



CITY of NOVI CITY COUNCIL
Agenda Item C
August 26, 2019

SUBJECT: Approval of the 2020 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and Resolution for the Older Adult Transportation Program in the amount of \$54,454.

SUBMITTING DEPARTMENT: Parks, Recreation and Cultural Services (PRCS)

BACKGROUND INFORMATION: The City of Novi is eligible to receive \$54,454 in Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Funds for 2020. These funds are utilized to support the Older Adult Services (OAS) Transportation Program for Novi residents ages 55 and older, and those younger than 55 with a limiting disability. The first priority of the program is to transport individuals to medical appointments and then for shopping, restaurants, visiting friends, programs/classes or entertainment. The objective is to allow them to participate in activities they may not otherwise be able to. The OAS Transportation Program began in February 1990 with one van funded by The Independence for Life Association and one part-time driver funded by Novi Parks, Recreation and Cultural Services.

In the first full year of operation, there was one vehicle, one driver and 3,390 one-way rides provided. Twenty eight years later in FY 2018-19, the program provided 9,819 one-way rides (including special events). OAS employs one part-time coordinator, two part-time schedulers and 13 part-time drivers with a Recreation Supervisor overseeing the program.

During the first full year of the curb-to-curb service, the department provided 3,230 one-way rides. It soon became apparent that, as residents discovered this essential new service, the demand would increase dramatically. In the past three years, we have provided 25,031 one-way rides; averaging 8,343 rides per year.

The OAS Transportation Program has been supported by the City of Novi General Fund, farebox fees, partnerships, and SMART Municipal Credits funding. SMART funding is determined by the population of the city.

For FY 2019-20, the operating budget for the Transportation Program is \$186,170, of which \$25,000 is allocated by City Council. OAS is projecting \$9,000 in farebox revenue.

The chart below shows the percentages of the funding sources received for the transportation program.

Funding Sources	Revenue Account	Amount	% of Funding
Older Adults - Transportation	208-695.00-960.557	\$152,170	82
Older Adults – Vehicle Maintenance	208-695.00-935.557	\$20,000	11
Older Adults-gasoline and oil	208-695.00-865.557	\$14,000	7
TOTALS		\$186,170	100

The OAS Transportation Program is an essential service for many older adults in Novi. The service is a direct lifeline to many and allows them to keep scheduled medical appointments and visit many places at an affordable rate.

The success of the program is evident in hearing the favorable comments from riders who acknowledge how the service is important to their health, convenient for not walking long distances, the ability to be independent and not rely on others, and is stress free, as they don't have to worry about traffic. OAS Transportation has hosted special field trips, as well as vehicle rental opportunities, for groups to attend special occasions after hours for a nominal fee.

Below are a few communities in our area who also manage a transportation program.

Farmington Hills has a curb-to-curb service and operates Monday-Friday from 9 a.m.-3:30 p.m. Their budget is approximately \$200,000 and they receive funding from SMART, farebox, fundraisers, memorial funds and agencies in the community. Farmington Hills utilizes 18 drivers, has 11 vehicles, one part-time coordinator and averages 100 rides per day. There is a \$2 suggested donation each way.

Livonia has door-to-curb service, operates Monday-Friday from 7 a.m.-6:30 p.m. and Saturday-Sunday 8 a.m.-2:30 p.m. Their budget is from a millage. Fares are \$2 each way. They also drop off at SMART and DDOT hubs in the city. Livonia transportation has approximately 25 drivers with 17 buses and averages 1,000 rides per week.

Northville has curb-to-curb service and operates Monday-Friday from 9 a.m.-4 p.m. Northville charges \$3 each way within the city and township, \$4 within a four-mile radius of the city/township each way and 4-8 miles outside the city/township is \$5 each way. They have five part-time drivers, two schedulers and 10-15 rides per day. Northville funding is received through SMART, City and Township funds and farebox.

Current Program

The OAS Transportation program currently operates a total of six vehicles. The table below shows vehicle model, seating, mileage, purchase price, depreciation value without a wheelchair lift and the recommended useful life of the vehicle.

Vehicle	Seating	Mileage (updated 7/8/19)	Purchase price	Current Depreciation value	Useful life
2005 Jeep Liberty (#3)	3 passenger	49,548	\$22,978	\$2,796	7
2009 Ford E350 Terra Bus (#4)	14 passenger	84,086	\$39,977	\$4,624	7
2019 Ford Transit	7 passenger 1 wheelchair	6,917	\$45,219	N/A	7
2016 Dodge RAM Van (#5)	7 pass w/2 wheelchairs	70,089	\$44,670	\$10,485	7
2015 Dodge Grand Caravan (#6)	6 passenger	52,767	\$21,436	\$7,535	7
2017 Ford Transit Connect (#7)	7 passenger 1 wheelchair	28,477	\$49,398	\$38,187	7

For FY 2018-19, 111,915 miles were traveled in 9,151 hours, spending \$11,395 on fuel and about \$11,970 on maintenance (oil changes, body work, tires, new transmission and general repairs).

In July 2018, the program expanded its hours from Monday-Friday from 8 a.m.-4:30 p.m. to 8 a.m.-6:30 p.m., Saturdays remain 9 a.m.-2 p.m. with an additional driver and services are unavailable Sundays. Riders must call one business day in advance to schedule a ride. Rides are scheduled between 7:30 a.m.-4 p.m. daily. Transportation is provided to Novi residents only. In Fiscal Year 18-19, 13,262 rides were provided which was an increase of 2517 rides over FY 17-18.

Passengers may ride anywhere within the City of Novi and the shopping areas located at Grand River and Wixom Roads and Eight Mile and Haggerty Roads for free and \$5 per one-way ride for visits outside the City of Novi, but within 10 miles of Novi Civic Center.

Punch cards are available for \$30 for 7 rides outside of Novi.

RECOMMENDED ACTION: Approval of the 2020 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and Resolution for the Older Adult Services Transportation Program in the amount of \$54,454.

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT FOR FY2020

I, _____, as the _____ of the CITY OF NOVI (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 through 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 **\$54,454.00** in **Municipal Credit** funds as follows:

- (a) Transfer to _____ Funding of: \$ _____
TRANSFeree COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ 54,454.00
(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 \$54,454.00

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 **\$0** 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: \$ _____
(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 \$0

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.

CITY OF NOVI

By: _____

Date _____

Its: _____

**SUBURBAN AUTHORITY FOR
 REGIONAL TRANSPORTATION**

Date _____

By: _____

John C. Hertel
 General Manager

EXHIBIT A

NOVI PROJECT DESCRIPTION FISCAL YEAR 2019 – JULY 1, 2019 through JUNE 30, 2020

Overall Project Description (Provide a descriptive narrative):

The City of Novi Older Adult Transportation Program is an advance reservation transportation service for older adults and disabled non-seniors provided by the City of Novi Parks, Recreation and Cultural Services Department. The priority of the Transportation Program is to provide rides for medical appointments, trips to hospitals, grocery stores, banks, malls and numerous other facilities. Particular emphasis is placed on transporting riders to Meadowbrook Activity Center, Novi Civic Center and the Novi Public Library as well as city-sponsored events. The City promotes the program through the “Engage!” Parks, Recreation and Cultural Services catalog, the “Enhance” Older Adult Services e-newsletter, flyers, advertisements on the local cable station, community presentations, Facebook, etc. Riders are given a brochure with information about the transportation program the first time they use the service.

Service Area (Provide geographic boundaries):

Service for the Novi Transportation Program is available to residents within 10 miles from the Novi Civic Center. In some cases, the medical facility may be located just outside of the 10 mile distance and consideration will be given based on availability.

Service Times (Provide days and hours of service):

Transportation is available 8am-7pm Monday-Friday (last pick-up is 6:30pm in Novi or 6:00pm out of Novi) and 9am-3pm Saturday (last pick-up is at 2:30pm). There are no Sunday hours. Reservations are required at least one business day in advance and are scheduled based on availability. Riders may schedule rides between the hours of 7am-4pm daily by calling (248) 735-5617 or can book any time on the self-service booking portal. Riders should allow some flexibility in their appointment scheduling to account for traffic, construction and weather conditions. Drivers may be up to 15 minutes early or late, depending on the conditions.

