



500 West Big Beaver
Troy, MI 48084
troymi.gov

I-04

CITY COUNCIL AGENDA ITEM

Date: 7-15-2019

To: Mark F. Miller, City Manager

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

Subject: Community Partnership Program Agreement between SMART and the City of Troy for Troy R.Y.D.E. Service and Municipal Credit and Community Credit Agreement for 2020- Introduced by Kurt Bovensiep, Public Works Director

History

Through the 2020 budget process, City Council approved City of Troy Staff to assume responsibility of the services currently provided by Troy Medi-Go Plus. Medi-Go Plus is a nonprofit organization offering Troy residents over the age of 60 and Troy residents with disabilities door-to-door transportation to medical appointments, the Troy Community Center, and other important destinations. In efforts to announce the change in service delivery responsibility, the city is rebranding the service name to Troy R.Y.D.E., **Reach Your Destination Easily**. This enhanced service will be in partnership with the Suburban Mobility Authority for Regional Transportation (SMART) as they will provide the necessary shuttle busses and vans to the city. The Community Partnership Program agreement (CPP) is very similar to the agreement with Medi-Go and similar to the agreement for the Big Beaver Shuttle. This is the first step in the city providing the transportation service and is expected to be fully launched October 1, 2019.

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. For the fiscal year 2020 the amount Troy would receive is \$83,840.

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.

Troy's municipal and community credit dollars have been used to support the community based Troy Medi-Go Plus service in the past. These funds will now be used for the Troy R.Y.D.E. service. The boundaries for this program will remain the same.

Financial

The Municipal Credit and Community Credit Agreement for 2020 through SMART allows the City of Troy to use a total of \$203,731 towards the Troy R.Y.D.E. service.

Recommendation

It is recommended that the City enter into the Community Partnership Program agreement with SMART, which will provide the necessary vehicles to perform the Troy R.Y.D.E. service. It is also recommended that the City enter into a contract for Municipal and Community Credits with SMART for \$83,840 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

COMMUNITY PARTNERSHIP PROGRAM

AGREEMENT BETWEEN THE SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION AND THE CITY OF TROY, MICHIGAN

This Agreement (“Agreement”) is made between Suburban Mobility Authority for Regional Transportation (“SMART”), an entity organized under the provisions of Act 204 of the Public Acts of 1967, as amended, and **THE CITY OF TROY, MICHIGAN** (“the Community”).

WHEREAS, SMART, pursuant to the provisions of Act 204, has been vested with the authority to acquire, plan, construct, operate and maintain transportation systems and facilities within its jurisdiction; and

WHEREAS, the Community desires to manage and operate certain public transportation services, as described below; and

WHEREAS, the Troy R.Y.D.E (Reach Your Destination Easily) transportation service is a transportation service provided to Troy residents with permanent or temporary disabilities and Troy residents over the age of 60.

WHEREAS, the purpose of this Agreement is to state the terms and conditions under which the transportation services will be undertaken;

NOW THEREFORE, in consideration of the mutual covenants, and representations contained herein, the parties agree as follows:

1. THE PROJECT

SMART shall provide for the Community’s use, 6 (six) and 1 (one) spare Community Transit buses:

<u>SMART No.</u>	<u>VIN No.</u>	<u>Manufacturer</u>
38045	1FDFE4FS7JDC38560	2018, 23’ Ford Champion
38046	1FDFE4FS9JDC41413	2018, 23’ Ford Champion
38047	1FDFE4FS9JDC38561	2018, 23’ Ford Champion
35075	1GB6G5BL6G1133735	2015, 23’ CMC Challenger
38016	1FDFE4FS8JDC38535	2018, 23’ CMC Challenger
38017	1FDFE4FSXJDC38536	2018, 23’ CMC Challenger
36006	1FBZX2CM9GKA32557	2016, Ford Transit 350 Van

all in good working order at the time of delivery. In the event the Community needs a replacement vehicle for a short period of time, SMART will use its best effort to provide such replacement vehicle on a timely basis. The Community can request a temporary vehicle by calling the County Community Ombudsperson.

