



CITY of NOVI CITY COUNCIL

Agenda Item E
October 6, 2014

SUBJECT: Approval of the 2015 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)

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

The City of Novi is eligible to receive \$54,454 in Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credit Funds for 2015. These funds are utilized to support the Older Adult Services Transportation Program for Novi residents age 55 and over and physically challenged non-senior residents. The first priority of the program is to transport older adults to medical appointments and then for shopping, restaurants, visiting friends, going to the movies and allowing them to participate in activities they may not otherwise be able to do. The Older Adult Services 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 and Recreation.

The first full year of operation of the curb to curb service, the department provided a surprising 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 30,137 one-way rides, averaging 10,000 rides per year.

The Older Adult Services Transportation program has been supported by the City of Novi General Fund, user fees and Suburban Mobility Authority for Regional Transportation (SMART) Municipal Credits funding. Funding has changed and communities as a whole have experienced decreases in outside funding. Currently, the transportation program is supported with revenue from SMART, farebox revenue and Parks, Recreation and Cultural Services by providing vehicles as well as funding for operations. SMART monies are determined by the population of the city.

The Older Adult Services Transportation program is projecting \$14,000 in farebox revenue and \$5,000 in vehicle advertising. In addition, we applied for a \$20,000 St. John Providence Health System grant to help offset operating cost. For FY 2014-2015 the budgeted operating amount of the transportation program is \$150,741 of which Council contributed \$25,000 and \$32,287 is absorbed into the Parks, Recreation and Cultural Services budget.

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

Funding Sources	Revenue Account	Amount	% of Funding
Fare Box	208-000.00-653.557	\$14,000	10
General Fund	208-000.00-676.101	\$25,000	17
Parks, Recreation Fund Balance	208-000.00-650.000	\$32,287	21
SMART	208-000.00-653.565	\$54,454	36
St. John Providence	208-000.00-665.695	\$20,000	13
Vehicle Advertising	208-000.00-665.000	\$ 5,000	3
TOTALS		\$150,741	100%

It is important to know locations are further away as so many of our population need to go to many doctor appointments, medical testing and other procedures. Many times, the driver needs to stay in one location for up to two hours because of the distance, traffic and making sure we are there when the appointment is done. As doctors continue to overbook, the length of time the passengers, our drivers and equipment must wait lengthens.

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

Farmington Hills: has a curb to curb service, operates Monday-Friday from 8:30am-3:30pm. Their budget is approximately \$200,000 and they receive funding from SMART, farebox, fundraisers, memorial funds and agencies in the community. Farmington Hills utilizes 15 drivers, has 10 vehicles, 1 part time coordinator and averages 105 rides per day. There is a \$2 suggested donation each way. (They now have SMART Connector that only charges \$1 each way.

Livonia: has door to door service, operates Monday-Friday, 7am-6:30pm, Sat and Sun 8am-2:30pm. 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 24 drivers with 17 buses and average 900 rides per week.

Northville: has curb to curb service, operates Monday-Friday from 9am-4pm. Northville charges \$3 each way within the city, \$4 within a 4 miles radius of the city each way and 4-8 miles outside the city is \$5 each way. They have 4 part-time drivers and 1 scheduler and have 10-15 rides per day. Northville Funding is received through SMART, City and Township funds and farebox.

CURRENT PROGRAM

The Older Adult Services Transportation program currently operates a total of 7 vehicles. The table below shows year, seating, mileage, purchase price, depreciation value without a wheelchair lift and the recommended useful life of the vehicle.

Vehicle	Seating	Mileage (updated 8/8/14)	Purchase price	Current Depreciation value	Useful life
2011 Ford E250 Van(#1)	8 pass or 4 pass and 2 w/chair	64,258	\$31,918	\$27,359	7
2009 Ford E350 Van (#9)	13 passenger	35,098	\$39,977	\$22,844	7
2012 Ford E350 Van (#5)	9 pass or 4 pass 2 w/chairs	43,256	\$35,798	\$33,241	7
2010 Ford Crown Vic (car) (#7)	4 passenger	99,084	\$20,806	\$11,772	7
2010 Ford Crown Vic (car) #2	4 passenger	88,062	\$20,806	\$8,829	7
2013 Ford E450 Van (#3)	12 pass or 10 pass w/3 w/chairs	4,338	\$44,670	\$38,289	7
2007 Chrysler Mini Van (#8)	5 passenger	126,567	\$31,522	\$4,818	7

The range of purchase cost for any of the transportation vehicles depends on the size of the vehicle, if a lift is installed, how many seats are needed and range anywhere from \$35,000 to \$55,000. When a vehicle is purchased, the old vehicle is traded in for \$1,000 to \$1,500 depending on the condition of the vehicle.

