



500 West Big Beaver
Troy, MI 48084
troymi.gov

J-05

CITY COUNCIL AGENDA ITEM

Date: 9-11-2019

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Lisa Burnham, Accounting Manager
Kurt Bovensiep, Public Works Director

Subject: Revised Municipal Credit and Community Credit Agreement for 2020

History

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. The City will begin to use these credits to assist with the cost of the Troy R.Y.D.E service. Council passed **Resolution #2019-07-081** accepting the fiscal year 2020 amount Troy would receive of \$83,840. However, SMART provided an incorrect total for these credits, which has caused the City to seek approval on the corrected amount of \$79,648.

Community credits are a direct result of the SMART millage that provides opt-in communities with additional funds for specialized services. For the fiscal year 2020 the amount Troy would receive is \$119,891 as presented in the original resolution.

Financial

The Municipal Credit and Community Credit Agreement for 2020 through SMART allows the City of Troy to use a total of \$199,539 towards the Troy R.Y.D.E. service.

Recommendation

It is recommended that the City enter into a contract for the revised Municipal and Community Credits with SMART for \$79,648 and \$119,891 respectively. These funds are utilized for transportation service for senior citizens and persons with disabilities through the new Troy R.Y.D.E service.

City Attorney's Review as to Form and Legality

Lori Grigg Bluhm, City Attorney

Date

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT FOR FY2020

I, Dane M. Slater, 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, 2019** through **June 30, 2020** (Section 1 below), and **Community Credits** available for the period **July 1, 2019** to **June 30, 2020** (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, 2021**; 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 **\$119,891.00** in **Community Credit** funds available as follows:

- (a) Transfer to City of Troy Funding of: \$ 119,891.00
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ _____
(Including Charter and Taxi services)
- (c) Services Purchased from SMART At the cost of: \$ _____