The Community shall undertake and carry out the public transportation services of the project, and any activities directly connected with the performance of the project, in accordance with the terms of this Agreement, and as are more specifically described in **Exhibit A**, attached hereto and incorporated herein.

The Community agrees to provide management of all facets of the project, project assets and any staff (e.g. driver(s)), necessary for the efficient and safe operation of the transportation services provided. The Community shall accommodate reasonable requests by SMART to operate the project under policies, standards and procedures set by SMART which enhance the efficient and safe operations and/or are required by rules, regulations or statute.

SMART provides its Community Transit vehicles in an “as is” condition, without warranties of any kind, express or implied from SMART. SMART may from time to time reassign equipment and retains the sole right to determine the style, color, location, etc. of all painting, logos, and lettering to be applied.

2. **TERM OF THE AGREEMENT**

This Agreement shall be effective at the time of signing and shall remain in effect until terminated by the parties. Either party may terminate this Agreement with sixty (60) days written notice for cause or convenience. Upon termination, the Community shall tender possession of the vehicles to SMART at a location within the SMART service area as designated by SMART.

This Agreement shall terminate immediately upon action by the Michigan Legislature, any court of competent jurisdiction or action by the SMART Board of Directors which modifies the Community Transit program or SMART funding in such a way that SMART, in its sole discretion, cannot reconcile its obligations under this Agreement with the legislative action, court order or Board resolution. Written notice to SMART shall be to the General Manager at SMART’s administrative offices, and to the Community at its City or Township Hall.

3. **MODIFICATION**

This Agreement may only be modified by writings signed by both parties.

4. **INDEPENDENT CONTRACTOR AND SUB-CONTRACTING**

The parties agree that the Community is wholly independent in relation to the rights and responsibilities set forth in this Agreement. As such, the Community retains the right to exercise full control and supervision over its employees and sub-contractors, if any. If an

obligation undertaken by this Agreement is sub-contracted, the parties agree the sub-contractor shall fully adhere to the terms of this Agreement as it relates to the work sub-contracted.

5. RECORDS

Accurate financial and operating records of the project shall be kept by the Community, including: ridership, personnel records, expenses, accident reports, maintenance records, dispatch records and all other supporting documents pertaining to the project operation for a minimum of three years. Ridership, maintenance, weekly and quarterly operating reports in the form set forth in the Community Partnership Program Manual shall be submitted by the Community on a weekly and quarterly basis as applicable. SMART may from time to time require additional or different reports to be submitted as necessary. SMART may request, and the Community shall permit, SMART or its designee to review records relating to the project.

6. NON-DISCRIMINATION

The Community shall not discriminate against any employee or applicant for employment because of race, color, sex, age, handicap, religion, ancestry, marital status, national origin, place of birth or sexual orientation. The Community shall ensure that applicants are evaluated for employment and that employees are treated during their employment without regard to their race, color, sex, age, handicap, religion, ancestry, marital status, national origin, place of birth or sexual orientation. The forgoing shall include, without limitation, employment upgrading, demotion, or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation and/or the selection of training, including apprenticeship. The Community shall comply with the provisions of the State of Michigan "Prohibition of Discrimination in State Contracts". The Community further agrees that it will comply with the Civil rights Act of 1964 (78 Stat. 252), and the Michigan Civil Rights Acts of 1976 (454 P.A. 1967), and will require a similar covenant on the part of any consultant and/or subcontractor employed in the performance of this Agreement.

7. DRIVER TRAINING

The Community's drivers must have a Commercial Driver's License (CDL) or a Chauffeurs License depending on the size of the vehicle being operated; receive initial drivers training and refresher training every three (3) years. SMART may offer this training under a separate agreement.