Maintenance costs for all vehicles for FY 2013-2014 totaled approximately \$29,424 which includes, oil changes, body work, tires, GPS monitoring and general work done on the vehicles. Fuel during the same time frame was approximately \$18,554 for all seven vehicles.

Transportation employees include 1 part-time transportation coordinator, 2 part-time driver/schedulers and 13 part-time drivers. The program is supervised by the Older Adult Services Manager.

The transportation program operates Monday through Friday from 8am-4:30pm and Saturday 9-2pm and closed on Sunday. There are no Sunday hours. Clients may schedule rides between the hours of 7:30am and 4:30pm daily by calling (248) 735-5617. Advance notice of 2 days is required.

Passengers may ride anywhere within the City of Novi for a nominal fee of \$3 per one-way ride and \$5 per one-way ride for up to 10 miles outside the City of Novi. There are complimentary rides to go to Meadowbrook Activity Center, Civic Center, Novi Public Library or to any program sponsored by City of Novi. We have created 3 separate "punch cards" for our passengers that allow them to purchase a card for the following rates:

- 10 rides within the City \$30
- 6 rides outside the City \$30
- 20 rides to MAC, Civic Center, Library \$20

The punch card is used in place of cash, makes it easier for the passengers and ensures us of collecting fees. Transportation is provided to Novi residents only. We encourage residents to call 48 hours in advance by calling the scheduler at (248) 735-5617.

The Older Adult Services Transportation program is an essential service for many older adults in Novi. The service is a direct lifeline to the many older adults in Novi and allows them to keep scheduled doctor appointments, medical testing and going to the many places in Novi which allows a good quality of life at an affordable rate, supplementing family and private taxi services.

RECOMMENDED ACTION: Approval of the 2015 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.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT for FY - 2015

I, _____, as the _____ of **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** (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 \$ **54,454** in **Municipal Credit** funds as follows:

- (a) Transfer to _____ Funding of: \$ _____
TRANSFEREES COMMUNITY
- (b) Van/Bus Operations At the cost of: \$ 54,454
(Including Charter and Taxi services)
- (c) Services Purchased from SMART At the cost of: \$ _____
(Including Tickets, Shuttle Services/Dial-a-Ride)

Total \$ 54,454

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, 2016; 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: \$ _____
TRANSFEREES 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: \$ _____

Total \$ 0

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT for FY - 2015

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 2014, 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, 2017 unless approval from SMART General Manager is obtained to extend Community Credits for an additional 2 years to allow accrual for major capital projects; 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 Mobility Authority for
Regional Transportation

Date _____

By: _____

John C. Hertel
General Manager

Employment Data (continued)

Employment at this establishment-Report all permanent, temporary, or part-time employees including apprentices and on-the-job trainees. Enter the appropriate figures.

Job Categories	Current Workforce				Under-utilization		Estimated Number of Vacancies	2014 Goals				Ultimate Goals				
	No. of Employees	Minority		Female		Min.		Fem.	Minority		Female		Minority		Female	
		#	%	#	%				#	%	#	%	Year	%	Year	%
Officials/Managers	1		0%	1	100%											
Professionals			####		####											
Technicians			####		####											
Sales Workers			####		####											
Office and Clerical Staff	2		0%	1	50%											
Craftsmen (Skilled)			####		####											
Operators Coordin (Semi. Skilled)	1		0%		0%											
Laborers (Unskilled)	13	1	8%	2	15%											
Service Drivers Workers			####		####											
Journey Workers			####		####											
Apprentices			####		####											
Total	17	1	6%	4	24%											

Certification

Name of authorized official: Karen Kapchonick Title: Older Adult Services Manager
 Signature: *Karen Kapchonick* Date: 10/22/14
 Name of person to contact regarding this report: Karen Kapchonick Title: Older Adult Services Manager
 Address (number and street): 45175 Ten Mile Rd. City: Novi
 State: MI Zip Code: 48375 Area Code: 248 Telephone Number: 347-0414 Ext.:
 How was information as to race or ethnic group obtained? Visual Survey Employment Records

Do not write below this line. For SMART Only.

Date	Awardable		Signature	Comments
	Yes	No		

EXHIBIT A

PROJECT DESCRIPTION

COMMUNITY: City of Novi

PROJECT: MUNICIPAL/COMMUNITY CREDIT PROGRAM
FISCAL YEAR 2015 – JULY 1, 2014 THROUGH JUNE 30, 2015

Overall Project Description

The City of Novi Senior Transit System 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 Van Transportation program is to provide rides for medical appointments, trips to the hospitals, grocery stores, banks, malls, as well as numerous other facilities. Particular emphasis is placed on transporting riders to Meadowbrook Activity Center, Civic Center and the Novi Library as well as other City sponsored events. The City promotes the program through the Parks, Recreation & Cultural Services brochure, Engage!, Enhance, the Older Adult newsletter, as well as flyers, advertisement on the local cable station, community presentations, etc. Riders are also given a brochure with information about the transportation program the first time they use the service.

Service Area (please provide geographic boundaries):

Service for Van Transportation is available to residents for trips within the City of Novi boundaries, as well as up to 10 miles outside the City. In some cases, the medical facility may be located just outside the 10 mile radius and consideration will be given to include those special requests, if timing is appropriate.

Service Times (please provide days and hours of service):

Transportation is available 8am-4:30pm Monday–Friday and 9–2pm Saturday. Advance notice of 2 days is required for transports during regular business hours. There are no Sunday hours. Clients may schedule rides between the hours of 7:30am and 4:30pm daily by calling (248) 735-5617. Riders should allow some flexibility in their appointment scheduling to account for traffic, construction and weather conditions. We may be up to 15 minutes early or late, depending on the conditions.

Eligible User Groups (please set forth users eligible to use the service):

All Novi residents, age 55 and above, are eligible for the transit service, as well as disabled non-seniors approved by the Novi Parks, Recreation and Cultural Services Department. The highest priority is given to older adults who have no other form of transportation.

Fare Structure:

Fares within the City are \$3.00 one-way (per stop) and \$5.00 one-way outside the City limits. A complimentary ride is provided to the Meadowbrook Activity Center, Civic Center and Library and to programs sponsored by the City of Novi. A punch card is also available to passengers to use in place of money and is purchased from a driver or at the Older Adult Services Office. Rides are available to those with income restrictions.

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

The program utilizes:

- 1 vehicle with 12 seats without wheelchair or 3 wheelchair and 10 seats
- 1 vehicle with 8 seats without wheelchair or 2 wheelchair and 4 seats
- 1 vehicle with 6 seats without wheelchairs or 2 wheelchair and 4 seats
- 2 cars with 1 in front seat and 3 in back
- 1 van with 1 in front, 2 in middle and 3 in rear
- 1 vehicle with 13 seats

Note: We do provide wheelchairs to those that need one from our loan closet if in stock, but we cannot accommodate all types of motorized chairs, due to limitations of our lifts.

EXHIBIT B

PROJECT OPERATION BUDGET

COMMUNITY: City of Novi Senior Transportation 48223
 PROJECT: MUNICIPAL/COMMUNITY CREDIT PROGRAM
 FISCAL YEAR 2015 - JULY 1, 2014 THROUGH JUNE 30, 2015

OPERATING EXPENSES:

Administrative Fee (max. is 10% of MC/CC Funds)	\$	-	
Driver Wages	\$	105,741.00	
Fringe Benefits	\$	-	
Gasoline & Lubricants	\$	20,000.00	
Vehicle Insurance	\$	-	
Parts, Maintenance Supplies	\$	25,000.00	
Mechanic Wages	\$	-	
Fringe Benefits	\$	-	
Dispatch Wages	\$	-	
Cell phones or other overhead costs			GPS, shirts
Sub Total (Operations & Maintenance)			\$ 150,741.00

PURCHASED SERVICE

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

CAPITAL EQUIPMENT

(List purchases made with Community Credits)

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

TOTAL EXPENSES

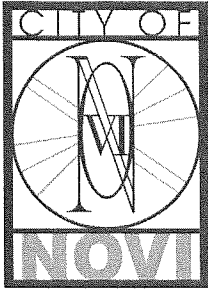
\$ 150,741.00

REVENUES:

Municipal Credit Funds	\$	54,454.00	
Community Credit Funds	\$	-	
Specialized Services Funds	\$	-	
General Funds	\$	46,287.00	
Farebox Revenue	\$	25,000.00	
In-Kind Service	\$	-	
Special Fares (Contracted Service)	\$	-	
Other (Specify)			Grant
TOTAL REVENUE:			\$ 150,741.00

Submitted By:	Title	Date
<u>Karen Kapechonis</u>	Older Adult Services Manager	10/22/2015

Note: Total Expenses MUST equal Total REVENUE



**SMART MUNICIPAL CREDIT PROGRAM
RESOLUTION**

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 2015 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 6th day of October, 2015.

Maryanne Cornelius, City Clerk

CITY COUNCIL

Mayor

Bob Gatt

Mayor Pro Tem

Dave Staudt

Andrew Mutch

Justin Fischer

Wayne Wrobel

Laura Marie Casey

Gwen Markham

City Manager

Peter E. Auger

**Parks, Recreation & Cultural
Services Director**

Jeffrey A. Muck

Older Adult Services Manager

Karen M. Kapchonick

City of Novi Older Adult Services

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Novi, Michigan 48375

248.347.0414

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cityofnovi.org