



CITY COUNCIL AGENDA ITEM

Date: August 5, 2015
To: Brian Kischnick, City Manager
From: Elaine S. Bo, Recreation Director
Subject: Municipal Credit and Community Credit Agreement

Background:

Municipal credits are state-authorized funds that are given directly to the Suburban Mobility Authority for Regional Transportation (SMART) to be divided among every city, township and village in Oakland, Wayne and Macomb Counties on a per capita basis. Municipal credit funds are made available to SMART through legislative appropriation based on projected revenue estimates pursuant to Michigan Public Act 51 of 1951.

Community credits are a direct result of the SMART millage that provides opt-in communities with additional funds for specialized services.

Troy's municipal and community credit dollars have been used to support the community based Troy Medi-Go Plus service. Medi-Go Plus provided more than 14,000 rides to Troy senior and disabled riders to medical appointments and other important destinations in 2014. The boundaries for this program remain the same. General Funds are not used to support this program.

Recommendation:

It is recommended that the City enter into a contract for Municipal and Community Credits with SMART for \$79,648 and \$101,810 respectively. This fund is utilized for transportation service for senior citizens and persons with disabilities.

City Attorney's Review as to Form and Legality

Approved as to Form and Legality:

Lori Grigg Bluhm, City Attorney

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT for FY - 2016

I, Dave Slater, as the Mayor of 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** (Section 1 below), and **Community Credits** (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** in **Municipal Credit** funds as follows:

- (a) Transfer to _____ Funding of: \$ _____
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ 79,648
(Including Charter and Taxi services)
- (c) Services Purchased from SMART At the cost of: \$ _____
(Including Tickets, Shuttle Services/Dial-a-Ride)

Total \$ 79,648

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 projected revenue estimates. 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 funding must be spent by September 30, 2017; 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 \$ **101,810** in **Community Credit** funds available as follows:

- (a) Transfer to _____ Funding of: \$ _____
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ 101,810
(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: \$ _____

Total \$ 101,810

EXHIBIT A

PROJECT DESCRIPTION

Community: Troy

Project: MUNICIPAL/COMMUNITY CREDIT PROGRAM

FISCAL YEAR 2016: JULY 1, 2015 through JUNE 30, 2016

Overall Project Description:

Troy Medi-Go Plus is a nonprofit community organization dedicated to helping Troy senior citizens and adults with disabilities in need of transportation get to medical appointments and other important destinations.

Service Area:

12 Mile, Mound, Auburn Rd, and Southfield Roads for medical appointments and work and educational trips. City of Troy for shopping and Troy Community Center.

Service Times:

Monday through Friday from 8:30 a.m. to 4 p.m.

Eligible User Groups:

Troy residents age 60 and older and Troy residents with disabilities age 18 and older.

Fare Structure

\$2 per one way trip and additional donations are encouraged.

Service Mode:

Four 14-passenger vehicles and one 13-passenger vehicle. All vehicles are wheelchair accessible.

**EXHIBIT B
PROJECT OPERATION BUDGET**

COMMUNITY: (Type Community/Agency Name Here)
PROJECT: MUNICIPAL/COMMUNITY CREDIT PROGRAM
FISCAL YEAR 2016 - JULY 1, 2015 THROUGH JUNE 30, 2016

OPERATING EXPENSES:

Administrative Fee (max. is 10% of MC/CC Funds)	\$ -	
Driver Wages	\$ 149,340.00	
Fringe Benefits	\$ -	
Gasoline & Lubricants	\$ 49,522.00	
Vehicle Insurance	\$ 30,977.00	
Parts, Maintenance Supplies	\$ 7,576.00	
Mechanic Wages	\$ -	
Fringe Benefits	\$ -	
Dispatch Wages	\$ -	
Cell phones or other overhead costs (Specify)	\$ 7,518.00	
Sub Total (Operating Expenses)		<u>\$ 244,933.00</u>

PURCHASED SERVICES

Taxi Service	\$ -	
Charter Service	\$ -	
SMART Bus Tickets	\$ -	
SMART Shuttle Service	\$ -	
SMART Dial-A-Ride	\$ -	
Sub Total (Purchased Service)		<u>\$ -</u>

CAPITAL EQUIPMENT

(Only list purchases to be made with Community Credits)

Computer Equipment	\$ 2,000.00	
Software	\$ -	
Vehicle	\$ -	
Maintenance Equipment	\$ -	
Other (Specify)	\$ -	
Sub Total (Capital Equipment)		<u>\$ 2,000.00</u>

TOTAL EXPENSES

(Operating Expenses, Purchased Service and Capital Equipment)

\$ 246,933.00

REVENUES:

Municipal Credit Funds	\$ 79,648.00
Community Credit Funds	\$ 101,810.00
Specialized Services Funds	\$ 22,475.00
General Funds	\$ -
Farebox Revenue	\$ 28,000.00
In-Kind Service	\$ -
Special Fares (Contracted Service)	\$ -
Other (Specify)	\$ 15,000.00

TOTAL REVENUE:

\$ 246,933.00

Submitted By:

Title

Date

Daniel Mayville

Treasurer

7/10/2015

(Note: Total Expenses MUST equal Total Revenue)