8. MAINTENANCE

The Community shall maintain all project equipment in good working condition, unless it is mutually determined that specific items are no longer feasible to maintain. The Community agrees that it will not allow any equipment to be out of service for a period of time in excess of seven (7) days, unless this results from conditions beyond its control. Maintenance shall be carried out in accordance with specifications for the equipment as may be available either from its manufacturer or the maintenance procedures specified by SMART.

9. INSURANCE AND INDEMNIFICATION

The Community shall provide insurance with the coverage, limits and conditions described below. Any and all insurance must be written with an insurer admitted and licensed in the State of Michigan and approved by SMART's Manager of Risk Management. Proposed insurance carriers should have a Best's rating of "A VI" or above, however, SMART reserves the right to accept or reject any proposed carrier. SMART must be provided with certificates of insurance prior to the effective date of said coverage, and must be provided a complete copy of the insurance policy(ies) within the thirty (30) days following their effective date.

Coverage must be primary and non-contributory and provide a waiver of subrogation in favor of SMART. If the Community is self-insured, a certificate from the appropriate State agency must be furnished by such agency to SMART. If during the term of the contract, the insurance certificate or any required coverage expires or is otherwise modified, the Community is responsible for immediately providing a renewed certificate of insurance to SMART. The purchase of insurance coverage or furnishing the aforesaid certificate to SMART shall not be a satisfaction of the Community's indemnification of SMART.

Physical Damage

Community shall purchase vehicle physical damage insurance, including comprehensive and collision coverage, for SMART owned vehicles for the greater of actual cash value or book value of the vehicle. SMART shall be named as Loss Payee on the policy, and be provided with a minimum of 30 days prior written notice of cancellation. Community shall be responsible for the payment of any deductible and SMART will not be obligated to pay for repairs to the vehicle.

Vehicle Liability

Community shall purchase vehicle liability insurance for SMART owned vehicles, including \$5,000,000 per occurrence Bodily Injury/Property Damage (CSL is acceptable), and Michigan No-Fault protection. SMART shall be named as Additional Insured on the liability policy and be provided a minimum of 30 days prior written notice of cancellation.

Workers' Compensation

Community shall maintain statutory Workers' Compensation and \$500,000 Employer's Liability insurance for all employees, and require such insurance for all employees of any sub-contractors.

General Liability

Community shall maintain comprehensive general liability insurance with a limit not less than \$1,000,000, including contractual liability. Said policy shall name SMART as Additional Insured.

Other State or Federally Funded Vehicles

Community shall maintain insurance on any vehicle not titled or registered to SMART, but for which State or Federal dollars are used to support the purchase of the non-SMART-owned vehicle, including vehicle liability with a limit not less than \$5,000,000 combined single limit. Said policy shall name SMART as Additional Insured.

Indemnification

Notwithstanding any other provision in this Agreement, Community shall indemnify, defend and hold harmless SMART, 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, omission or negligence of or chargeable to the parties, their officers, agents, employees, subcontractors, successors and/or assigns arising out of and pursuant to this Agreement.

10. STATE AND FEDERAL REQUIREMENTS

The Community is required to comply with all applicable SMART policies and procedures, as well as state and federal statutes, rules, and/or regulations including, without limitation, those set forth in the Community Partnership Program Manual, which is incorporated by reference herein, a copy of which the Community acknowledges receipt of. SMART is required to comply with the obligations contained in its "Master Agreement" with the U.S. Department of Transportation, Federal Transit Administration, which is renewed annually. As a Sub-recipient, the Community agrees to meet those obligations. SMART shall assist the Community in identifying any such requirements and assist the Community in compliance.

The aforementioned State and Federal requirements include stringent requirements for drug and alcohol testing of all safety-sensitive personnel, including drivers. Also included are prohibitions against using vehicles for charter service. For further explanations of these requirements, please contact the appropriate SMART Community Ombudsperson.

11. GENERAL

Should any part of this Agreement be declared to be invalid, or beyond the authority of either party to enter into or carry out, such decision will not affect the validity of the remainder of this Agreement, which will continue in full force and effect.

