



CITY OF NOVI CITY COUNCIL JUNE 23, 2025

SUBJECT: Approval of the 2025 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and transfer to People's Express in the amount of \$62,149.

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

KEY HIGHLIGHTS:

- Novi is not eligible to retain the Credit Funds as we no longer directly operate a Transportation program.
- If the credits are not transferred to People's Express they may be reallocated by SMART

BACKGROUND INFORMATION:

The City of Novi is eligible to receive \$62,149 in Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Funds for 2025. In the past, these funds supported the Novi Senior Transportation Program, which concluded at the end of June 2024 as People's Express began transportation operations in Novi. While Novi is no longer eligible to use these funds directly, the City may transfer them to People's Express to support transportation services within the community.

City staff reviewed multiple options for retaining the funds and engaged in extensive communication with SMART, as well as consultation with the City Attorney's Office. Based on the guidance received, Novi is not eligible to retain the credits, as SMART has discretion under Act 51 to define operational costs and determine how Municipal Credit funds may be allocated. If the funds are not transferred to People's Express, SMART may reallocate them at its discretion.

People's Express will utilize these funds for the fiscal year July 1, 2024 – June 30, 2025, to help support transportation services in Novi.

COUNCIL ACTION: Approval of the 2025 Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Fund Contract and transfer to People's Express Program in the amount of \$62,149.

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

S.M.A.R.T. MUNICIPAL CREDIT PROGRAM RESOLUTION

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on June 23, 2025 at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers_____

ABSENT: Councilmembers_____

The following preamble and Resolution were offered by Councilmember _____and supported by Councilmember _____.

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, IT IS THEREFORE RESOLVED that the Novi City Council hereby requests the 2025 Municipal Credit funding from Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.), in the amount of \$62,149.

BE IT FUTHER RESOLVED that funding be distributed in the following manner: transfer to People's Express

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

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, County of Oakland, and State of Michigan, at a regular meeting held this 23rd day of June, 2025, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT FOR FY2025

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, 2024 through June 30, 2025 (Section 1 below), and **Community Credits** available for the period July 1, 2024 to June 30, 2025 (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 **\$62149** in **Municipal Credit** funds as follows:

- (a) Transfer to **People’s Express Inc.** _____ Funding of: \$ **62149** _____
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 \$62149

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, 2027; 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 FY 2025, 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, 2029; any funds not spent by that date may revert back to SMART for expenditure consistent with SMART policy.

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.

This Agreement shall be binding once signed by both parties.

**SUBURBAN MOBILITY AUTHORITY
FOR REGIONAL TRANSPORTATION**

CITY OF NOVI

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

EXHIBIT A

PROJECT DESCRIPTION

Overall Project Description (Provide a descriptive narrative):

Service Area (Provide geographic boundaries):

Service Times (Provide days and hours of service):

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

Fare Structure: (Cost to use service)

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

EXHIBIT B
PROJECT OPERATING BUDGET

Municipality: City of Novi

Contract Period: July 1, 2024 through June 30, 2025

Account Number: 48233

OPERATING EXPENSES:

Administrative Wages/Salary: *(All employees other than drivers and dispatchers)*

(10% max. of MC & CC funds)

Driver Wages

Fringe Benefits

Gasoline & Lubricants

Vehicle Insurance

Parts, Maintenance Supplies

Mechanic Wages

Fringe Benefits

Dispatch Wages

Other (Specify)

Other (Specify)

Other (Specify)

Sub-Total (Operating Expenses)

PURCHASED SERVICE:

Taxi Service

Charter Service

SMART Bus Tickets

SMART Shuttle Service

SMART Dial-A-Ride

Other (Specify)

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: _____

EXHIBIT B, continued (Page 2)

REVENUES:

Municipal Credit Funds	62149	
Community Credit Funds	0	
Specialized Services Funds		
General Funds		
Farebox Revenue		
In-Kind Service		
Special Fares (Contracted Service)		
Other (Specify)		

TOTAL REVENUE:

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

Suburban Mobility Authority for Regional Transportation

EEO COMPLIANCE REPORT A

COMMUNITY PARTNERSHIP FORM

Agency/Community Information		
Program Type: Community Partnership Program (CPP) <input type="checkbox"/> Specialized Service <input type="checkbox"/> New Freedom <input type="checkbox"/> JARC <input type="checkbox"/> 5310 <input type="checkbox"/>		
Name of Agency/Community:		
Address:		
City:	State:	Zip:
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 <input type="checkbox"/> No <input type="checkbox"/>		
2) Does your agency/community employ over fifty (50) transit related employees? Yes <input type="checkbox"/> No <input type="checkbox"/>		
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 <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>		
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 <input type="checkbox"/> No <input type="checkbox"/>		
Name of drug and alcohol testing manager?		Title:
Phone Number:	Ext:	Email:
Please Proceed to Employment Data Section on Back		

Suburban Mobility Authority for Regional Transportation

EEO COMPLIANCE REPORT A

COMMUNITY PARTNERSHIP FORM

Employment Data																		
Report ONLY employees directly involved in the operation of your non-emergency transportation program. Including permanent, temporary, or part-time employees. Enter the appropriate figures in the spaces below relating to each employee's race and gender.																		
Job Classification	Total				Race													
					Minority													
	White		African American		Hispanic		Asian		Pacific Islander		American Indian		Multi Race					
	Employees	Male	Female	Minority	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Officials/Managers																		
Professionals																		
Technicians																		
Office and Clerical Staff																		
Craftsmen (Skilled)																		
Operators (Semi-Skilled)																		
Laborers (Unskilled)																		
Service Workers																		
Journey Workers																		
Apprentices																		
Total																		

Certification	
How was this information obtained? Visual Survey: Yes <input type="checkbox"/> No <input type="checkbox"/> Employment Records: Yes <input type="checkbox"/> No <input type="checkbox"/>	
Name of Authorizing Official (Print):	Title:
Signature:	Date:
Contact person for report:	Title:
Telephone:	Ext: Email: