranty, ancillary contract or other assurance, provided that no clause herein shall be construed as a restriction or limitation of said party's right to remedies associated with the gross negligence, willful misconduct or fraud of any person or party taking place prior to, or contemporaneously with, the execution of this Agreement.

### **SECTION 13. - PROHIBITED DISCRIMINATION**

The SUBRECIPIENT shall not discriminate against any passenger because of race, color, sex, age, handicap, religion, ancestry, marital status, national origin, place of birth or sexual orientation in accordance with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", dated August of 1985, which is hereby incorporated by reference.

The SUBRECIPIENT shall not discriminate based upon race, color, creed, national origin, sex, age, disability, height, weight, familial status, marital status, or sexual orientation, in accordance with Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6, Section 303 of the Age Discrimination Act of 1975, Section 202 of the Americans with Disabilities Act of 1990, 49 U.S.C. Section 5332, the Michigan Elliot-Larsen Civil Rights Act, MCLA 37.2101 et seq., and SMART policy.

The SUBRECIPIENT shall comply with FTA Circular C 9070.1G, as may be amended or updated, with respect to all provisions on Civil Rights and discrimination including, but not limited to, Chapter VIII, §9.

The SUBRECIPIENT shall require similar covenants on the part of any contractor or subcontractor employed in the performance of the PROJECT for which this Contract is made.

### **SECTION 14. - MBE/WBE**

In accordance with 1980 P.A. 278, MCL 423.321 at seq; MCL 445.901 et seq, the SUBRECIPIENT, in the performance of this Agreement, shall not enter into a Contract with a subcontractor, manufacturer, or supplier listed in the register maintained by the STATE, Department of Labor, of employers who have been found in contempt of court by a federal court of appeals, on not less than three (3) occasions involving different violations during the preceding seven (7) years, for failure to correct an unfair labor practice, as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 U.S.C. 158. The AUTHORITY may void this Contract if the name of the SUBRECIPIENT, or the name of a subcontractor, manufacturer, or supplier utilized by the SUBRECIPIENT in the performance of this Contract subsequently appears in the register during the performance period of this Contract.

### **SECTION 15. - MISCELLANEOUS PROVISIONS**

(a) If any provision of this contract is held invalid, the remainder of this Contract shall not be affected, if any such remainder continues to conform to the provisions and requirements of applicable law.

(b) The SUBRECIPIENT shall commence, carry on, and complete the PROJECT in accordance with all applicable laws. Nothing in this Contract shall require the SUBRECIPIENT to observe, comply, or do any other thing in contravention of any STATE, Local or Federal law.

(c) The SUBRECIPIENT warrants that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of SPECIALIZED SERVICES required to be performed under this Contract. The SUBRECIPIENT further warrants that in the performance of this Contract, no person having any such interest shall be employed.

(d) None of the funds, materials, property, or services obtained by the AUTHORITY or the SUBRECIPIENT under this Contract shall be used for any partisan political activity, or to further the election or defeat of any political activity or candidate for public office.

(e) The SUBRECIPIENT shall not assign any interest in this Contract without the prior written approval of the AUTHORITY, however, that compensation due to the SUBRECIPIENT under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment shall be furnished promptly to the AUTHORITY in writing. Any such assignment does not relieve the SUBRECIPIENT of its obligations under this Contract.

(f) If the SUBRECIPIENT enters into any contracts with other governmental agencies for the purposes of providing SPECIALIZED SERVICES outside of its jurisdictional boundaries, as defined and provided by law, it shall immediately provide the BUREAU with a copy of any contracts and true copies of any resolutions passed by its governing board which relate to the providing of service under such contracts.

#### **SECTION 16. - TERM OF CONTRACT**

Upon execution, this Contract shall cover the period commencing October 1, 2023, and extending through September 30, 2024.

The SUBRECIPIENT agrees to notify the AUTHORITY of any event which may have significant potential impact on PROJECT progress, direction, control or cost.

#### **SECTION 17. - EXECUTION**

This Contract shall become binding on the parties hereto upon the execution thereof by the duly authorized official(s) for the SUBRECIPIENT and the AUTHORITY; and upon the adoption of a resolution approving said Contract and authorizing the signatures thereto of the respective official(s) of the SUBRECIPIENT, a certified copy of which resolution shall be attached to this Contract.

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.

**THE PARTIES HEREBY ACKNOWLEDGE** that they have read and understand this Agreement and that the signatories below have affixed their signatures and affirmed that they are authorized to execute this Agreement, for the purpose of binding their respective Parties.

**SUBURBAN MOBILITY AUTHORITY  
FOR REGIONAL TRANSPORTATION**

**City of Troy**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



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: MI

Zip: 48084

**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?

Danielle Carpenter

Title: Human Resources Specialist

Phone Number: 248.680.7282

Ext:

Email: Danielle.Carpenter@troymi.gov

**Please Proceed to Employment Data Section on Back**