This Agreement is not intended to be a third-party beneficiary contract and confers no rights on anyone other than SMART and the Community.

This Agreement shall not be assigned, transferred or pledged by either party without the prior written consent of the other party, in which case, it shall be binding upon the successors or assigns of the respective parties.

This Agreement constitutes the entire Agreement between the parties hereto and supersedes any and all prior agreements, oral or written. Waiver of any breach of this Agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions of this Agreement.

CITY OF TROY, MICHIGAN

By: _____

Dated _____

Its: _____

SUBURBAN MOBILITY AUTHORITY
FOR REGIONAL TRANSPORTATION

Dated _____

By: _____

John C. Hertel
General Manager

EXHIBIT A

PROJECT DESCRIPTION Troy R.Y.D.E. (Reach Your Destination Easily)

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.

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT FOR FY2020

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, 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 **\$83,840.00** in **Municipal Credit** funds as follows:

- (a) Transfer to City of Troy Funding of: \$ 83,840.00
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 \$83,840.00

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: \$ _____
(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 \$119,891.00

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 **FY2020**, 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, 2023**; any funds not spent by that date may revert back to SMART for expenditure consistent with SMART policy.

This agreement shall be binding once signed by both parties.

THE CITY OF TROY

By: _____

Date _____

Its: _____

**SUBURBAN MOBILITY AUTHORITY FOR
REGIONAL TRANSPORTATION**

By: _____

Date _____

John C. Hertel
General Manager

EXHIBIT A

TROY 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 - Friday 8 am – 4 pm

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): \$2.00 each way

Service Mode (Describe the amount and type of vehicles available, and whether they are wheelchair lift-equipped): 6 - 23' buses and 1 van. All are wheelchair lift equipped.

EXHIBIT B
PROJECT OPERATING BUDGET

Municipality: City of Troy
Contract Period: July 1, 2019 through June 30, 2020
Account Number: 48249

OPERATING EXPENSES:

Administrative Fee: *(All employees
other than drivers and dispatchers)*
(10% max. of MC & CC funds)

Driver Wages	<u>\$124,800.00</u>
Fringe Benefits	<u>\$ 13,950.00</u>
Gasoline & Lubricants	<u>\$ 40,000.00</u>
Vehicle Insurance	<u> </u>
Parts, Maintenance Supplies	<u>\$ 5,000.00</u>
Mechanic Wages	<u>\$ 10,000.00</u>
Fringe Benefits	<u>\$ 5,000.00</u>
Dispatch Wages	<u>\$239,310.00</u>
Other (Specify)- Computer and software	<u>\$ 25,410.00</u> <u>\$ 63,190.00</u>

Operation Supplies

Sub-Total (Operating Expenses) \$526,660.00

PURCHASED SERVICE:

Taxi Service	<u> </u>
Charter Service	<u> </u>
SMART Bus Tickets	<u> </u>
SMART Shuttle Service	<u> </u>
SMART Dial-A-Ride	<u> </u>
Other (Specify)	<u> </u>

Sub-Total (Purchased Service)

CAPITAL EQUIPMENT:

(Only list purchases to be made with Community Credits)

Computer Equipment	<u> </u>
Software	<u> </u>
Vehicle	<u> </u>
Maintenance Equipment	<u> </u>
Other (Specify)	<u> </u>

Sub-Total (Capital Equipment)

TOTAL EXPENSES:

**Operating Expenses, Purchased Service,
and Capital Equipment** \$526,660.00

Troy EXHIBIT B, continued (Page 2)

REVENUES:

Municipal Credit Funds	\$ 83,840.00
Community Credit Funds (FY19)	\$119,891.00
Specialized Services Funds	
General Funds	\$322,929.00
Farebox Revenue	
In-Kind Service	
Special Fares (Contracted Service)	
Other (Specify)	

TOTAL REVENUE: **\$526,660.00**

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