City of Birmingham
A Walkable Community

MEMORANDUM

Finance Department

DATE: **August 24, 2015**

TO: **Joseph A. Valentine, City Manager**

FROM: **Mark Gerber, Finance Director/Treasurer**

SUBJECT: **Fiscal Year 2016 Municipal and Community Credit Funds**

The City will receive $19,760 in Municipal Credits and $25,347 in Community Credits this year for a total of $45,107 under a program administered by the Suburban Mobility Authority for Regional Transportation (SMART). Municipal Credits are derived from money collected by the state, mainly from gasoline taxes, and distributed by SMART directly to local communities for transit needs. Community Credits are derived from taxes levied to support SMART. A share of these millage dollars collected by SMART is returned to communities to support or expand current transportation programs. Funds received under the Municipal Credits program must be spent within 2 years. Funds received under the Community Credits program must be spent within 3 years.

Last year the City received the same amount of funding. The City allocated $20,042 of its Community Credit funds last year to provide funding for a bus shelter located at S. Old Woodward south of Merrill. The balance of the City's total funding allocation last year ($25,065) was allocated to the Next (BASCC) to support their specialized transportation program for seniors and physically-challenged residents of the City.

The cost for a bus shelter and ancillary items are approximately $20,000. Therefore, for fiscal year 2016, it is recommended that $20,042 of Community Credits be used to fund the costs for a bus shelter on West Maple (location to be recommended by the Multi-Modal Committee). Improvements would include a bus shelter with a bench inside. The bus shelter will be consistent with the prior shelters purchased and previously reviewed and approved by the Architectural Review Committee.

It is further recommended that the balance of Community Credits ($5,305) and the City's Municipal Credits ($19,760) be used to support Next's specialized transportation services. This would provide a total allocation to Next of $25,065, which is the same level of funding received by Next last year.

SUGGESTED RESOLUTION: To approve $19,760 in Municipal Credits and $5,305 in Community Credits to provide support for Next's specialized transportation program; to approve $20,042 in Community Credit funds for the purchase of a new bus shelter located on West Maple (location to be recommended by the Multi-Modal Committee); and further to direct the Mayor to sign the Municipal Credit and Community Credit contract for fiscal year 2016 on behalf of the City.

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT
for FY - 2016

I, Stuart Lee Sherman, as the Mayor of **City of Birmingham** (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 $ **19,760** in **Municipal Credit** funds as follows:

(a) Transfer to Next (TRANSFEREE COMMUNITY) — Funding of: $ 19,760

(b) Van/Bus Operations (Including Charter and Taxi services) — At the cost of: $ _____

(c) Services Purchased from SMART (Including Tickets, Shuttle Services/Dial-a-Ride) — At the cost of: $ _____

Total $ 19,760

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, 2017; 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 $ **25,347** in **Community Credit** funds available as follows:

(a) Transfer to Next (TRANSFEREE COMMUNITY) — Funding of: $ 5,305

(b) Van/Bus Operations (Including Charter and Taxi services) — At the cost of: $ _____

(c) Services Purchased from SMART (Including Tickets, Shuttle Services/Dial-a-Ride) — At the cost of: $ _____

(d) Capital Purchases — At the cost of: $ 20,042

Total $ 25,347

MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT
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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 2016, 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, 2018 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 Birmingham

By: _____

Date _____ Its: _____

Suburban Mobility Authority for
Regional Transportation

Date _____ By: _____
John C. Hertel
General Manager

EXHIBIT B
PROJECT OPERATION BUDGET

COMMUNITY: (Type Community/Agency Name Here)
PROJECT: MUNICIPAL/COMMUNITY CREDIT PROGRAM
FISCAL YEAR 2016 - JULY 1, 2015 THROUGH JUNE 30, 2016

OPERATING EXPENSES:		
Administrative Fee (max. is 10% of MC/CC Funds)	$ -	
Driver Wages	$ -	
Fringe Benefits	$ -	
Gasoline & Lubricants	$ -	
Vehicle Insurance	$ -	
Parts, Maintenance Supplies	$ -	
Mechanic Wages	$ -	
Fringe Benefits	$ -	
Dispatch Wages	$ -	
Cell phones or other overhead costs (Specify)	$ -	
Sub Total (Operating Expenses)		**$ -**
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 - Bus Shelter	$ 20,042.00	
Sub Total (Capital Equipment)		**$ 20,042.00**
TOTAL EXPENSES (Operating Expenses, Purchased Service and Capital Equipment)		**$ 20,042.00**
REVENUES:		
Municipal Credit Funds	$ -	
Community Credit Funds	$ 20,042.00	
Specialized Services Funds	$ -	
General Funds	$ -	
Farebox Revenue	$ -	
In-Kind Service	$ -	
Special Fares (Contracted Service)	$ -	
Other (Specify)	$ -	
TOTAL REVENUE:		**$ 20,042.00**

Submitted By:	Title	Date
Mark Gerber	Finance Director/Treasurer	8/27/2015

(Note: Total Expenses MUST equal Total Revenue)