Eligible User Groups (Users eligible to use the service):

Novi residents 55+ or those younger than 55 with a limiting disability are eligible. The service cannot accommodate children.

Fare Structure (Cost to Use Service):

Rides within the City of Novi are free of charge and \$5.00 one-way outside the City limits. A punch card is available for passengers to use in place of cash and is purchased from a driver or at the Older Adult Services Office.

Service Mode (Describe the amount and type of vehicles available, and whether they are wheelchair lift-equipped):

The program utilizes:

- 1 vehicle with 6 seats without wheelchairs or 2 wheelchairs and 4 seats
- 1 vehicle with 8 seats without wheelchairs or 2 wheelchairs and 4 seats
- 1 vehicle with 7 seats 1 wheelchair
- 1 jeep with 1 in front seat and 2 in back
- 1 van with 6 seats
- 1 van with 14 seats

Note: Accommodations for motorized chairs may be restricted based on lift limitations.

**EXHIBIT B
PROJECT OPERATION BUDGET**

COMMUNITY: (Type Community/Agency Name Here)

PROJECT: MUNICIPAL/COMMUNITY CREDIT PROGRAM

FISCAL YEAR 2020 - JULY 1, 2019 THROUGH JUNE 30, 2020

OPERATING EXPENSES:

Administrative Fee (max. is 10% of MC/CC Funds)	\$ -	
Driver Wages	\$ 146,170.00	
Fringe Benefits	\$ -	
Gasoline & Lubricants	\$ 15,000.00	
Vehicle Insurance	\$ -	
Parts, Maintenance Supplies	\$ 25,000.00	
Mechanic Wages	\$ -	
Fringe Benefits	\$ -	
Dispatch Wages	\$ -	
Cell phones or other overhead costs (Specify)	\$ -	
Sub Total (Operating Expenses)		\$ 186,170.00

PURCHASED SERVICES

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

CAPITAL EQUIPMENT

(Only list purchases to be made with Community Credits)

Computer Equipment	\$ -	
Software	\$ -	
Vehicle	\$ -	
Maintenance Equipment	\$ -	
Other (Specify)	\$ -	
Sub Total (Capital Equipment)		\$ -

TOTAL EXPENSES

(Operating Expenses, Purchased Service and Capital Equipment)

\$ 186,170.00

REVENUES:

Municipal Credit Funds	\$ 54,454.00
Community Credit Funds	\$ -
Specialized Services Funds	\$ -
General Funds	\$ 75,010.00
Farebox Revenue	\$ 9,000.00
In-Kind Service	\$ -
Special Fares (Contracted Service)	\$ -
Other (Specify)	\$ 47,706.00

TOTAL REVENUE:

\$ 186,170.00

Submitted By:

Title

Date

(Note: Total Expenses MUST equal Total Revenue)



**SMART MUNICIPAL CREDIT PROGRAM
RESOLUTION**

CITY COUNCIL

Mayor
Bob Gatt

Mayor Pro Tem
Dave Staudt

Andrew Mutch

Laura Marie Casey

Kelly Breen

Ramesh Verma

Doreen Poupard

City Manager
Peter E. Auger

**Director of Parks, Recreation &
Cultural Services**
Jeffrey A. Muck

WHEREAS, the City of Novi is desirous of maintaining the existing Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.) Municipal Credit Program, and

WHEREAS, this program provides an essential service to senior citizens and handicapped individuals.

NOW, THEREFORE, BE IT RESOLVED that the Novi City Council hereby requests the 2020 Municipal Credit funding from Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.), in the amount of \$54,454, and

BE IT FUTHER RESOLVED that funding be distributed in the following manner:

Novi Older Adult Transportation Program

\$54,454

Total \$54,454 (less SMART administration fees)

Certification

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Novi at a Regular Meeting held the 12th day of August, 2019.

Dawn Spaulding, Deputy City Clerk



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cityofnovi.org